



CITY OF FORT BRAGG

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COUNCIL COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: May 30, 2017
TO: Community Development Committee
FROM: Marie Jones & Jennifer Owen
AGENDA ITEM TITLE: **Receive Report and Provide Recommendation to City Council
Regarding the 2017 Visit Fort Bragg Action Plan**

ISSUE:

The voter approved 1% increase in the TOT rate will be dedicated to tourism marketing and promotions in 2017/18 and will generate an estimated \$200,000 in additional revenue for this activity. Currently Visit Fort Bragg receives approximately \$80,000 in TOT revenues per year. Together these funds result in an estimated budget for Fiscal Year 2017/18 of \$280,000. In February of 2017, The City Manager directed the Community Development Department to take on a significant new responsibility and work effort – namely the management and coordination of the new \$280,000 promotions and marketing effort for Fort Bragg.

On April 25, 2017 staff brought a proposal to the Community Development Committee (CDC) to dedicate a portion of the new TOT funds to fund staff time to manage and coordinate the new marketing effort. In addition staff provided a draft Fort Bragg Marketing and Promotions Action Plan for CDC review and input. At the CDC meeting staff was directed to: 1) provide a summary of alternative management strategies for the TOT marketing effort at the next CDC meeting; 2) bring all RFP's for consultant services forward to the CDC for review and discussion prior to bringing them forward to the City Council. No feedback was provided during the meeting regarding the specifics of the Action Plan itself. Staff has prepared two staff reports addressing items #1 and #2 above, which will be presented and discussed subsequent to this staff report which outlines the Draft Action plan for consideration by the CDC.

BACKGROUND:

At the February 8, 2016 City Council meeting, an ad hoc committee comprised of Mayor Dave Turner and Vice Mayor Lindy Peters was formed to explore the possibility of a ballot measure to

increase the Transient Occupancy Tax (TOT) rate to generate revenue to expand Fort Bragg tourism business. On June 13, 2016, City Council introduced an Ordinance increasing the TOT to 12%, subject to voter approval. On November 8, 2017 the voters approved the general tax measure and the advisory measure.

In February of 2017, the responsibility for the oversight and management of the TOT funds for tourism promotion was delegated to the Community Development Department. In March of 2017, CDD staff met with managers of Visit Mendocino County (Brent Haugen) and Visit Ukiah (Shannon Riley) to glean lessons learned and obtained advice for how to proceed with the Fort Bragg effort. These meetings were very informative. In April and May of 2017, staff developed a draft 5-page *Fort Bragg Promotions and Marketing Action Plan and budget* for the 2017/2018 fiscal year (see Attachment 1). Staff presented the draft Action Plan to meetings of the Visit Fort Bragg Committee twice and Downtown Watch twice. The discussions were lively and many good suggestions were made and folded into the draft Action Plan. Staff contacted every hotel manager in Fort Bragg and forwarded electronic copies of the draft Action Plan on three occasions to hotel managers and followed up each email with one or two phone calls to connect and obtain further input about proposed marketing and promotion activities. As of April 20th staff had received comments from operators/managers of ten Fort Bragg hotels, including:

- Beachcomber
- Colombi Motel
- Fort Bragg Travelodge
- Motel 6
- North Cliff Hotel
- Ocean View Lodging
- Oceanside Inn & Suites
- Super 8 Motel
- Surf & Sand Lodge
- Weller House Inn

Furthermore staff met with managers of area attractions and business (the Botanical Gardens, the Skunk Train, and the Color Mill) to get further input and comment on the draft Action Plan.

All comments and suggestions have been incorporated into the Action Plan and are noted in italics.

Recommendation

Provide a recommendation to the City Council regarding the Visit Fort Bragg Action Plan & Budget.