

RESOLUTION NO. 18-2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA CONFIRMING THE ANNUAL REPORT OF THE ADVISORY BOARD OF THE HOTEL BUSINESS IMPROVEMENT DISTRICT, APPROVING THE HOTEL BUSINESS IMPROVEMENT DISTRICT'S PROGRAM OF EXPENDITURES, AND ASSESSING THE LEVY FOR FISCAL YEAR 2019-20 AT THE SAME RATES LEVIED IN FISCAL YEAR 2018-19 WITHOUT CHANGE

WHEREAS, pursuant to California Streets and Highways Code sections 36500 et. seq., the City Council of the City of Pacifica adopted Ordinance No. 714-C.S. in 2004 creating the Pacifica Hotel Business Improvement District (BID) and levying an annual assessment of \$1.00 per room per day of occupancy on the hotels in the City; and

WHEREAS, the Pacifica Hotel Business Improvement District has been operating and levying an annual assessment of \$1.00 per room per day of occupancy on the hotels in the City continuously since 2004, including Fiscal Year 2018-19; and

WHEREAS, pursuant to Streets and Highways Code section 36533, the Pacifica Hotel Business Improvement District Advisory Committee has prepared and filed with the City Clerk an annual report regarding the BID's operations that proposes to continue the program and assessments for Fiscal Year 2019-20 at the same amount as levied for the Fiscal Year 2018-19; and

WHEREAS, on May 28, 2019, the City Council adopted Resolution No. 15-2019, which approved the annual report of the Advisory Board of the Pacifica Hotel Business Improvement District (BID) and gave notice of the Council's intent to levy the proposed Fiscal Year 2019-20 assessment for the BID following a public hearing on June 10, 2019, at 7:00 p.m. at the Pacifica City Council Chambers; and

WHEREAS, the City Clerk gave notice of the public hearing by publishing in a newspaper of general circulation at least seven days before the public hearing and by mailing a copy of said public hearing notice and Resolution No. 15-2019 to all affected businesses as required by California Streets and Highways Code section 36534; and

WHEREAS, at the public hearing, the City Council heard and considered all protests against the Fiscal Year 2019-20 levy of assessments for the BID, and the rules and procedures used in receiving and considering protests complied with those set forth in the California Streets and Highways Code sections 36524, 36525, 36534 and 36535; and

WHEREAS, the City Council desires to adopt this Resolution to confirm the Advisory Committee's report as submitted and continue the program and assessments as levied in Fiscal Year 2018-19 at \$1.00 per room per day of occupancy on the hotels in the City without change for Fiscal Year 2019-2020.

RESOLVED by the City Council of the City of Pacifica, California, that:

1. Incorporation of Recitals. The foregoing recitals are true and correct and are hereby incorporated in and form a part of this resolution.
2. Approval of Report and Program of Expenditures. The Annual Report of the Pacifica Hotel Business Improvement District Advisory Committee, attached to this Resolution as Exhibit A, that was filed with the City Clerk on May 20, 2019 and approved by the City Council by Resolution No. 15-2019, is hereby confirmed as submitted and the program of expenditures is hereby approved for Fiscal Year 2019-20.
3. Annual Assessment. The City hereby levies and will collect assessments for Fiscal Year 2019-20 at the same rate of \$1.00 per room per day of occupancy on the hotels in the City of Pacifica as levied in Fiscal Year 2018-19, without change.
4. Effective Date and Certification. The City Clerk is directed to certify the adoption of this Resolution. The Resolution shall take effect immediately upon its adoption by the City Council.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pacifica, California, held on the 10th day of June 2019, by the following vote of the members thereof:

AYES, Councilmembers: Vaterlaus, Martin, Bier, O'Neill.

NOES, Councilmembers: None.

ABSENT, Councilmembers: Beckmeyer.

ABSTAIN, Councilmembers: None.

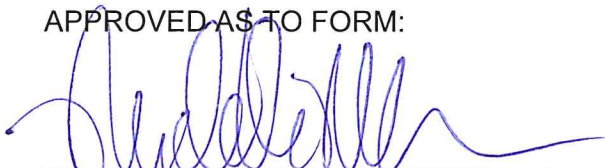

Sue Vaterlaus, Mayor

ATTEST:



Sarah Coffey, City Clerk

APPROVED AS TO FORM:



Michelle Marchetta Kenyon, City Attorney

EXHIBIT A

RECEIVED
MAY 20 2019
CITY CLERK



PACIFICA
CHAMBER OF COMMERCE
& VISITOR CENTER
A Pretty Cool Place

May 20, 2019

Kevin Woodhouse
City Manager
City of Pacifica
170 Santa Maria Avenue
Pacifica, CA 94044

Re: Pacifica Hotel Business Improvement District Annual Report

Dear Kevin:

In accordance with Section 36533 of the California Streets and Highway Code, I am attaching our annual report to meet code requirements.

For reference, I have also attached exhibits: 1) Profit and Loss Statement including Chamber's Use of funds as Managing Agency; 2) 2018-2019 Summary of Resources and Uses, 3) 2019-2020 Summary of Projected Resources and Uses, 4) Contract between the BID and Public Relations Firm "Hook Line and Thinker", and 5) Illustration of the Reach of Media Placements provided by "Hook Line and Thinker".

Please contact either me, Lynn Gallo, Treasurer, or Lisa Eccleston, Board President if you have any questions.

Sincerely,

Victor Spano

Victor Spano, Director and BID Representative
Pacifica Chamber of Commerce

cc: Thomas Myers, Economic Development Manager



PACIFICA
CHAMBER OF COMMERCE
& VISITOR CENTER
A Pretty Cool Place

May 20, 2019

Kevin Woodhouse
City Manager
City of Pacifica
170 Santa Maria Avenue
Pacifica, CA 94044

Re: Pacifica Hotel Business Improvement District (BID)

Dear Kevin:

In accordance with Section 36533 b(1)-(6) of the California Streets and Highway Code, the Pacifica Hotel Business Improvement District affirms the following for the year ending June 30, 2019.

- 1) There are no proposed changes in the boundaries of the Pacifica Hotel Business Improvement District.
- 2) The Pacifica Hotel Business Improvement District will continue to be managed by the Pacifica Chamber of Commerce in maximizing the hotels' investment in promoting Pacifica, the hotels and tourism. The six hotels comprising the BID meet regularly and approve all expenditures, Chamber of Commerce facilitates these meetings. Resources will be applied to continue partnering with a public relations firm (Hook, Line and Thinker) who fosters key contacts within the travel industry and arranges journalist tours of Pacifica and other promotion; continue maintenance of web / social media platforms to drive more traffic to the hotels, restaurants and tourist sites and attractions in Pacifica; and, Continue informational posters and collateral materials located at the Rockaway Beach Kiosk and Visitors Center (Lobby outside Chamber office).

During 2018-2019, the BID approved the following expenditures:

Press Fam (Press Familiarization) Tour: Consultant, "Hook Line and Thinker" selected ten journalists to visit Pacifica and visit various attractions and businesses, which they would write articles about. An expense of \$508.38 was approved to pay for the meals of the visiting journalists. (We have attached a spreadsheet provided by Hook Line and Thinker which demonstrates the reach of Pacifica media placements facilitated by the "Press Fam Tour".)

Travel Skills Group: An expense of \$4,250 was approved by the hotels for two journalist consultancy to visit Pacifica and hold a "Twitter Chat" with people around the world about Pacifica. An audience of over 1 million was reached. The expense paid their fee, lodging and meals.

Accommodations: An expense of \$4,495.60 was approved by the hotels to purchase accommodations for the Press Fam Tour visitors at Pacifica Hotels.

Public Relations: Continuing a consulting contract between the BID and Hook Line and Thinker, a Public Relations firm, paid monthly for a annual total of \$21,799.44. (A copy of the agreement is attached.)

AAA VIA Magazine Leads Postage. BID approved expenditure of \$336.00 to pay for postage to mail collateral (Pacifica Map and brochures) to nearly 400 respondents of an ad placement in the California State Auto Association magazine (VIA).

Pacifica MAP Ad. BID approved expenditure of \$2000.00 to purchase an ad publicizing Pacifica's hotels to residents of Pacifica and visitors within the newly printed Pacifica Map produced by the Chamber of Commerce.

Christmas Tree Lighting Cable Car. BID approved sponsorship of a San Francisco Motorized Cable Car to transport visitors from parking lots to the annual Christmas Tree Lighting. This expense was a total of \$1,410.00

3) During April and May 2019, representatives from five of six of the hotels have reported a challenging business environment for the hospitality industry here in Pacifica. Factors include, but are not limited to rooms being out of service and construction occurring in Rockaway, National and International factors. The AirBNB and VRBO phenemona has diminished occupancy of hotels in Pacifica, in their view. As such, actual 2018-2019 and projected revenes for 2019-2020 are both lower.

4) Projected costs for activities of the Pacifica Hotel Improvement District during July 1, 2019 through June 30, 2020 are \$48,724.26. (See attached Report of Resources and Uses - Projected for detailed uses)

5) The basis of the BID assessment levied on the Pacifica Hotel Improvement District is calcu-

lated by each hotel, \$1 per room per day occupancy. This allows each business owner the amount of the assessment that is to be levied against his or her business for that year.

6) The amount of surplus of revenues (Fund Balance) carried over from the last year ended June 30, 2018 into the year ended June 30, 2019 is \$17,283. We note that this amount of the fund balance has declined since same time 2018, or in other words, there has been no surplus.

7) There are no other contributions from sources other than the assessments levied pursuant to this part.

Please call me or Chamber President Lisa Eccleston if you require any further information. We look forward to answering questions from Council and staff.

Sincerely,

Victor Spano

Victor Spano, Director and BID Representative
Pacifica Chamber of Commerce

cc: Thomas Myers, Economic Development Manager

**PACIFICA HOTEL BUSINESS IMPROVEMENT DISTRICT
REPORT OF RESOURCES AND USES
JULY 1, 2018 - JUNE 30, 2019**

Resources:

| | |
|---------------------------------------|--------------------|
| BID ASSESSMENTS* | \$42,244.25 |
| PREVIOUS FUND BALANCE (Note 1) | \$33,894.30 |
| TOTAL RESOURCES | \$76,228.55 |

Uses:

(See attached Profit / Loss Statement for full breakdown

Public Relations

| | |
|---------------------------------|--------------------|
| Hook, Line & Thinker | \$21,799.44 |
| Advertising - Other | \$13,000.00 |
| Managing Agency (Note 3) | \$23,162.43 |
| Total Expenses | \$57,961.44 |

Resources in Excess of Uses (Fund Balance) \$17,283.96

Note 1: Previous Fund Balance represents the previous year's actual final carry forward resources in excess of uses.

Note 2: Amounts for June 2019 are projected; thus actual amounts may differ.

Note 3: Funds used by Managing Agency, Pacifica Chamber of Commerce, to pay salaries for administration and marketing efforts, as well as professional services. (See full breakdown on attached "Profit / Loss Statement" * Reflects checks received by managing agency, Pacifica Chamber of Commerce.

**PACIFICA HOTEL BUSINESS IMPROVEMENT DISTRICT
REPORT OF RESOURCES AND USES - PROJECTED
JULY 1, 2019 - JUNE 30, 2020**

Projected Resources:

| | |
|-------------------------------------------|--------------------|
| PROJECTED BID ASSESSMENTS (Note 1) | \$31,500.30 |
| PREVIOUS FUND BALANCE (Note 2) | \$17,283.96 |
| TOTAL PROJECTED RESOURCES | \$48,784.26 |

Projected Uses:

Public Relations & Marketing

| | |
|------------------------------------------|--------------------|
| Hook, Line & Thinker (Note 3) | \$21,799.43 |
| Pacifica Info. - Kiosk | \$ 250.00 |
| Advertising - Other (Note 3) | \$10,994.83 |
| Managing Agency | \$15,740.00 |
| Total Expenses | \$48,784.26 |

Resources in Excess of Uses (Fund Balance) \$ OR (-)

Note 1: Estimated revenues reflect a 25% decrease from 2018-2019.

Note 2: Previous Fund Balance represents the previous year's actual final carry forward resources in excess of uses.

Note 3: During 2019-2020, Chamber/BID will review the Hook Line and Sinker Consultant Scope of Work/Cost reduction and adjust advertising program accordingly based on incoming BID proceeds. The Estimated \$10,994.83 breaks down as follows:

| | | |
|----|----------------------------|------------|
| 1) | Press Fam Tour | \$500.00 |
| 2) | Travel Skills Group | \$4,250.00 |
| 3) | Journalist Accomodations | \$4,495.00 |
| 4) | Postage | \$300.00 |
| 5) | Special Event (Tree Light) | \$1000.00 |
| 6) | Misc. Advertising | \$449.83 |

Pacifica Hotel Business Improvement District

PROFIT & LOSS

July 2018 through April 2019

5/17/19
Cash Basis

| | | |
|----------------------------------------|-----------|------------|
| Income | | |
| BID Income | | |
| Self-Assessment Funds from City | 42,244.25 | |
| Total BID Income | | 42,244.25 |
| Total Income | | 42,244.25 |
| Expense | | |
| Advertising | | |
| Press Fam Tour | 508.36 | |
| Travel Skills Group | 4,250.00 | |
| Accommodations | 4,495.60 | |
| Public Relations | 21,799.44 | |
| AAA Via Magazine Ad Postage | 336.00 | |
| Pacifica Map Ad | 2,000.00 | |
| Christmas Tree Lighting Cable Car | 1,410.00 | |
| Total Advertising | | 34,799.40 |
| Chamber of Commerce Managing Agency | 23,162.43 | |
| Total Chamber of Commerce | | 23,162.43 |
| Expense | 892.76 | 892.76 |
| Total Expense | | 58,854.59 |
| Net Income | | -16,610.34 |

Balance Sheet

As of April 2019

ASSETS

| | |
|-----------------------------------|-----------|
| Tri Counties Bank Balance 7-31-18 | 33,894.30 |
| Balance April 2019 | 17,283.96 |

PACIFICA CHAMBER OF COMMERCE

FUNDS RECEIVED FROM BID \$23,162.43

These funds supported a portion of the following activities:

- Staffing Visitor Center (handling calls and welcoming visitors to the center)
- Designed, published and distributed the Pacifica map (first time)
- Updated, published and distributed the Pacifica Visitor's Guide
- Distributed the Visitor Guide to 400+ AAA Via magazine leads, a BID project. A coupon was enclosed to track results. The Chamber members are contributing to the free gift.
- Distribute through social media events and activities in Pacifica

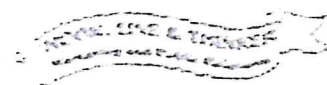
Changes at the Pacifica Chamber of Commerce:

In an effort to reduce expenses and stabilize our financial position, the following are examples of some of the changes that have been made:

- The Chamber is operating with a 20 hour staff person.
- Office activities are managed by a volunteer Board member.
- A request was made to our membership for new Board members and ten new Board members were installed on February 2019.
- Office space was redesigned to create rental revenue.
- Individual projects are supported with outside resources to reduce labor expenses
- Started planning for issuing the Business Directory

Lisa Eccleston, President
Pacifica Chamber of Commerce
650-238-7411

Prepared By: Lynn Gallo, Treasurer
Pacifica Chamber of Commerce
650-355-4122



In order to implement the results-oriented marketing and public relations campaign we have identified in our proposal, it is recommended that the Pacific BID and Hook, Line & Thinker commit to a 12-month contract from July 1, 2017 through June 30, 2018.

Compensation for services is \$2,000 per month. The retainer is due and payable on the 1st of each month serviced. Pacific Chamber of Commerce will also be billed for all out of pocket expenses associated with the organization at the end of each billing period with all moneys due upon receipt of the invoice. Out of pocket expenses include, but are not limited to, such items as postage, telephone, air copies at 10¢ a page, color copies at \$1 per page, mileage, parking, deliveries and travel expenses (accommodations, airfare, transfers, mileage, airport parking, etc.) Invoices will be submitted with receipts and backup for all expenditures. Price quotes over \$100 will be pre-approved by Pacific BID prior to expensing. Expenditures over \$100 may require a deposit in advance. A monthly status report will be prepared and sent at the end of each billing period and will include copies of clips and tangible promotional materials produced during the month.

After the one year contract has expired, this contract will be reviewed and may resume on a month to month basis. As it stands, this contract is cancellable upon a 60-day written notice by either party. All invoices will be due and payable upon receipt of final bill. All materials in the agency's possession will then be returned upon receipt of the final payment.

Because of the social nature of public relations and the visibility we are trying to create with media, it will be necessary to entertain journalists and community liaisons. There will be occasions to provide journalists with complimentary access to accommodations and possibly hosting for meals in Pacifica.

The agency will coordinate all complimentary requests with the BID members and/or Jamie Monzon.

If you are in agreement with the services and with the budget as defined above, this letter will serve as our contract by signing and dating below.

Sincerely,

 Molly Blaisdell
 President
 Back, Line & Thinker

Jamie Monzon
 Chief Executive Officer
 Pacifica Chamber of Commerce

Date: 6/20/17

Date: 7/1/17



Recap of PR Value - ROI - 2018.xlsx

Open with

A B C D E F G

| Name of Publication | Link to Placement | Estimated Audience Size | PR Value |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------|
| iHeart Radio | https://www.spreaker.com/show/9988690/track-10-27-18 | 17,000,000 | \$500.00 |
| TravelSkills Twitter Chat | https://travelskills.com/---no-direct-link-to-our-chat | 4,000,000 | \$130.00 |
| National Public Radio (NPR) | https://www.iceb.org/post/journeys-discovery-pacific | 3,500,000 | \$68.00 |
| Red Tricycle | http://redtri.com/san-francisco/explore-this-hood-just | 980,000 | \$32.00 |
| Bay Area Reporter | https://www.ebair.com/268123 | 170,000 | \$8.50 |
| CaveGrrl | https://cavegrrl.com/2018/12/03/brea-this-king-viewz | 76,000 | \$4.80 |
| Berkeley And Beyond | http://berkeleyandbeyond.com/About/Media-Room/ | 275,000 | \$15.00 |
| East Bay Times | http://www.eastbaytimes.com/2017/04/11/bay-area | 78,000 | \$5.00 |
| Bay Area Newspaper Group | http://www.eastbaytimes.com/2017/04/11/bay-area | 750,000 | \$45.00 |
| SFGate/SF Chronicle | https://t.sfgate.com/bayarea/article/The-coolest-th | 450,000 | \$28.00 |
| Sunset Magazine | http://www.sunset-publishing.com/issues/sunsetrap | 320,000 | \$18.00 |
| Vittles & Voyages | http://www.vittlesvoyages.com/EE4.html | 45,000 | \$4.50 |
| Trip Savvy | https://www.tripsavvy.com/costles-in-california-4120 | 225,000 | \$17.50 |
| Santa Rosa Press Democrat | https://weekendadventuresupdates.blogspot.com/ | 83,000 | \$6.00 |
| BC Pictures | http://beabroda.com/united-states-west/pacific-cal | 1,200,000 | \$32.00 |
| Amateur Traveler | https://amateurtaveler.com/pacific-california-san-f | 90,000 | \$7.50 |
| Foster Travel | https://www.fostertravel.com/pacific-a-peaceful-net | 55,000 | \$4.00 |
| Never Too Old To Travel | https://nevertoooldtotravel.com/12-reasons-to-wait- | 98,000 | \$8.50 |
| Global Traveler | link is no longer available | 2,000,000 | \$9.00 |
| Pasadena Newspaper Group | link is no longer available | 150,000 | 10.00 |
| Total Audience and Values | | 31,495,000 | \$963.30 |