



CITY OF SANTA CLARITA TOURISM MARKETING DISTRICT (TMD)

Fiscal Year 2023 - 2024
Annual Report

Fiscal Year 2024 - 2025
Initiatives and Budget

Tourism Marketing District Overview

BACKGROUND

The Santa Clarita Tourism Marketing District (TMD) was formed in May 2010 in accordance with the Parking and Business Improvement Area Law of 1989, Part 6 of Division 18 of the California Streets and Highways Code (1989 Law), and the provisions of the California Constitution Article XIII D (Proposition 218).

The TMD allows assessed lodging businesses within the City of Santa Clarita (City) to support efforts to increase tourism in the City, which in turn increases hotel room night stays and, therefore, increases Transient Occupancy Tax (TOT) revenue back to the City.

Lodging businesses are assessed a 2% fee for each room night. The TMD uses these dollars to fund programs, services, and special events that will deliver incremental new room night sales to its assessed members. The TMD works to create strong, measurable results in bringing more visitors to Santa Clarita.

When the TMD was formed, an Advisory Board was created that consists of one specified representative from each of the participating hotels within the Tourism Marketing Benefit Zone (Benefit Zone) and two City representatives selected by the City Manager.

2024-25 ADVISORY BOARD

The following lists the entities currently represented on the Advisory Board:

ORGANIZATION, BOARD MEMBER, & TITLE
Best Western – Terri Blumberg, General Manager
Courtyard by Marriott – Vincent Singletary, General Manager
Embassy Suites – Billy Dye, General Manager
Holiday Inn Express – Karina Winkler, General Manager
Homewood Suites – Ryan Garcia-Agcaoili, General Manager
Hotel Lexen – Vimal Desai, Owner
Hyatt Regency – Clifford Monterrosa, General Manager
SpringHill Suites Residence Inn – Shannon Hillygus, General Manager
City of Santa Clarita – Thomas B. Cole, Economic Development Director
City of Santa Clarita – Evan Thomason, Economic Development Associate

ANNUAL REPORT

This report provides a recap and overall description of the proposed activities to be funded by the assessment, the estimated annual budget of expenses, and estimated revenues for Fiscal Year (FY) 2024-25 (commencing July 1, 2024, and ending June 30, 2025).

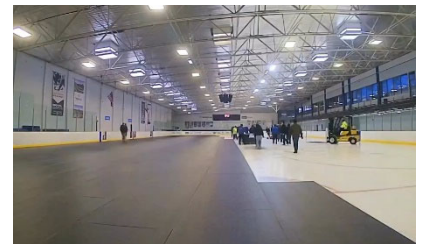
Summary of Services & Activities

The TMD funds are dedicated to securing visitors and room nights by supporting various services and activities that bring special benefits to the TMD hotels. These services include, but are not limited to:

- Promotion of the City through the financial support of key regional and national events that support tourism
- Development and implementation of a destination marketing strategy and promotion designed to increase visitor attraction to the City
- Development and undertaking of advertisement and a public relations program focused on business and leisure travel
- Support and funding of the Summer Visitor Trolley program
- Attendance at key meetings and event producer trade shows

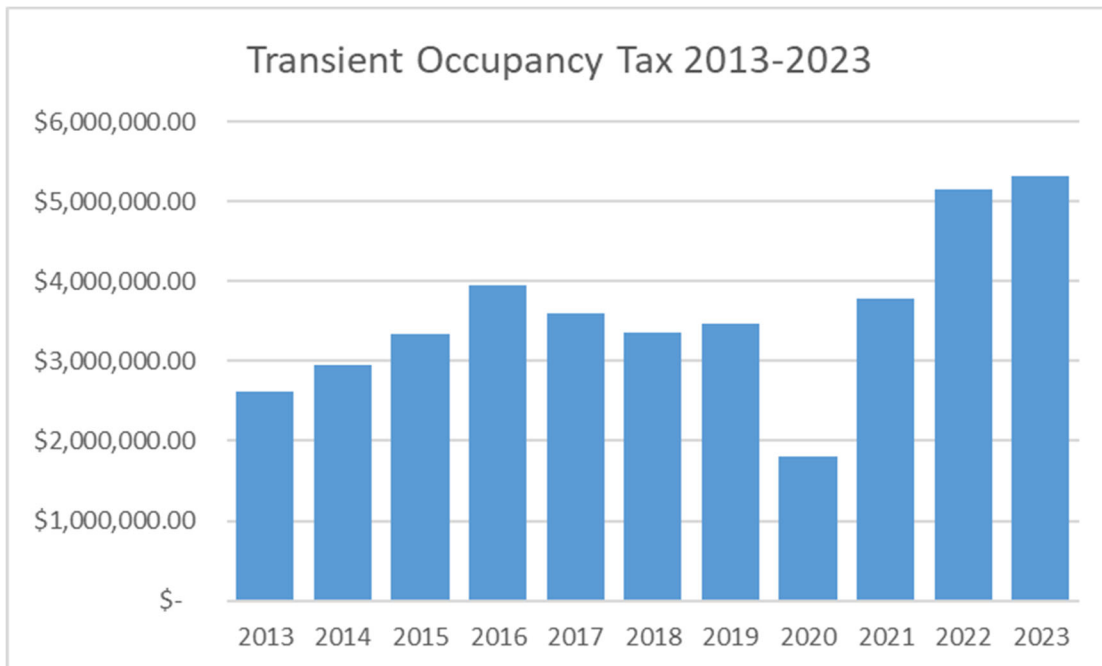
Programs and Services for FY 2023-24 included:

- Tourism advertising campaigns via digital media, targeting leisure travelers in the drive market (400-mile radius)
- Summer Visitor Trolley program
- Two 60" x 60" diorama advertisements at Hollywood Burbank Airport
- Ice coverings for the 17,000 square-foot rink at The Cube Ice and Entertainment Center to facilitate events and non-ice sporting tournaments
- Familiarization tours for U.S. Quadball, Canadian travel writer, and Brazilian media
- Attended business development meetings, tradeshow, and market forums including:
 - California Society of Association Executives Seasonal Spectacular
 - Religious Conference Management Association Emerge Conference
 - U.S. Travel Association IPW International Meeting & Incentive Buyers
 - Visit California Outlook Forum
 - Sports Events & Tourism Association Conference
 - Los Angeles Market Outlook Forum
 - Crowdriff SEE Conference
 - CalTravel Summit and Board Meetings



Transient Occupancy Tax

In the City of Santa Clarita, the Transient Occupancy Tax (TOT) is 10%, paid by each hotel room occupant (transient) to the operator of the lodging establishment. The revenues from the TOT go to the City’s General Fund. In the calendar year 2023, \$5,325,425.58 was generated.



SANTA CLARITA LODGING PERFORMANCE FROM 1/2024 STR REPORT (City of Santa Clarita+) Year to Date

2023 CALENDAR YEAR	2022	2023
Average Occupancy	77.7%	79.8%
Average Daily Rate (ADR)	\$159.01	\$161.64
Average Revenue Per Available Room (RevPAR)	\$123.49	\$129.04

During the 2024-25 fiscal year, the newly constructed Hampton Inn will add 78 rooms to the current inventory and be a dual-branded hotel with the existing Homewood Suites. Occupancy levels may dip initially when the new rooms are added to the inventory but are expected to level and increase. It was originally expected to open in FY 2023-24.

Advertising

TMD dollars effectively launched comprehensive multi-media advertising campaigns, inclusive of print, digital ad networks, and social media outlets to attract visitors. Marketing efforts focused on existing feeder markets within a 400-mile radius (drive market) of Santa Clarita. TMD dollars allow simultaneous marketing efforts to different audiences, including corporate meeting and conference planners, direct consumer/leisure travelers, and sports tourism event producers. A marketing campaign results in successful branding, measurable hotel room bookings, an increase in year-over-year traffic to the Tourism website, and increased corporate meetings and events. The upward momentum of using TMD funds to market Santa Clarita as a destination continues to prove successful.

Media Strategy

- Highlight the primary differentiating factors that Santa Clarita offers to leisure travelers (geography/proximity, value, experiences unique to the region)
- Target the drive market audience with engaging advertising that directs users to the content published on VisitSantaClarita.com (thrills, outdoor adventure, family fun, and entertainment)
- Focus media plan on conversions through digital channels, including display, mobile, video, email, and social units
- Geo-target plan, with a heavy emphasis on top-performing California markets
- Deliver ads to contextually relevant placements through pre-determined content categories: family fun, outdoor adventure, entertainment, and thrills
- Target known audiences in the market for Los Angeles-area travel
- Drive social interaction through the use of sweepstakes



Earned Media

Visit Santa Clarita has successfully garnered earned media through its compelling presentation to Visit California and strategically hosting familiarization tours for international media. Through immersive tours, journalists were able to witness firsthand the beauty of our landscapes, the richness of our history, and the warmth of our community. This initiative not only elevates Santa Clarita's profile on the global stage but also fosters valuable relationships with key media influencers, amplifying our destination's appeal and inviting travelers from around the globe to experience the magic of Santa Clarita.

Les Secrets du Melody Ranch, Daily Hive (Canada)

Dans la cour arrière de Hollywood...
LES SECRETS DU MELODY RANCH
 NON LOIN DE LOS ANGELES, LA VALLÉE DE SANTA CLARITA, HERBIÈRE, UN LIEU UNIQUE QUI A VU DÉFILER LES PLUS GRANDS NOMS DU WESTERN, ET PAS MAL D'AUTRES LÉGENDES. DÉCOUVREZ LE MELODY RANCH, QUI CACHE BIEN DES HISTOIRES DERRIÈRE SES PORTES... Par Mark Lombard

La drôle de retraite de Schwarzenegger
 Les gouverneurs de Californie ont nommé Melody Ranch, qui se trouve à environ 100 km de Los Angeles, la résidence officielle de l'ancien gouverneur Arnold Schwarzenegger lors d'une rencontre avec la presse qui aura été organisée au Melody Ranch. Le lieu est également et est autre que celui de l'ancien gouverneur de la Californie, Arnold Schwarzenegger, qui a vécu à Melody Ranch pendant plus de 10 ans. Le lieu est également un lieu de tournage pour de nombreux films de western, dont notamment 'The Magnificent Seven'.

The Magnificent Seven, BOLD Traveller Magazine (Canada)

The Magnificent SEVEN
 Our favourite under-the-radar cities in North America for 2024. According to **BOLD Traveller**, get ready to be wowed!

1. HOUSTON, TEXAS
 The best movie production in the United States, Houston has a long and illustrious history. From the iconic Texas Instruments building to the modern architecture of the Houston skyline, the city has a rich and diverse cultural landscape. Houston is also home to the world's largest collection of space-related artifacts, including the Apollo 11 lunar module and the Space Shuttle Challenger.

Santa Clarita and events, including the annual Cowboy Festival, were included in several of Visit California's monthly e-newsletters

April 20–21: Santa Clarita Cowboy Festival, Santa Clarita

Scout your boots at this Western music festival in **Santa Clarita**, the **Los Angeles County** town rich with cowboy history. Check the **schedule** of more than 20 live acts of country, folk, and bluegrass music, and other activities such as line dancing and blacksmithing. Browse the vendors of vintage hats, boots, and other western fashions, and don't miss the Melody Ranch and Blue Cloud film tours—a rare peek at the large outdoor sets where many movies and TV shows have been filmed—from *Guns Smoke* to *Once Upon a Time in Hollywood*.

Coasters to Waves, Visit California Road Trips (annual publication)

13 INSPIRED ITINERARIES COVERING THE ENTIRE STATE
California ROAD TRIPS
DWYANE WADE
 "I LOVE TO GET IN MY CAR, DROP THE TOP, AND DRIVE"

ITINERARIES
Coasters to Waves
 AN ACTION-PACKED WEEK OF THEME PARKS AND BEAUTIFUL BEACHES

TOP STOPS
 🎢 **Sharing Beauty**
 Receive a tour of this Disneyland resort, see you can take in a movie and see the park in an extra 20 minutes before official opening.

🍷 Burger and beer
 Get the best burger and beer at the Shedd Island in the heart of the city.

🏄‍♀️ Beach and boardwalk
 Enjoy an afternoon of sun and sand at the beach, and then enjoy the boardwalk and the city.

FY 2023-24 Leisure Campaign Results

The TMD organized multiple advertising campaigns in FY 2023-24. The following show the results of Phase 2 of the campaign that ran from January 1 – February 15, 2024.

YOUTUBE - DIGILANT

278,572 impressions
167,805 video completions
193,514 engagements

PERFORMANCE MARKETING

17,500 leads generated

SOCIAL MEDIA

1,884,286 impressions
42,603 clicks



FY 2024-25 Initiatives

The TMD's objective remains to increase overall demand for overnight visitation (leisure, group, and meeting business) during the shoulder season (September through March) and will focus on the following:

Business-Driven Sales and Advertising

- Focus marketing efforts directed at drive and feeder markets
- Continue efforts on conversions through digital channels, including display, mobile, video, email, and social units, including geo-targets
- Continue to create engaging and informative online assets to attract new customers
- Create incentives to attract meeting professionals and increase bookings
- Attend trade shows that provide the most opportunity for convention/meeting lead generation

Destination & Partnership Development

- Expand cooperative marketing initiatives and partnership opportunities with Visit California, Discover Los Angeles, and media connections through IPW
- Support public relations initiatives to drive visitation and economic development
- Event attraction

The TMD regularly supports large-scale sporting and other events, such as the California Beer Festival's Boots & Brews, Boots in the Park, and other concerts and meetings. These events not only provide a positive economic impact to the City but have made Santa Clarita known as a city that hosts quality regional events with strategic partnerships. Special events held in 2023 brought in over 3,041 trackable room nights to the Santa Clarita TMD hotels. The TMD will strive to increase those numbers in the coming years as large-scale events continue to ramp up.

The TMD will work on bringing back and expanding annual events and developing new tournaments, including those that can be accommodated at The Cube Ice and Entertainment Center. With the ice coverings for the 17,000 square-foot NHL ice rink, the attraction of large-scale, non-ice events to Santa Clarita, including meetings or sporting events such as wrestling or karate, are being sought for 2024 and beyond.



FY 2024-25 Budget

Division/Program: Economic Development – Tourism
Marketing District
Fund Name: Tourism Marketing District

Account Number: 3603504

Personnel

500201	Part-Time Staff	\$30,827
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Operations & Maintenance

510102	Membership & Dues	\$6,765
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510104	Printing	\$24,000
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511101	Special Supplies	\$1,000
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513103	Telephone Utility	\$1,250
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516101	Contractual Services	\$91,500
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516102	Professional Services	\$188,000
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516104	Advertising	\$194,505
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516105	Promotion & Publicity	\$20,000
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516108	Graphic Design Services	\$5,300
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519101	Travel & Training	\$9,000
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519104	Auto Allowance & Mileage	\$600
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Total Operations & Maintenance FY24-25		\$541,920
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Beginning Fund Balance 7/1/2023		\$920,434
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2023-24 Revenue		\$977,534
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2023-24 Expenditures		\$896,373
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Estimated Ending Fund Balance 6/30/2024		\$1,001,595
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TMD Boundaries

The boundaries of the Tourist Marketing District include all real property within the City of Santa Clarita. Within the TMD, a Tourism Marketing Benefit Zone (Benefit Zone) was established by Ordinance No. 10-4 that currently includes the nine hotel properties identified in the table below:

Property Name (Hotel/Business Name)	Assessor's Parcel Number Reference	Property/Business Physical Address
Best Western Valencia Inn	2861-071-009	27413 Wayne Mills Place Santa Clarita, CA 91355
Courtyard by Marriott	2866-034-080	28523 Westinghouse Place Santa Clarita, CA 91355
Embassy Suites	2866-034-097	28508 Westinghouse Place Santa Clarita, CA 91355
Holiday Inn Express	2861-071-008	27513 Wayne Mills Place Santa Clarita, CA 91355
Homewood Suites	2866-035-007	28700 Newhall Ranch Road Santa Clarita, CA 91355
Hotel Lexen Newhall	2831-018-040	24219 Railroad Avenue Santa Clarita, CA 91321
Hyatt Regency	2861-062-020	24500 Town Center Drive Santa Clarita, CA 91355
Residence Inn	2861-071-010	27505 Wayne Mills Place Santa Clarita, CA 91355
SpringHill Suites	2861-071-010	27505 Wayne Mill Place Santa Clarita, CA 91355

These nine hotel properties comprise the entire Benefit Zone for FY 2024-25. Any new hotel property that opens within the Benefit Zone will be assessed in accordance with the System of Assessment (Methodology) established by the ordinance.

In FY 2024-25, it is anticipated that one hotel will open and, if so, it will be included in the Benefit Zone:

Hampton Inn
 28700 Newhall Ranch Road
 Santa Clarita, CA 91355
 APN #: 2866-035-007
 78 rooms

TMD Boundaries

In accordance with Ordinance No. 10-4 and Chapter 3.36 of Title 3 of the Santa Clarita Municipal Code, only properties designated as hotels and included within the Benefit Zone will be assessed.

“Hotel” shall mean any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients, including but not limited to for dwelling, lodging, or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof, duplex, triplex, single-family dwelling units, with the exception of any private dwelling house or other individually owned single-family dwelling rented only infrequently and incidental to normal occupancy or any timeshare as set out in Revenue and Taxation Code Section 7280; provided, that the burden of establishing that the facility is not a hotel shall be on the owner or operator thereof.

The proposed system of assessment for the TMD is designed to generate revenue from hotels in the City to provide a method of funding public programs and activities that will promote the City and hotels as a tourist destination. The City's hotels comprise the Benefit Zone and are the only business proposed to be assessed. The FY 2024-25 annual assessments to be levied against hotels within the Benefit Zone are based on the benefits they derive from the program of activities. Businesses located outside the Benefit Zone (i.e., all non-hotel businesses) will not be assessed, as they derive only, at most, an indirect benefit from the program of activities.

In accordance with Ordinance No. 10-4, in addition to any assessments, fees, charges, or taxes imposed otherwise in the City, the City Council proposes to levy assessments for FY 2024-25 against businesses in the Benefit Zone for the purpose of funding the programs, activities, and services that will promote the City and hotels as a tourist destination. Each business in the Benefit Zone shall pay an assessment of 2% of total room rents charged and received from transient hotel guests who do not make the hotel their principal place of residence.

These assessments shall be due and payable and shall be paid at the same time and in the same manner that the TOT is due and payable and shall be subject to the same penalties and interest for nonpayment. All properties included in the Benefit Zone for FY 2024-25 will be assessed 2% of the total room rents charged and received from transient hotel guests.

Any newly established hotels shall commence immediately upon the first day of operation and following the public hearing conducted for inclusion into the TMD.

TMD Boundary Diagram

