

RESOLUTION NO. 15-2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA CONFIRMING THE ANNUAL REPORT OF THE ADVISORY BOARD OF THE PACIFICA HOTEL BUSINESS IMPROVEMENT DISTRICT (BID) AND DECLARING THE CITY COUNCIL'S INTENTION TO CONTINUE THE BID PROGRAM AND LEVY THE ANNUAL ASSESSMENTS FOR FISCAL YEAR 2019-2020 AT THE SAME RATE AS LEVIED IN FISCAL YEAR 2018-2019 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 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 ("BID") 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 2018-2019; 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 District's operations that proposes to continue the program and assessments for fiscal year 2019-2020 at the same amount as levied for the fiscal year 2018-2019; and

WHEREAS, the City Council desires to adopt this Resolution to confirm the Advisory Committee's report as submitted and declare its intent to continue the BID program and assessments as levied in fiscal year 2018-2019 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. Approval of Annual Report. The Annual Report of the Pacifica Hotel Business Improvement District Advisory Committee, filed with the City Clerk on May 20, 2019 and attached to this Resolution as Exhibit A, is hereby confirmed as submitted.
2. Declaration of Intent to Levy Annual Assessment. The City Council hereby declares its intent to continue the BID program and levy and collect the assessment of \$1.00 per room per day of occupancy on the hotels in the City of Pacifica without change for fiscal year 2019-2020.
3. Public Hearing. The City Council hereby sets Monday, June 10, 2019, as the date for the public hearing on the annual levy of assessments on hotels within the BID. The public hearing will be held at 7:00 p.m. or as soon thereafter as practicable in the City of Pacifica Council Chambers located at 2212 Beach Boulevard, Pacifica, California, 94044.
4. Protest Procedures. Written and oral protests to the levy of the annual assessments may be made at the public hearing in the form and manner prescribed in Sections 36624 and 36625 of the California Streets and Highways Code.

5. Notice of Hearing. The City Clerk is directed to provide notice of the public hearing on the proposed annual levy of assessments within the BID in the manner prescribed by California Streets and Highways Code section 36534 and by mailing copies of said notice and this Resolution to each business subject to the assessment.
6. 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.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pacifica, California, held on the 28th day of May 2019, by the following vote:

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

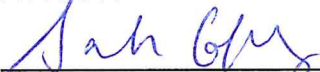
NOES, Councilmembers: None.

ABSENT, Councilmembers: Beckmeyer.

ABSTAIN, Councilmembers: None.


Sue Vaterlaus, Mayor

ATTEST:



Sarah Coffey, City Clerk

APPROVED AS TO FORM:


For _____
Michelle Kenyon, City Attorney

EXHIBIT A

**Annual Report of the Pacifica Hotel Business Improvement District
Advisory Committee**

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".

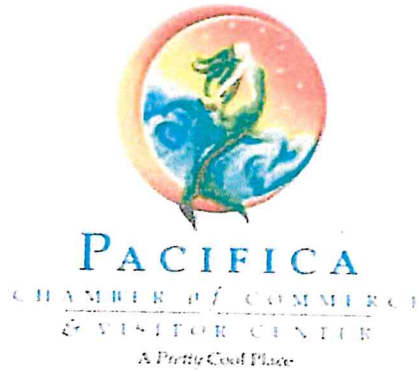
Please contact either me, Lynn Gallo, Treasurer, or Lisa Eccleston, Board President if you have any questions.

Sincerely,

Victor Spano

Victor Spano, Director and BID Representative
Pacifica Chamber of Commerce

cc: Thomas Myers, Economic Development Manager



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 phenomena has diminished occupancy of hotels in Pacifica, in their view. As such, actual 2018-2019 and projected revenues 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 maintain the results-oriented marketing and public relations campaign we have identified in our review, it is recommended that the Pacifica 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. Pacifica 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, b/w 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 Pacifica 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.

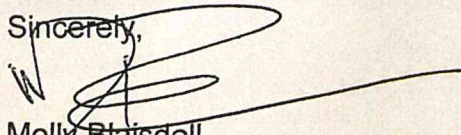
After the one year contract has expired, this contract will be reviewed and may resume on a month to month basis. As it stands, this contract is cancelable upon a 60-day written notice by either party. All invoices will be due and payable upon receipt of final bill. All materials in the agency's possession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

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
Hook, Line & Thinker


Jamie Monozon
Chief Executive Officer
Pacifica Chamber of Commerce

Date: 6/20/17

Date: 7/1/17

X Recap of PR Value - ROI - 2018.xlsx

Open with

A	C	E	G
Name of Publication	Link to Placement	Estimated Audience Size	PR Value
iHeart Radio	https://www.spreaker.com/view/28998690/mi-10-27-17	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.kcbx.org/journeys-discovery-pacific	3,500,000	\$68,00
Red Tricycle	http://redtricycle.com/san-francisco/explore-this-hood-pa	980,000	\$32,00
BayArea Reporter	https://www.eb1a.com/26813a	120,000	\$8,50
CaveGrrl	https://cavegrrl.com/2018/12/03/breathtaking-views	76,000	\$4,80
BerkeleyAnd 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
BayArea Newspaper Group	http://www.eastbaytimes.com/2017/04/11/bay-area	750,000	\$45,00
SFGate/SF Chronicle	https://m.sfgate.com/bayarea/article/The-coolest-th	450,000	\$28,00
Sunset Magazine	http://www.sunsetpublishing.com/issues/sunsetsp	320,000	\$18,00
Vittles & Voyages	http://www.vittlesvoyages.com/EE4.html	45,000	\$4,50
Trip Savvy	https://www.tripsavvy.com/coastline-california-4120	225,000	\$17,50
Santa Rosa Press Democrat	https://weekendadventuresupdate.blogspot.com/	83,000	\$6,00
BC Pictures	http://theabroa.com/united-states-west/coast-cal	1,200,000	\$42,00
Amateur Traveler	https://nationaltraveler.com/pacific-california-san-f	90,000	\$7,50
Foster Travel	https://www.fostertavel.com/pacific-a-peacofnl-nc	55,000	\$4,00
Never Top Old To Travel	https://neveroldtotravel.com/2-tracks-to-wa-1m	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