

C-6

October 18, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution approving the Annual Report for October 1, 2022 to September 30, 2023, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment, and setting the date of hearing for November 1, 2022. (Districts 1, 2, 4, 5)

DISCUSSION

The Long Beach Tourism Business Improvement Area (LBTBIA) was established by the City Council in 2005, allowing for the levy of an annual assessment to be paid by hotels with greater than 30 rooms in the LBTBIA. The City of Long Beach (City) contracts with the Long Beach Area Convention and Visitors Bureau (CVB) to manage the LBTBIA and the CVB Board of Directors serves as the Advisory Board to the City Council on matters related to the LBTBIA. The CVB promotes and markets Long Beach as a tourism destination using funds generated through the LBTBIA assessment.

State law governing Parking and Business Improvement Areas requires that an annual report be submitted to the City Council by the Advisory Board designated for this Assessment District. On August 4, 2022, the LBTBIA Advisory Board voted to recommend to the City Council approval of the 2022-2023 LBTBIA Annual Report (Annual Report) (Exhibit A to the Resolution).

The Annual Report describes boundaries, proposed activities, and budgetary information, as well as the method and basis for the continuation of the assessment. The Annual Report proposes no change to the LBTBIA boundaries or the method of levying the assessment.

The Annual Report, transmitting the recommendations of the Advisory Board, proposes the following assessment rates:

Method of Assessment

The LBTBIA assessment will be levied on all hotel businesses, existing and future, with greater than 30 rooms, within the LBTBIA based upon 3 percent of the gross short-term room rental revenue. The assessment will be collected monthly, based on 3 percent of the gross short-term room rental revenues for the previous month.

HONORABLE MAYOR AND CITY COUNCIL

October 18, 2022

Page 2

Each year the City calculates the Consumer Price Index (CPI), an adjustment for consumer goods and services, and applies the CPI to various City fees on July 1st of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The LBTBIA Advisory Board has decided not to request a July 2023 CPI adjustment.

The recommended Resolution grants approval of the Annual Report, declares the intention of the City Council to levy the assessment for proposed activities, and sets the date of the public hearing for November 1, 2022.

This matter was reviewed by Principal Deputy City Attorney Rich Anthony on September 28, 2022 and by Budget Operations and Development Officer Rhutu Amin Gharib on October 3, 2022.

TIMING CONSIDERATIONS

City Council action is requested on October 18, 2022, to set the date of the public hearing for November 1, 2022. The new contract year began on October 1, 2022.

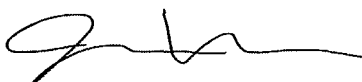
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$5,552,000 in Fiscal Year 2023 through the proposed continuation of the assessment, a significant increase from the prior year. Revenue projections take into consideration hotel occupancy rates and average daily room rates - which have been steadily increasing since visitors returned to hotels with the easing of COVID-19 related restrictions and impacts. Assessment funds are collected by the City on behalf of the CVB through additional fees and passed directly through to the CVB for implementation of annual programs. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHNNY VALLEJO
ACTING DIRECTOR
ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING AN ANNUAL REPORT FOR OCTOBER 1, 2022 TO SEPTEMBER 30, 2023 FOR THE LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA AND DECLARING ITS INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THAT FISCAL YEAR

WHEREAS, pursuant to Section 36533 of the California Streets and Highways Code, the Board of Directors of the Long Beach Area Convention and Visitor’s Bureau has caused a Report to be prepared for October 1, 2022 to September 30, 2023 relating to the Long Beach Tourism Business Improvement Area (“LBTBIA”) which is located generally in the Airport District and the Downtown District, which is specifically described in the Report; and

WHEREAS, said Report contains, among other things, with respect to October 1, 2022 to September 30, 2023 all matters required to be included by the above cited Section 36533; and

WHEREAS, having approved such Report, the City Council hereby declares its intention to:

A. Confirm levy of and direct collecting within the Area, assessments for the LBTBIA for October 1, 2022 to September 30, 2023. Said assessments are proposed to be levied on such classifications and at such rates as are set forth in Exhibit “A” attached hereto and incorporated herein;

B. Provide that each business shall pay the assessment monthly, at the same time the transient occupancy tax is due; and

WHEREAS, to this end, the proposed activities and improvements undertaken by the Area include those generally specified in the establishing Ordinance No.

1 ORD-05-0018, as adopted by the City Council on July 5, 2005; and

2 WHEREAS, a copy of the Report is on file with the City Clerk and includes a
3 full description of the activities and improvements to be provided from October 1, 2022 to
4 September 30, 2023, the boundaries of the area, and the proposed assessments to be
5 levied on the businesses that fiscal year and all other information required by law; and

6 WHEREAS, it is the desire of this City Council to fix a time and place for a
7 public hearing to be held regarding the Report, the levy and the proposed program for
8 October 1, 2022 to September 30, 2023;

9 NOW THEREFORE, the City Council of the City of Long Beach resolves as
10 follows:

11 Section 1. That certain Report entitled "2022-2023 Long Beach Tourism
12 Business Improvement Area Annual Report" for October 1, 2022 to September 30, 2023,
13 as filed with the City Clerk is hereby approved.

14 Section 2. On November 1, 2022 at 5:00 p.m., in the Civic Chamber, City
15 Hall, 411 West Ocean Boulevard, Long Beach, California 90802, the City Council of the
16 City of Long Beach will conduct a public hearing on the levy of proposed assessments for
17 October 1, 2022 to September 30, 2023 for the LBTBIA. All concerned persons are invited
18 to attend and be heard, and oral or written protests may be made, in accordance with the
19 following procedures:

20 A. At the public hearing, the City Council shall hear and consider all
21 protests. A protest may be made orally or in writing by any interested person. Any protest
22 pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall
23 clearly set forth the irregularity or defect to which the objection is made.

24 B. Every written protest shall be filed with the City Clerk at or before the
25 time fixed for the public hearing. The City Council may waive any irregularity in the form or
26 content of any written protest and at the public hearing may correct minor defects in the
27 proceedings. A written protest may be withdrawn in writing at any time before the
28 conclusion of the public hearing.

1 C. Each written protest shall contain a description of the business in
2 which the person subscribing the protest is interested sufficient to identify the business and,
3 if a person subscribing is not shown on the official records of the City as the owner of the
4 business, the protest shall contain or be accompanied by written evidence that the person
5 subscribing is the owner of the business. A written protest which does not comply with this
6 section shall not be counted in determining a majority protest.

7 D. Testimony is also invited relating to any perceived irregularities in or
8 protests to previous years' proceedings/assessments.

9 Section 3. The City Clerk shall give notice of the public hearing called for
10 in Section 2 by causing this Resolution of Intention to be published once in a newspaper
11 of general circulation in the City not less than seven days before the public hearing.

12 Section 4. This resolution shall take effect immediately upon its adoption
13 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2022, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

EXHIBIT "A"

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2022-2023 Long Beach Tourism Business Improvement Area Annual Report

SUBMITTED BY THE LONG BEACH CONVENTION & VISITOR'S
BUREAU

SEPTEMBER 19, 2022

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DISTRICT OVERVIEW

District Background

Long Beach Convention & Visitor Bureau Overview

The Long Beach Convention & Visitors Bureau (LBCVB) is the official tourism organization contracted by the City of Long Beach. The mission of the LBCVB is to contribute to the economic development of the City by selling, marketing and promoting Long Beach as a destination for conventions, meetings, trade shows and tourism.

The Long Beach Area Convention & Visitors Council, Inc. was incorporated on August 2, 1982, as a tax-exempt nonprofit organization. The Council commenced operations on October 1, 1982. Effective March 21, 1995, the Council changed its name to the Long Beach Convention & Visitors Bureau.

The mission of the Bureau is accomplished through direct sales to meeting planners; publicity through meeting trades and travel publications as well as major local, regional and national news outlets; digital content creation and promotions across the web and social media channels and through marketing and promotional cooperative campaigns with the Bureau's membership, city and industry partners.

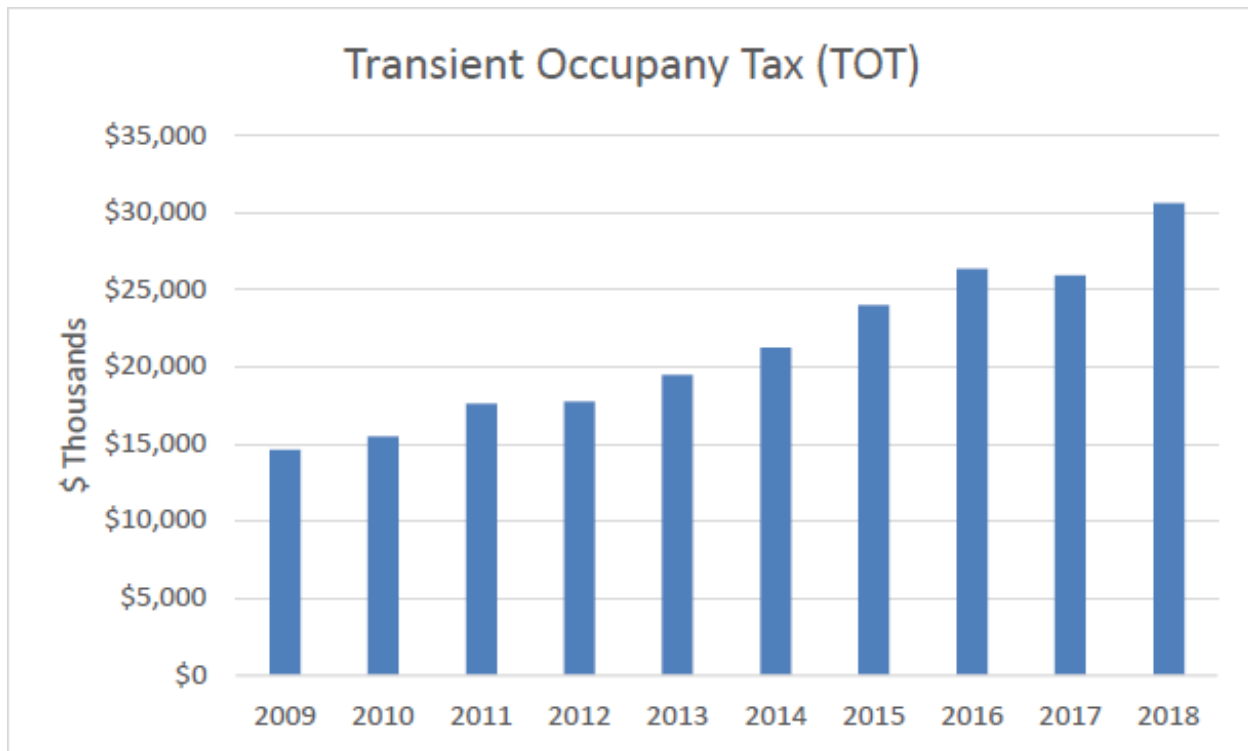
The tourism industry is one of the largest generators of revenue for the City. Recent studies indicate that overnight visitors in Long Beach generate more than **\$1.17 billion** in economic impact from direct spending on transportation, accommodations, dining, shopping, attractions and city taxes.

The total economic impact of visitors coming to Long Beach for tourism, conventions and meetings extends well beyond the hospitality and tourism sector itself, benefiting local businesses and workers across many industries. Prior to the pandemic, 25% of visitor spending in Long Beach went toward food services, 22.4% was spent at local hotels, 14.7% spent on entertainment, 14% on transportation, and 12.7% at local retailers.

Transient occupancy tax revenue in the City of Long Beach totaled **\$30.6 million** in fiscal year 2019, according to an analysis of City data.

The Long Beach Convention & Entertainment Center is the single largest draw for visitors to the City, attracting between **1.4 million to 1.6 million people** for conventions, meetings, and events each year. These visitors fill hotel rooms, dine at local restaurants, visit attractions, use key transit services, and enjoy local entertainment.

The activity generated by tourism and conventions generates **18,600 jobs** and approximately **\$687 million in labor income** in Long Beach.



Source: City of Long Beach

*Beacon Economics/City of Long Beach

Conventions & Meetings Sales



Washington DC Sales Mission

The Long Beach Convention and Visitors Bureau spent the fiscal year 2021-22 securing 64.7% more room nights than the prior year. This was the largest increase as compared to our competitive set of destinations on the West Coast.

The figures below illustrate the current pace of sales in comparison to the same time last year:

- 2023: +1%
- 2024: +28%
- 2025: +25%
- 2026: -18%

Sales Missions

The sales department of the CVB is dedicated to winning convention, meeting and event business for Long Beach. The team will participate in 28 industry trade show in the FY 22-23 at both the national and local levels. Increased sales coverage will be dedicated to the Northern California/Bay Area market, which is home to state organizations and major corporations. Sales missions are scheduled in strategic markets including Northern California, Chicago and Washington D.C. The CVB will also host meeting planners to key events in Southern California including the annual L.A./Orange County luncheons, as well as FAM style events at the Terrace Theatre.



Sacramento Sales Mission



Bay Area Sales Mission

Marketing & Communications

Visit California Partnership



Building on the success of the summer campaign in 2021 & 2022, we will again collaborate with VisitCA in their “What If” California Campaign for 2023. VisitCA has committed to a dollar-for-dollar cash match as well as added value and a match from their partner channels, close to doubling our buy.

As a major partner with Visit California, Long Beach benefits from additional media and public relations opportunities, including inclusion in television commercials, press trips/influencer visits, Visit California website content, and more.

Additional Marketing

We also have large advertising and content agreements with PCMA, Northstar Media and other outlets; local media advertising and the expansion of our in-house media arm devoted to creating authentic promotional content for online audiences. The LBCVB has continued to cultivate strong relations with media outlets, resulting in consistent coverage of the City as a tourism and convention destination.

Built on existing efforts, these integrated strategies have created a strong suite of in-house capabilities combined with key external relationships to leverage for the promotion of Long Beach as a tourism and convention destination.

Sample ads



★
What if you could
FLOAT THE DAY AWAY?

You can. In Long Beach — where the quintessential beach-chic vibe is waiting for you. Go two-wheeling down the bike paths. Cruise on a kayak, paddleboard or aquabike. Catch a Gondola ride. Explore the underwater world at the Aquarium of the Pacific. Shop, sip and grab a bite on the waterfront or in the eclectic neighborhoods. The options are as limitless as the sun-drenched horizon.

FOR MORE IDEAS AND INSPIRATION:
VisitLongBeach.com

LONG BEACH
 CALIFORNIA

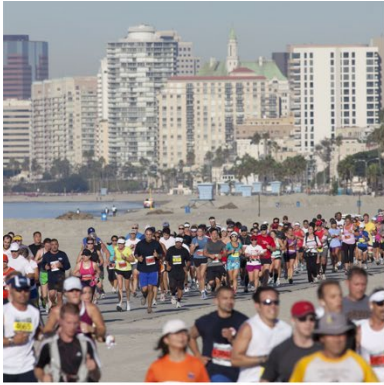
Creation of In-House Media Arm



Long Beach CVB Vice President of Communications, Samantha Mehlinger, accepts the Poppy Award for Best Content Marketing from Visit California President and CEO, Caroline Beteta, and past-Chair of Visit California, Gene Zanger.

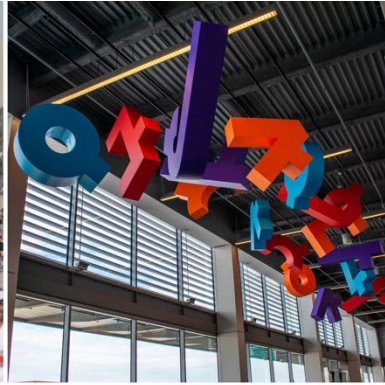
Since restructuring its Communications Department in 2021, the CVB's in-house media arm – focused on digital content creation for public relations and content marketing purposes – is now recognized among the best in the state. In February 2022, the CVB was awarded Visit California's Poppy Award for "Best Content Marketing" in a year with a record number of submissions. The Poppy Awards are held every two years, and honor the best in California's tourism marketing.

The CVB has also been recognized for its innovative use of new social platforms. In fall 2021, Crowdriff, the go-to social media platform for user generated travel content, authored a case study on the CVB's use of its Localhood platform: "[How Visit Long Beach Drove 1,000,000+ Organic Impressions on Google.](#)"



Long Beach Marathon Returns Oct. 8-9

The Long Beach Marathon is one of the city's most popular events, as well as one of its most varied, comprising so much of what makes the International City great: community, individual...



Explore Long Beach's Public Art

So much of Long Beach's public sphere contains something beautiful, eye-catching, breath-taking: building walls, crosswalks, utility boxes, boulevard medians, airport floors. Art is everywhere. Below are highlights of public art throughout the...



Hispanic Heritage Month in Long Beach

Hispanic Heritage Month, celebrated nationally from Sept. 15 to Oct. 15, recognizes the histories, cultures and contributions of those whose ancestors came from Spain, Mexico, Central and South America and the Caribbean...

Recent listicles on www.visitlongbeach.com/blog, which are shared across @VisitLB social media platforms with accompanying original videos or photography.

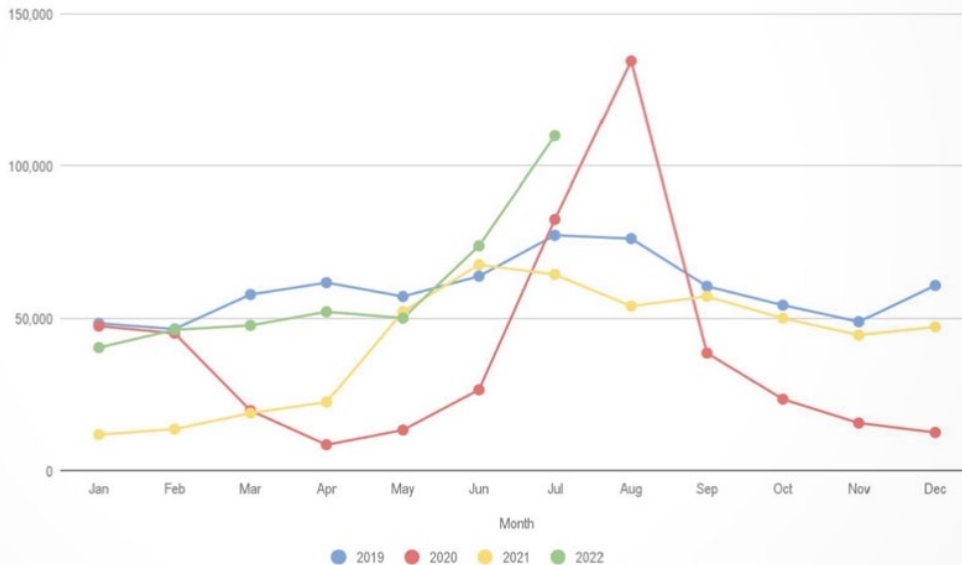
With a full-time Staff Writer and Communications Manager directed by our VP of Communications, the CVB's content marketing and media relations efforts are varied and robust, consistently driving increased web traffic and social media engagement across Visit Long Beach platforms. Weekly listicles – articles in bite-sized, list format – showcase the city's cuisine scene, things to do, attractions, arts, lifestyle and more, with a dedicated focus on including a diverse representation of businesses and organizations across the city.

Bringing writing in house has resulted in a twofold increase in content production, with **75 original listicles** (ranging from 2-3 per week) produced in the 2021-22 fiscal year (as of September 19, 2022), compared to 21 listicles the prior year, when freelance services were used. Highly localized content created for www.visitlongbeach.com is crafted with Google's search engine optimization considerations in mind, with the goal of positioning the CVB as the go-to source of information about visiting Long Beach. **These efforts combined with online marketing strategies have resulted in www.visitlongbeach.com surpassing pre-COVID web traffic levels.**

OVERALL SITE PERFORMANCE

SESSIONS

In July, traffic was up by 71 percent compared to last year.



Annual comparisons show web traffic to www.visitlongbeach.com surpassing pre-pandemic heights.

The CVB is leveraging Instagram's new Reels platform – which allows an account's content to be seen by anyone, not just account followers – to grow its presence and reach on Instagram, which is its most-followed social media platform. Since February 2022, the CVB has created **36 original Reels** highlighting things to do, small businesses, attractions, the arts and more. Since that time, @VisitLB, the CVB's Instagram account, has experienced a **76% increase in the number of accounts its content is reaching**. The majority of viewers of its content are now non-followers.

Since implementing its content creation strategy in Summer 2021, the CVB's Instagram account has experienced a **16% increase in followers**, while Facebook and Twitter have each experienced a 2% increase in followers.

In addition, LBCVB has filmed **more than 100 member restaurants** to date, and continues to release new videos on Visit Long Beach social channels on a weekly basis. In addition to creating new content for our website and social media, the purpose was to provide the videos to the eateries for use in their own promotions.

The team has also secured well-known and followed influencers and bloggers who have visited the city and shared our story throughout the spring and summer, with more coming. By the end of September, the combined reach of influencer content will top **5 million accounts across Instagram and TikTok**, the primary social media networks for leisure travel content.

Influencer Partnerships

Long Beach Pride

Josh Rimer @JoshRimer · Jul 9
I'm in Long Beach for Long Beach Pride! 🌈 This weekend I'm here attending the third largest Pride festival and parade in California. Sunny weather and fun times with happy people being unapologetically LGBTQ+ is on the agenda! 🇺🇸 #visitlb



Josh Rimer

Josh Rimer @JoshRimer · Jul 11
A roller rink at Pride? YES! 🌈 Plus a silent disco, a drag makeup dome, tons of booths, and all kinds of other fun LGBTQ+ stuff. Not to mention a bunch live performances... Long Beach knows how to do a Pride festival! 🇺🇸 #visitlb



1.2 Million
Subscribers
Will Air 50x



200,000
Monthly Visitors



89,000
Subscribers

LONG BEACH CONVENTION & VISITORS BUREAU

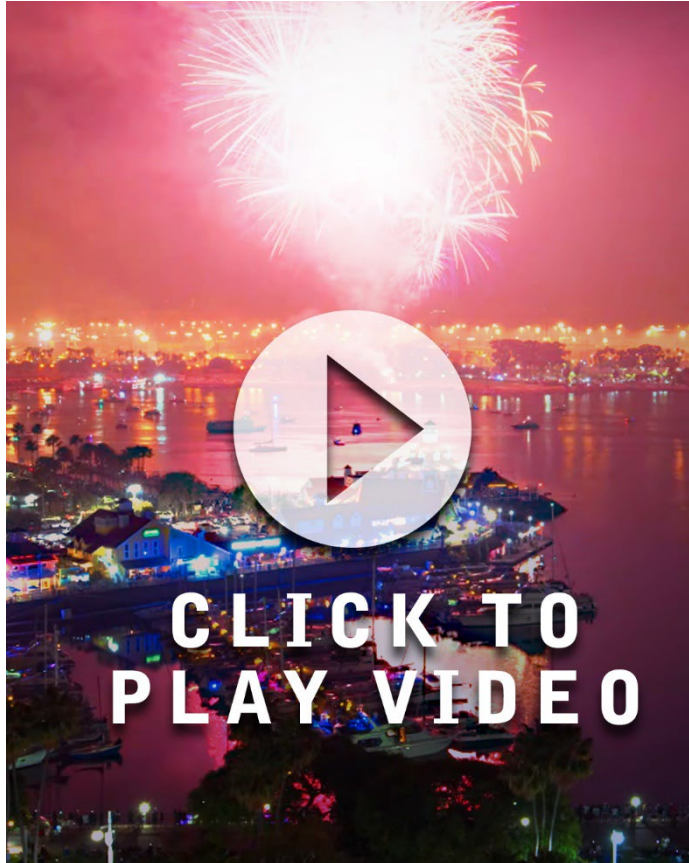
The Long Beach Convention & Visitors Bureau partners with influencers and journalists to highlight the City of Long Beach as a travel destination. Above, the CVB partnered with Canadian travel journalist and influencer Josh Rimer to promote Long Beach as an LGBTQ-friendly destination by highlighting Long Beach Pride across multiple media platforms.

Community

The Long Beach Convention & Entertainment Center is not just a meetings and events facility – it is also a community asset.



Tree Lighting: Each year, the LBCVB produces the City's Annual Tree Lighting event, which has grown in attendance from 400 people to 5,000 in 2021. This annual event draws residents and visitors from throughout the Southland. It has quickly become one of the must-see holiday displays in the region.



<https://youtu.be/7NcapyoPjbM>

Long Beach residents and visitors gathered at Lion's Lighthouse for Sight and other locations along the waterfront to view the Fourth of July fireworks produced by the City of Long Beach, Port of Long Beach, LBCVB and Harbor Breeze Cruises.

Fourth of July Fireworks: For the second year in a row, the LBCVB oversaw this annual celebration. In 2022, two additional partners came onboard (City of Long Beach and the Port of Long Beach joined the LBCVB and Harbor Breeze as partners), making the display larger than ever. Once again, Long Beach saw a record-breaking crowd of **more than 50,000 people in attendance along the Waterfront.**

This year's event also saw major news outlets spending the day in Long Beach promoting the event as well as streaming it live as part of their July Fourth celebration.

Accolades

Stella Awards



The industry's top honors system, the Stella Awards, continues to recognize Long Beach for its innovations in events.

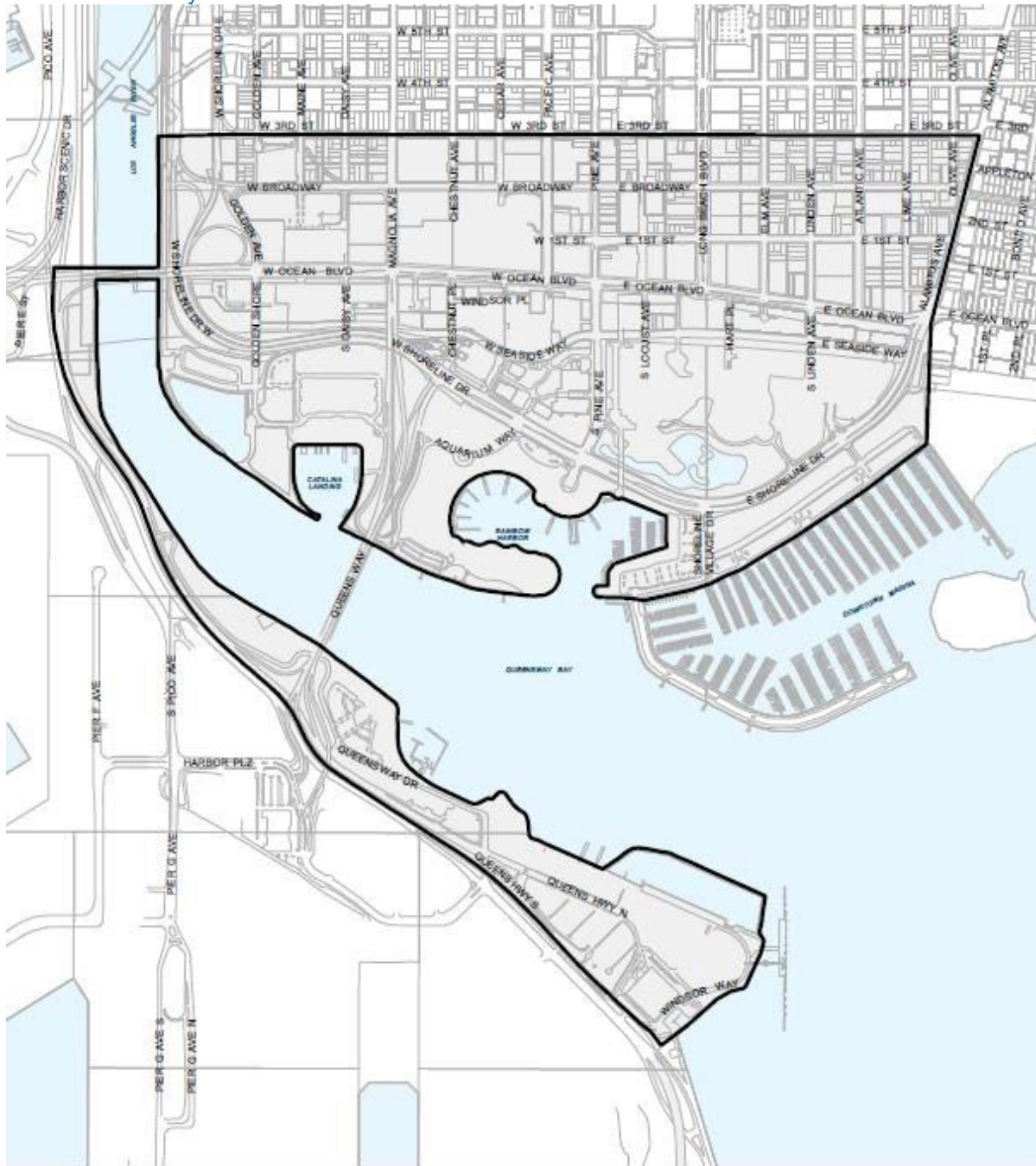
Both the Long Beach Convention Center and Long Beach Convention & Visitors Bureau won Stella Awards – the top meetings industry recognition – for the sixth consecutive year. **Both the CVB and the Center won the “Gold” award for the “Best in the West” title in 2022**, beating out San Diego, Los Angeles, Anaheim, San Francisco, etc.

This award is presented by *Successful Meetings* and *Meetings and Conventions* magazines, two of the top industry trade publications. The winners were nominated and voted on by professional meeting planners, and results will be made public in November.

The Long Beach CVB is the only CVB nationwide to have won Gold every year since the award was created.

The awards recognize the innovation of the LBCVB and investment in turnkey spaces by the City at the Convention Center, which continues to bring in new business, including groups that could not use Long Beach before the addition of larger spaces such as the Pacific Ballroom, Terrace Plaza and the Cove. The repositioning is helping Long Beach to become more competitive as it contends with similarly sized convention centers in cities such as Portland, San Jose, Denver and Phoenix. Long Beach has also been successful in pulling groups from much larger centers such as Los Angeles, Anaheim, and San Diego.

District Boundary



City of Long Beach
Long Beach Tourism - Downtown
Parking & Business Improvement Areas (PBIA)
As of March 2016



City of Long Beach Department of Technology & Innovation 099_R01_District_Tourism_Downtown.mxd 3/2016



City of Long Beach
Long Beach Tourism - Airport
Business Improvement Area (BIA)
 As of March 2016



City of Long Beach Department of Technology & Innovation GIS - BIC_GisData_Tourism_Airport.mxd 5/2/16

Proposed Changes

There are no proposed changes to the district boundaries.

District Advisory Board

Imran Ahmed–Executive Committee Member - General Manager–Marriott Long Beach
Bill Collier – Executive Committee Member – Golden Shore RV Park
Larry Jackson –CFO and Executive Committee Member – Long Beach Memorial Hospital
Mooyon Kim – Executive Committee Member - General Manager – Holiday Inn LB Airport
Jane Netherton – Executive Committee Member - Chief Financial Officer
William Rouse – Executive Committee Member – General Manager – Long Beach Yellow Cab
Renato Alesiani – General Manager – Breakers Hotel
Terry Antonelli – CEO – Del L’Opera Restaurant Group
Sid Ramani – Vice Chair and Executive Committee Member - General Manager – Hyatt Regency
Raymond Min – Area Director of Operations - Hyatt Centric
Greg Bombard – CEO/President – Catalina Express
Rob Adams – General Manager – Hilton Long Beach
Marcelle Epley – Secretary and Executive Committee Member - President & CEO – Long Beach Community Foundation
Greg Guthrie – General Manager – Hotel Maya a Double Tree by Hilton
Todd Lemmis – Chairman and Executive Committee Member - Founding Partner – Pacific6 Enterprises
Silvano Merlo – General Manager – Courtyard LB Downtown
Jim Michaelian – President & CEO – Grand Prix Association of Long Beach
Nicky Clair – Owner– Georges Greek Cafe
Ron Nelson – Executive Director – Long Beach Museum of Art
Dennis Patel – Owner – Travelodge Convention Center
Hitu Patel – Owner – Roadway Inn & Best Western
Karen Englund – General Manager – Renaissance Long Beach
John Thomas –Art Deco Dimensions
John Thompson – General Manager – Westin Long Beach

District Personnel

Steve Goodling – President & CEO
Joseph Jenci – Senior VP Sales/Admin
Kenya Stamps –VP Sales/Admin
Jeff Forney – VP Marketing, Membership & Special Projects
Cindy Robbins – Controller
Courtney Russell – VP Client Relations
Samantha Mehlinger – VP Communications

ASSESSMENT

Methodology

2022 – 2023 The Long Beach Tourism assessment shall be levied on all hotel businesses, existing and future, with greater than thirty (30) rooms, within the area based upon three percent (3%) of the gross short term room rental revenue. The assessment will be collected monthly, based on three percent (3%) of the gross short term room rental revenues for the previous month. New hotel businesses within the boundaries will not be exempt from the levy assessment pursuant to Section 36531 (of the California Streets and Highways Code).

Proposed Changes

There are no proposed changes to the method and basis of levying the assessment.

CPI Adjustments

A Consumer Price Index Adjustment is not being requested at this time.

BUDGET

Projected Budget

Long Beach Convention & Visitors Bureau FY 22-23 vs. FY 21-22 Budget Comparison

The 2022-2023 Fiscal Year budget for the Long Beach Convention & Visitors Bureau projects changes to revenues and expenses based upon anticipated increases in Tourism Property and Business Improvement Area (PBIA) funds, increasing CVB membership, the cessation of CARES Act funding, participation in trade shows, hosted Fam tours for potential and existing clients, and a potential increase in personnel to accommodate three positions.

Revenue

The CVB's PBIA revenue projections take into consideration hotel occupancy rates and average daily room rates - which have been steadily increasing since hotels were allowed to welcome back visitors - as well as broader economic projections.

Hotel occupancy and average daily room rates have steadily increased since properties reopened to visitors in the second quarter of 2021. For historical context, PBIA revenues decreased 40% during the pandemic year FY 2019-2020 compared to an all-time high in FY 17-18. Since then, PBIA revenues experienced a marked 56% increase in FY 21-22. The CVB anticipates a 15% increase in PBIA revenues in FY 22-23 compared to the year prior, totaling an increase of \$734,000.

Revenue projections account for the cessation of CARES Act funding, which was approved by the federal government for local economic relief during the pandemic. The Long Beach City Council allocated \$1,002,000 for the CVB in FY 21-22, which was one-time funding and is therefore not included in the FY 22-23 budget.

However, due to increased revenues driven by strong PBIA performance, the CVB projects an overall decrease in revenue in FY 22-23 of \$284,722.

Expenses

The Long Beach Convention & Visitors Bureau's expenses outline its myriad activities to market and promote the City of Long Beach as a destination for conventions, events, meetings, and leisure travel.

In order to accomplish this mission, the CVB employs a diverse and skilled workforce in key areas including sales, marketing, and administration. Prior to the COVID-19 pandemic, The CVB employed 39 positions, as well as two interns. In FY 20-21, the CVB employed the equivalent of 18.7 positions.

Prior to the reopening of the economy in the second quarter of 2021, the CVB began hiring in anticipation of strong demand for the return of leisure travel and events. The organization was one of the first in the industry to begin rehiring after it restructured various positions to meet new market needs, and as a result was able to secure competitive talent. In FY 21-22, the organization increased staffing to 30 positions, and has budgeted for as many as 33 positions in FY 22-23. Personnel is budgeted \$387,900 over the prior year due to the addition of three full-time equivalent positions, staff retention costs, and a 5% proposed cost of living increase.

Fam Tours, in which the CVB hosts clients in town to showcase the destination, are another key strategy for the sales department. The Acura Grand Prix of Long Beach is the premier Fam tour for the CVB, and will take place again in April 2023. Other Fam tours are held throughout the year for clients hailing from across the nation. Fam tours are budgeted \$28,000 below FY 21-22 because two Grand Prix events took place in that year, and there is only one Grand Prix event taking place in FY 22-23.

Expenditures on Trade Shows, a key sales strategy for Long Beach's meetings industry, are budgeted \$126,000 higher than in FY 21-22 because more trade shows are occurring this year, post-pandemic. The sales department is participating in 28 of the industry's largest and most productive trade shows in FY 22-23. Trade shows enable the CVB's sales force to interact face-to-face with potential clients in the places that matter most to them, boosting the organization's award-winning, competitive edge.

Marketing & Advertising is a crucial component of the CVB's promotional efforts for both conventions and leisure travel. The CVB's robust programming includes advertising in major trade publications, as well as with targeted national, regional, and local news outlets. Marketing & Advertising is budgeted \$540,000 below FY 21-22 due to the absence of CARES Act funding to supplement these efforts (which was \$1,002,000).

Travel & Entertainment is down by \$63,000 because of structural changes in sales missions. Due to post-COVID protocols, many offices are still not allowing groups of visitors for presentations into their offices. This will result in significant savings of van rentals and transportation costs to these offices.

Support Marketing is primarily the cost of the CVB supplementing monies for rental reductions at the convention center. With more conventions returning in FY 22-23, the committed monies to rental reductions are approximately \$232,000 over the prior year. In FY 21-22, a total of 36 conventions benefited from support marketing, and in FY 22-23, 44 conventions will receive this support.

Administrative expenses are budgeted \$35,400 higher than in FY 21-22 primarily due to a contracted annual rent increase.

Long Beach Area Convention & Visitors Bureau				
Budget 2022/2023				
<i>PBIA</i>				
		2022/2023	2021/2022	Variance
		Budget	May Forecast	to
Revenue				Budget
	PBIA	5,552,000	4,817,935	734,065
	Reserves Used	0	0	-
Total Revenues		5,552,000	4,817,935	734,065
Expenses				
	Personnel	2,301,000	1,757,345	543,655
	Fam Tours	52,000	48,412	3,588
	Trade Shows	0	1,380	(1,380)
	Marketing & Advertising	1,690,000	1,739,446	(49,446)
	Special Projects	380,000	0	380,000
	Travel & Entertainment Out of Town	365,000	472,019	(107,019)
	Travel & Entertainment In Town	164,000	160,594	3,406
	Support Marketing	600,000	404,500	195,500
Total Expenses		5,552,000	4,583,696	968,304
	Net Change to Assets	0	234,239	-234,239

Long Beach Area Convention & Visitors Bureau				
Budget 2022/2023				
TOTAL				
		2022/2023	2021/2022	Variance
		Budget	May Forecast	to
Revenue				Budget
	City Funds	4,608,676	4,608,676	0
	Memberships	220,000	213,037	6,963
	Airport Marketing	120,000	73,000	47,000
	Digital Adv Boards	39,000	9,750	29,250
	PBIA	5,552,000	4,817,935	734,065
	Cares Act	0	1,002,000	-1,002,000
Total Revenues		10,539,676	10,724,398	-184,722
Expenses				
	Personnel	5,162,154	4,774,255	387,899
	Fam Tours	277,000	304,726	-27,726
	Trade Shows	322,300	195,568	126,732
	Marketing & Advertising	1,690,000	2,230,473	-540,473
	Gifts	50,000	62,481	-12,481
	Special Projects	403,112	365,813	37,299
	Travel & Entertainment Out of Town	519,000	577,169	-58,169
	Travel & Entertainment In Town	385,000	389,395	-4,395
	Support Marketing	734,000	501,173	232,827
	Administrative Expenses	997,110	961,642	35,468
Total Expenses		10,539,676	10,362,695	176,981
	Net Change to Assets	0	361,703	-361,703

Long Beach Area Convention & Visitors Bureau				
Budget 2022/2023				
TOT				
		2022/2023	2021/2022	Variance
Revenue		Budget	May Forecast	to
				Budget
	City Funds	4,608,676	4,608,676	-
	Memberships	220,000	213,037	6,963
	Airport Marketing	120,000	73,000	47,000
	Digital Adv Boards	39,000	9,750	29,250
	Cares Act	0	1,002,000	(1,002,000)
	Total Revenues	4,987,676	5,906,463	(918,787)
	Expenses			
	Personnel	2,861,154	3,016,910	(155,756)
	Fam Tours	225,000	256,314	(31,314)
	Trade Shows	322,300	194,188	128,112
	Marketing & Advertising	0	491,027	(491,027)
	Gifts	50,000	62,481	(12,481)
	Special Projects	23,112	365,813	(342,701)
	Travel & Entertainment Out of Town	154,000	105,150	48,850
	Travel & Entertainment In Town	221,000	228,801	(7,801)
	Support Marketing	134,000	96,673	37,327
	Visitor Services	0	9,000	(9,000)
	Administrative Expenses	997,110	961,642	35,468
	Allocated Reserve		-	
	Total Expenses	4,987,676	5,787,999	(800,323)
	Net Change to Assets	0	118,464	-118,464

Long Beach Tourism Business Improvement Area Program

2022 – 2023 Program

Program Area 1 - Sales

Trade Shows

The sales department is scheduled to participate in 28 of the industry's largest, newest and most productive trade shows in Fiscal Year 2022-2023. These strategically selected shows attract motivated meeting planners from both the regional and national markets. Most of these industry shows – which have not taken place or have had limited “in person” participation for the past two years – are now experiencing record attendance by meeting planners. The lack of face-to-face meetings and conventions has put a financial strain on the nonprofits that rely on revenues from exhibitors and sponsors, resulting in very strong demand to return to in-person meetings. Corporate planners are just now seeing company travel restrictions lifted. For these reasons, we are prepared to take advantage of pent-up demand and a bullish meetings industry.

Partnerships

The sales team is moving forward with a refined and proactive approach to our preferred partnership agreements with Helms Briscoe, HPN, Conference Direct, PCMA and ASAE. This important segment of business mix is producing definite room nights at pre-pandemic levels. Pre-pandemic, 37% of the CVB's definite room nights were from third parties; post-pandemic in 2022, the team is pacing ahead of that trend, with 50% of current definite room nights from third parties. For the first time, we have budgeted a targeted third party Fam event around our Holiday Tree lighting, and are offering a summer promotion to encourage additional RFP's and conversions.

Sales Missions

Historically, the Washington D.C. and Chicago mission trips have been successful in bringing the Long Beach hospitality community to our clients, with attendance by our major hotel partners as well as City officials. We will once again open attendance to our Hotel DOS partners now that travel/event restrictions have been relaxed. We will not be visiting client offices due to post-COVID protocols that remain in place at many corporations, and instead will host events at local venues.

- **Washington D.C.:** The FY 22-23 budget includes a fall sales missions to Washington, D.C. No direct sales calls are scheduled at planner offices; instead, the team will focus on high-impact events. Three events are planned over a two-day period, including a lunch in the Maryland suburbs, a reception/dinner in Downtown Washington D.C., and a closing reception/dinner in Old Town Alexandria.
- **Chicago:** Also included in the budget are two-day targeted client events in Chicago for both September 2022 and September 2023. Events will include an inspired luncheon in the suburbs and a dinner reception in Downtown Chicago. Once again, we will not conduct sales calls due to post-COVID restrictions in office places.
- **Orange County:** The CVB's annual client luncheon in Orange County, California is budgeted for the month of October.

- **Sacramento & Bay Area:** The CVB will capitalize on strong demand from state associations based in the capitol, which have until recently been restricted from meeting due to COVID-19 restrictions. A strong resurgence of demand in San Francisco, Silicon Valley and the East Bay markets has led the CVB to budget five client events in different cities within the Bay Area. The Southern California market, which is a relatively short drive or flight away, will also be invited. These will be intimate, impactful events with smaller gatherings.
- **Denver:** Due to the success of our joint mission with PCMA in the Denver market in FY 21-22, the sales team has budgeted for a client event in the winter months of FY 22-23.

Hosted Familiarization(Fam) tours

Fam Tours, in which the CVB hosts clients in town to showcase the destination, are another key strategy for the sales department. The Acura Grand Prix of Long Beach is the premier Fam tour for the CVB, and will take place again in April 2023. The CVB will host clients for a three-day immersive Long Beach experience. Plans this coming year include a weekend of tailored events showcasing the best Long Beach has to offer. Planners attending this Fam represent events with major citywide potential; they and their guests will experience the CVB's first-class ability to conduct large events through the tremendous exposure of the Grand Prix.

The sales department has had great success and positive feedback from clients who have attended special entertainment events at the Terrace Theater. As opportunities arise, the sales team will use budgeted Fam funds to invite planners from the Southern California market, as well as national clients, to experience unique events at the venue. We will work with ASM Global and take advantage of additional entertainment booked throughout the year.

Program Area 2 – Marketing Plan Overview

The Long Beach CVB's Marketing & Advertising efforts and budgeted funds are dedicated to robust campaigns and promotions aimed at pleasure travel and convention/meeting business.

Marketing and promotional efforts are concentrated within the CVB's Marketing and Communications departments, with monies directed to traditional advertising (paid, placed ads with media and trade outlets), content marketing (internally created promotional content shared across social media and web platforms, as well as user-generated content by strategically selected, paid influencers), and media/public relations.

Advertising

- **Leisure:** Fiscal Year 2022-23 will build and expand on the success of the CVB's summer marketing campaigns established in FY 21-22. The CVB is participating in Visit California's "What If" California Campaign for 2023, with the state organization committing to a dollar-for-dollar cash match, as well as added value and matching contributions from partner channels, close to doubling the CVB's investment.

Through this co-op, Visit Long Beach advertisements will appear on major channels such as TripAdvisor, YouTube, SpotX and Adara. Based on past performance data, these were the best performing outlets: YouTube and SpotX showed a 97% completion rate on all videos

run, and TripAdvisor and Adara outperformed their competition 3-to-1. By using data from over 300 partnering travel companies, Adara identifies travelers who are actively searching to book trips in Southern California. Once they are identified, Visit Long Beach advertisements appear on these travelers' search pages as an option for their next vacation.

The Long Beach CVB also places advertisements with local media, including the Long Beach Post, Long Beach Business Journal, Press-Telegram, and Grunion Gazette, to reach the staycation market.

- **Meetings:** For convention/meeting industry advertising, the CVB is increasingly focused on digital platforms, including through third-party meeting planner sites such as CVENT, Conference Direct, Convene USAE, and Northstar Media. Approximately 69% of the CVB's advertising spend is on digital platforms. Targeted ads are also placed on channels that are highly used throughout the industry, including LinkedIn, Facebook and Instagram. The CVB continues to place print advertisements in select, highly-respected and well-read industry publications; these include PCMA's *Convene, Meetings & Conventions Magazine* and *Successful Meetings*. The CVB also runs print ads with the local Long Beach Business Journal to reach the local market and inform the community about upcoming events.
- **Advocacy Marketing:** In order to keep residents, city staff and elected officials informed as to how important tourism is to the city, we will place print and digital ads with the Long Beach Post and the Gazette Newspapers. The messaging will focus on jobs created, the amount of funds generated and total investment in the city as a whole.

Program Area 3 – Content Marketing

Content Marketing

In addition to traditional advertising, the CVB's is highly focused on its award-winning content creation strategy – in 2022, the CVB was recognized at Visit California's Poppy Awards for the Best Content Marketing in the State of California. An in-house staff with strong backgrounds in publishing, social media, and web management, create new content for a variety of platforms. Leaning into the heavyweight marketing power of social media and digital channels, the focus for Visit Long Beach platforms will center on "expertise, authority, and trust" – the "EAT" content marketing principle pioneered by Google to measure the intrinsic value and trustworthiness of web content.

Original content with hyper local expertise will be promoted across social media channels to attract day travelers and overnight visitors by showcasing what sets Long Beach apart as a destination. Videos and listicles (short articles in a list format) will invite viewers to imagine themselves experiencing our unique Long Beach vibe, food scene, cultural offerings, attractions, activities and more – in a bite size, palatable format. Content production and sharing will be ramped up in the spring and summer months, with consistent publishing year-round.

User Generated Content

The CVB will host well-known and highly-followed writers, bloggers, and influencers to Long Beach to experience curated itineraries that incorporate shops, eateries, and experiences unique to our destination. They will create compelling stories to be shared on a variety of platforms, including travel and lifestyle blogs/vlogs, local regional and publications, social media platforms, etc., to their wide and diverse audiences. In addition, the CVB will produce in-house content and work with diverse local talent to create photography and videography depicting the city's cultural offerings, architecture, activities, special events, dining, shopping, and destination drivers.

Website/Digital Support

As the go-to source of information about Long Beach for visitors, VisitLongBeach.com will be regularly updated to stay ahead of trends and showcase new content, with ongoing support by web developer Tempest. Additional web support includes microsites and special custom websites for clients and community events. Also key, tracking software and metrics will continue to aid the organization in assessing its digital reach and PR performance. Website and digital support efforts and services include: website hosting costs; tracking, reporting and analytics; web forwarding and URLs and Google Ad Words for brand awareness (pay per click, keyword ads, display network ads and re-targeted ads).

Fam Tours/Press Tours

The CVB hosts Fam Tours and Press Tours targeting leisure travel and events. Our in-house team will coordinate all public relations requests and proactively work to pitch the press on stories related to special events, conventions, holidays, attractions, and places to visit in Long Beach. The CVB arranges for journalists and influencers to stay in the city and experience its attractions, activities, dining, and shopping, covering associated costs. The team will combine efforts with Visit California to increase awareness of Long Beach. We will be attending the Visit California media trips held in San Francisco and Los Angeles, where we hold meetings with journalists and influencers and secure press trips and future coverage of the destination. Additionally, the CVB will attend IMM, the premiere national conference for travel media seeking stories about destinations.