

**STAFF REPORT**

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THE CITY OF  
NOVATO  
CALIFORNIA

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MEETING

DATE: May 23, 2017

TO: City Council

FROM: Peggy Flynn, Assistant City Manager

PRESENTER: Novato Chamber of Commerce Tourism Committee

SUBJECT: **PRESENTATION AND ACCEPTANCE OF THE NOVATO CHAMBER OF COMMERCE ANNUAL TOURISM COMMITTEE REPORT FOR 2016**

**REQUEST**

Consider receiving a presentation and accepting the Novato Chamber of Commerce Annual Tourism Report for 2016.

**DISCUSSION**

Since 1987, as a result of a voter-approved ballot measure, the City has allocated 1% of the total 10% Transit Occupancy Tax (TOT) it receives to promote tourism in Novato. The TOT, also known as a Hotel Tax, is a tax charged to travelers when staying at hotel, motel or other lodging, collected by the operator, and passed on to the City.

Additionally, the City is a member of the Marin Tourism Business Improvement District (TBID), which is managed by the Marin Convention Visitors Bureau and is funded by a 2% TBID assessment. The combined total of taxes and assessments charged to hotel guest in Novato is currently 12%.

At the same time the funding for tourism promotion was established, the City contracted with the Novato Chamber of Commerce to provide visitor services and manage the tourism marketing program. To implement the program, the Chamber established a Tourism Committee, an all-volunteer group which meets monthly, and comprises Chamber members representing the City's hospitality industry, the Executive Director of the Chamber, a representative from the Downtown Novato Business Association, and a City representative as an ex officio member.

The annual report summarizes the work of the Committee in 2016 to fulfill the Chamber's obligation to promote tourism in Novato.

The "Novato by Nature" campaign continues to stand out in a competitive tourism market and deliver a solid return on investment by attracting visitors locally to internationally. This multi marketing effort includes a strong social media presence, online advertising, attendance at tourism trade shows, and a website that refers visitors to our Novato hotels, restaurants, and retailers--

resulting in a successful destination branding for Novato. The Chamber's Tourism Committee contracts with our local marketing agency, Kiosk, to plan a focused and robust approach--via marketing and advertising--to more effectively manage Novato's reputation as a destination on a local, regional, and national level. The attached report details the marketing program and activities for 2016.

As compared to the previous five straight years of double digit growth, 2016 represents a modest growth of 3% in TOT collections over the previous year, to \$1.66 million. This has been driven by both occupancy levels— with nominal growth from 78% in 2015 to 79% in 2016 – and room rates – rising from an average of \$130 per night in 2015 to \$134 in 2016. To date, growth has been flat with the first quarter of 2017 posting a slight decrease of less than 1%. As hotels become more fully booked we would expect a continuation of moderate growth in the overall TOT revenue.

### **RECOMMENDATION**

Receive the presentation and accept the Novato Chamber of Commerce Annual Tourism Report for 2016.

### **ATTACHMENTS**

1. Novato Chamber of Commerce Tourism Committee 2016 Report

## Novato Chamber of Commerce Tourism Committee Report - 2016

This report is presented by the Novato Chamber of Commerce Tourism Committee to the City of Novato with details of the Tourism Committee activities and fund (Transient Occupancy Tax) allocations to promote tourism in Novato in 2016.

There are four sections to this report:

Section I	Background and Summary
Section II	Marketing Highlights
Section III	Marketing Statistics and Conditions
Section IV	Future Marketing Plans

### I.A. Background

Through a ballot initiative approved by the voters in 1987 (and increased by voters in 1997), **10% of Novato's TOT collections must be spent on tourism promotion activities.** The City of Novato has contracted with the Novato Chamber of Commerce to manage these funds and activities since 1987. The Novato Chamber, in turn, formed a Tourism Committee to develop and operate a Tourism Outreach and Marketing Program.

The Tourism Committee consists of volunteer members (with many years of experience in the travel, tourism and hospitality industry), Chamber staff, a Downtown Novato Business Association (DNBA) representative and an ex-officio member representing the City of Novato.

#### Novato Chamber Tourism Committee 2016

Christine M. Bohlke	Marin Convention and Visitors Bureau
Peggy Flynn	City of Novato, ex-officio
Garrett Grialou	Best Western Plus Novato Oaks Inn (Reneson Hotels)
Tim Howard (CHAIR)	Courtyard by Marriott
John Marshall	Inn Marin
Gayle Peterson	Big Cat Advertising
Coy Smith	Novato Chamber of Commerce
Randy Stemmer	DNBA Representative

The group works together to fulfill its mission of promoting visitor spending at Novato's hotels, Downtown merchants, restaurants, retail centers and other visitor serving businesses. Tourism funding through TOT collections was \$157,703 in 2015 and \$164,160 in 2016. Leveraging Chamber support staff and office space allows this money to be spent very efficiently.

The Chamber of Commerce office (located at 807 De Long Avenue) also serves as the Visitor Information Center for the City of Novato. A significant portion of the office lobby is dedicated to

displaying visitor information. In 2016, the committee continued to use the newly constructed outside Kiosk display (see photo below). Visitor traffic at the display has increased about 12 % over last year as evidenced by the amount of tourist related materials that are restocked in the kiosk every Monday. The Visitor Information Center is open to the general public Monday thru Friday from 8:30 A.M. to 5:00 P.M. Approximately 70% of all walk-ins and 35% of all incoming phone calls to the Chamber are visitor related.



A majority of the walk-in traffic is looking for places to visit and eat lunch or dinner in and around Novato. Because the Visitor Center is located in Downtown Novato, we are quick to direct them one block over to Grant Ave to enjoy our great Downtown shops and restaurants.

By providing a Visitor Information Center that is staffed and available to the public for over 40 hours per week, and by responding to telephone and advertising inquiries the goal is to provide information that will encourage the prospective visitor to stay in Novato, shop in our stores, visit our Downtown and dine in our restaurants. If the visitor uses a Novato hotel, the TOT tax is collected, 90% of which is used by the City for general fund expenditures.

## I.B. Summary

### 2016 Tourism Related Engagements

Type of Engagements	2016	2015	+/-
Visitors assisted in person (walk-ins)	1580	4,723	-18% ↓
Visitors assisted via telephone	2278		
Unique website visitors	54,136	45,831	18% ↑
Brochure by mail requests from VisitNovato.com	231	207	12% ↑
Brochure downloads from VisitNovato.com (new)	368	-	N/A
Brochure requests from other websites	5,189	5,459	- 5% ↓
Hotel referrals <i>VisitNovato.com web visitors that click out to a Novato hotel website</i>	1,758	733	140% ↑
Social media followers	17,609	998	1664% ↑
<b>Total tourism related engagements</b>	<b>83,149</b>	<b>57,951</b>	<b>43% ↑</b>

Note: In 2015 we reported 704 social media followers, for a total of 57,657 engagements. In fact we had 704 Facebook followers, and a further 294 followers on Twitter/ Instagram for a total of 998 social media followers.

## II. Marketing Plan Highlights

The focus of the Tourism Outreach and Marketing Plan is to promote Novato as an overnight destination and increase visitor spending in Novato. The 2016 budget and expenditure spreadsheet is attached (Exhibit A). The Tourism committee budget is based upon a calendar year (January-December). The revenues reported in the budget (\$164,160) are based upon the actual funds received from the City in calendar year 2016. The funds collected by the City are usually dispersed to the Chamber two months after the end of each quarter. So in a typical year, the funds received are from TOT collections in the last quarter of the prior year and the first three quarters of the year of reporting. For this year that means the funds we reported are from

TOT revenues generated in the last quarter of 2015 and the first three quarters of 2016.

There are typically carry over funds from the prior year, because of the difficulty in predicting total income twelve months in advance for the budgeted year.

## II.A. Brochure Design and Distribution:

Designed in 2015 and updated in 2016, the Visit Novato brochure promotes Novato as "Simply the Best Place to Stay in the North Bay" and has a brand identity that mirrors the website. It includes photos, maps, event listings and places to stay and meet.

In 2016, the Novato Tourism brochure was distributed to hundreds of locations around California. The brochure is distributed to **819** visitor serving locations and **6** Welcome Centers in Northern California by Certified Folder Display. It is also distributed by all local hotels, included in Novato Chamber relocation packets, and mailed out (or sent via email) to thousands of potential visitors in response to all visitor inquiries.



In addition, the committee also uses six themed brochures to promote "Novato Food and Wine", "Stay with us in Novato" (Hotels), "Conference and Meeting Spaces" and "Novato & North Bay Adventures", "Novato Wedding Guide" and "Novato Museum Guide" (see next page). These brochures are designed to send visitors directly to local hotels, businesses and attractions in and around Novato.



Prospective visitors request these brochures via tourism advertising websites and the VisitNovato.com website as a result of online marketing initiatives. The brochures are sent via mail or email within two business days.



**II.B. Certified Brochure Distribution:**

The Tourism Committee has had Novato brochures distributed throughout California for several years. Our vendor, Certified Folder Display, distributes brochures in twenty Western States and Canadian Provinces including 23 regions in California at 4,534 sites. These sites include hotels, car rental offices, visitor information centers, chambers of commerce, state and national parks, campgrounds/RV parks and interstate service stations.

Over the years, the Tourism Committee has analyzed the California based feeder markets to Novato as identified by our lodging properties. We have determined that the Novato brochures are most effective in generating interest in our city from surrounding metropolitan or destination markets such as San Francisco and the Napa Valley. The current distribution locations are:

<b>Distribution Area</b>	<b># of sites</b>
Sacramento	204
Marin/Sonoma Counties	99
Napa Valley	66
San Francisco	222
Monterey	201
San Jose Airport	3
Oakland Airport	1
Sonoma County Airport	1

**Total** **819**

Novato brochures are also displayed at the following 6 California Welcome centers:

<b>Name</b>	<b>Location</b>
Anderson/Shasta	Interstate 5 just south of Redding
Santa Rosa	US 101
Auburn	Interstate 80 gateway to Gold Country
Truckee	Interstate 80 on Donner Pass Road in Truckee
Salinas	West of Hwy 101 on N. Davis Road – inland Monterey
El Dorado Hills	US 50 gateway to California's Gold Country and South Lake Tahoe.

In 2016, Approximately 30,000 brochures were distributed throughout the state.

The committee has been able to take advantage of a 30% discount for quantity of distribution, non-profit status and prepayment plans.

### **II.C. Advertising:**

In 2016, our advertising budget was spent in online channels, which has proven to be the most cost efficient medium to achieve our objectives. Online advertising also enables us to measure performance, and optimize our creative and messaging.

In 2016, the committee contracted with Kiosk to manage our annual advertising campaign for the second year running. Kiosk spent ~77% of the monthly spend on Search Marketing (Google AdWords and Google Display Network), ~5% on Display Advertising (TripAdvisor) and ~17% on Paid Social (Facebook). Facebook and TripAdvisor were used to build brand awareness and create new audiences, and Google AdWords is used to capture intent, for example if a person is searching for a weekend getaway, or a wedding venue in Marin. All ads are geo-restricted to people *outside* of a 25-mile radius of Novato, and we target multiple persona profiles.

During the year, Kiosk created and ran 18 campaigns and more than 500 different ad creatives online - including evergreen tourism campaigns (e.g. romantic weekend away, wine country getaway), event-focused campaigns (to encourage event attendees to stay in Novato, e.g. Nascar, Novato Festival of Art and Wine), activity-focused campaigns (e.g. hiking, golfing), and seasonal campaigns (e.g. enjoy Fall in Novato).

Ad creatives are changed and updated on a weekly basis to optimize to performance metrics. In 2016, three new website landing pages were created to support new campaigns and to encourage people to request a brochure or download PDFs with further information.

We also tested email for the first time with a Visit Novato newsletter sent to 10,000 subscribers.

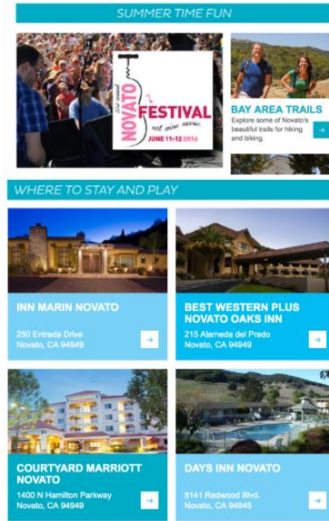




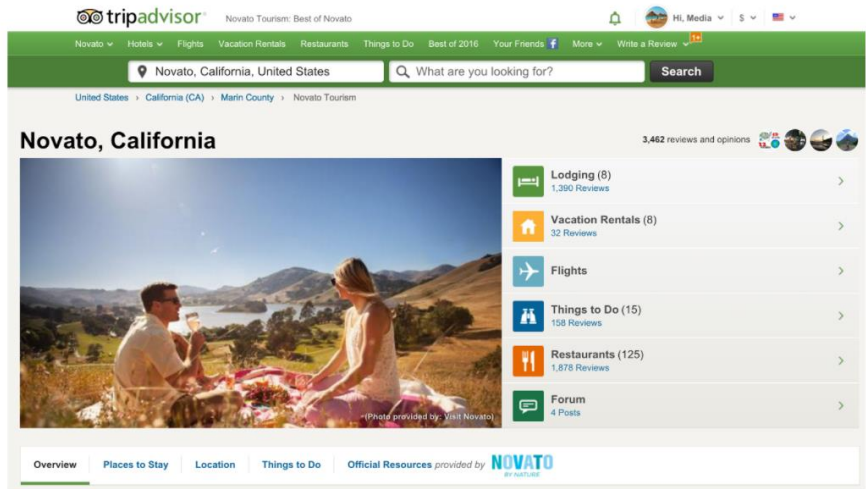
Romance on a Budget?  
[visitnovato.com/Couples-Weekend](http://visitnovato.com/Couples-Weekend)  
 Affordable Romantic Weekend Getaway Made Easy When You Visit Novato.

California Hiking Trails - Explore 3,600 Acres of CA Hiking.  
[visitnovato.com/hiking-in-novato](http://visitnovato.com/hiking-in-novato)  
 Stay & Play in Novato This Weekend.

Examples of Google AdWords ads



Excerpt from HTML Summer Email

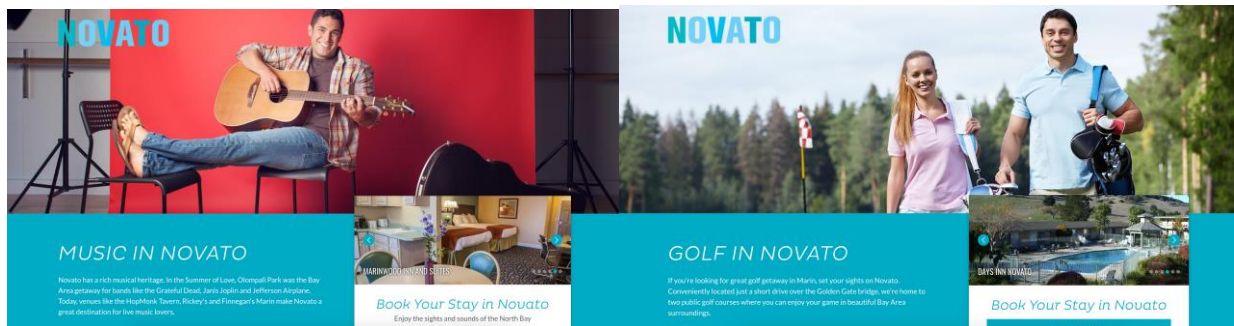
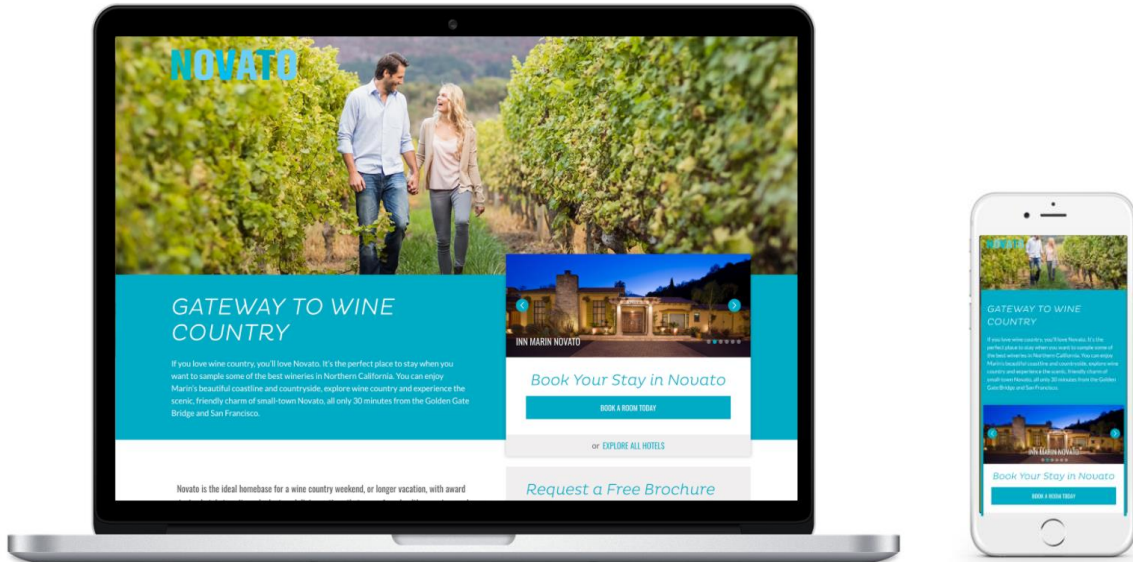


Sponsored page on TripAdvisor (to match display ad creative)



Examples of 2016 Facebook ads

Kiosk also continued to advertise Weddings and Corporate Meetings to help increase block bookings. The printed brochure and web pages were updated for 2016, and we received 89 direct requests for "Novato Wedding Guide" information packs via the VisitNovato.com website.



Example campaign Landing Pages - used to capture prospective visitor information but also valuable in measuring the relative effectiveness of each campaign.

In order to monitor campaign effectiveness, Kiosk reports to the Tourism Committee each month on five sets of 'conversion' metrics. They are (a) number of referrals from the VisitNovato.com website to the six hotel booking pages, (b) unique website visitors, (c) number of Facebook page likes and (d) number of brochure requests. 2016 metrics are summarized as follows:

Hotel Booking Referrals	Unique Web Visitors	Facebook Likes	Brochure by Mail Requests	Brochure Downloads	Total Conversions
1,758	54,136	17,609	231	368	<b>74,102</b>

During 2016 the Tourism Committee also continued to advertise with TravelGuidesFree.com. The TravelGuidesFree.com website offers travel guides for all kinds of destinations in one place. Visitors can add locations and points of interests to a "Shopping Cart" and then complete a brief questionnaire capturing valuable demographic profiles and then, request virtual or printed copies of the Travel Guides they have collected in their shopping cart. We typically receive over 400 inquiries per month through this site. In 2016, the Chamber responded to 5,189 brochure requests.

Kiosk is able to use the data provided by TravelGuidesFree.com to further optimize Visit Novato's Facebook and Google AdWords campaigns.

## **II.D Tradeshows:**

For the ninth year in a row Novato Tourism participated in the Go West Summit appointment trade show. The Novato Tourism Committee representatives also attended the United States Travel Association's IPW for the seventh year running. Both of these shows are targeted to the international and domestic tour and travel markets as well as international and domestic travel writers and media.

Each year we update our Go West Summit and IPW profiles and content based on information we learned at the previous year's events and new updates and events happening in our market, including an updated professionally designed destination profile for this travel market. This collateral piece was distributed at the Go West Summit and IPW trade shows (Exhibit B).

The Chinese market has strongly taken the lead as the top travel generator for international travel in California. Following with India second and South Korea third. We saw a large decrease in Brazilian travel followed by Germany, United Kingdom, and Canada. China has helped California tremendously to make up for this loss in tourism travel.

We continue to have a excellent response to our profile sheet, content, photos and collateral which emphasize our unique shopping, dining and attractions in Novato. During our tradeshow appointments Novato representatives continue to use a highly visual iPad photo presentation. We currently have two slide presentations; one for the tour and travel market and the second for the meetings and events market.

### **2016 Go West Summit**

The Go West Summit is an appointment tradeshow that brings together:

- Western suppliers from the U.S. with top domestic and international tour operators looking to expand their tour groups.
- F.I.T (Foreign Independent Traveler) business in the American West.

The Summit was held in Anchorage, Alaska from February 22-24, 2016. The Go West Summit continues to be a premier meeting summit because of its unique focus and effective format. The

trade show brings together international travel trade and media representatives from Asia, Europe, South America, Canada, Middle East and Scandinavia - and receptive tour operators from the U.S. The program consists of education seminars/speakers, workshops and one-on-one pre-scheduled appointments with the travel buyers and media.

Kristi Jackson of Courtyard by Marriott, Novato represented the Novato Tourism Committee. Ms. Jackson had 48 individual appointments and also paired up with Christine Bohlke (of the MCVB) on a number of other appointments. Having the Marin CVB as a presence at these appointments was beneficial in a number of ways, such as: highlighting and explaining the beauty and qualities of Marin County as a travel destination as well as being able to show Novato as a part of this lovely region. By having these joint appointments we feel that we were able to place more emphasis on Marin County as a destination in itself, and, at the same time, focus on Novato as an ideal overnight location for those wishing to visit San Francisco, Marin County, and the Wine Country.

### **United State Travel Association's - IPW 2016**

The IPW trade show was held in New Orleans, Louisiana from June 18-22, 2016. The Novato Tourism Committee partnered with the Marin Convention & Visitors Bureau. IPW features individual appointments with buyers and travel writers from around the world. Travis Long from the Novato Oaks Inn was the Novato representative for this important tradeshow. In 2016 our Novato Tourism representative had 44 successful appointments with travel buyers and another 25 appointments with media.

To quote the U.S.T.A, "IPW is the travel industry's premier international marketplace and the largest generator of travel to the U.S. - it is NOT a typical trade show". In just three days of intensive pre-scheduled business appointments, more than 1,000 U.S. travel organizations from every region of the USA (representing all industry category components), and close to 1,200 international and domestic buyers from more than 70 countries, conduct business negotiations that result in the generation of more than \$4.7 billion in future Visit USA travel.

At IPW, buyers and sellers are able to conduct business that would otherwise be generated only through an exhaustive number of around-the-world trips. The Novato Tourism Committee participated as part of the Marin CVB trade show booth. Buyer interest continues to grow for Novato and Marin County due to the higher lodging prices in San Francisco and the Napa/Sonoma Wine regions and the marketing efforts of our destination marketing organizations; such as Brand USA, Visit California, San Francisco Travel, Marin CVB and the Novato Tourism Committee.

About U.S. Travel Association:

U.S. Travel Association is the national, non-profit organization representing all components of the travel industry that generates \$2.1 trillion in economic output and supports 15 million jobs. U.S. Travel's mission is to increase travel to and within the United States.

**II.E. Website:** [www.visitnovato.com](http://www.visitnovato.com)



Kiosk is charged with constantly updating the visitnovato.com website, and ensuring that its pages are optimized for the search engines in order to drive organic web traffic.

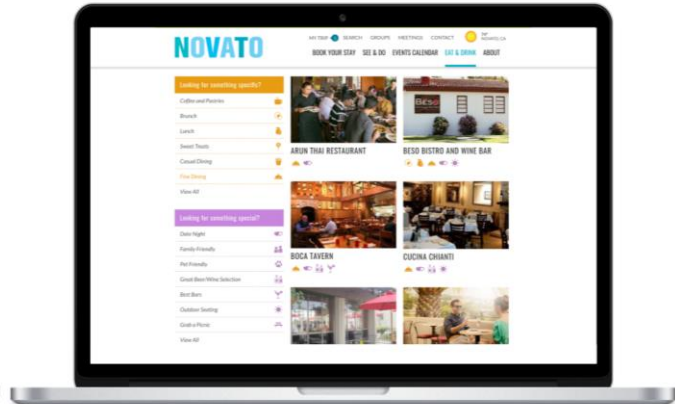
In 2016, Kiosk added a new “Eat and Drink “ section to the website to expand the number of local bars and restaurants featured on the site and to provide a way to filter dining choices by cuisine and by style of dining (“outdoor dining”, “pet friendly” etc).

254 new web pages were added to the site in 2016, all with fresh content that helps drive new site traffic. New pages included 220 featured events, 22 new restaurant pages, 8 wedding vendor pages, 1 new page with suggested itineraries and 3 new advertising landing pages, with forms to capture user data. Additionally, 17 existing pages were updated and refreshed with new content and imagery.

The website has sections to appeal to different types of visitors including conference bookers, wedding planners, business travelers and leisure travelers. The site has dedicated pages for different types of activities, such as Hiking, Biking, Shopping and Birdwatching, as well as an extensive Places of Interest section and suggested itineraries. The homepage includes an Instagram feed and has a live weather module, showing visitors that Novato has some of the nicest weather in the Bay Area. The site is fully responsive for mobile devices.



Website visits have increased by 18% in 2016



The “Eat & Drink” section was revamped in 2016

As of 12/31/16, the Website performance statistics are as follows:

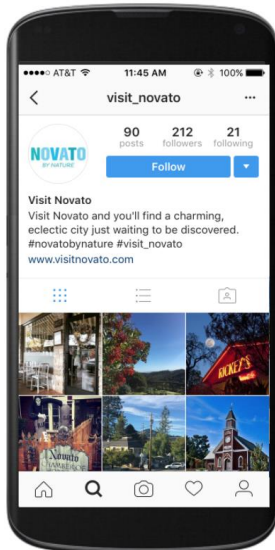
VisitNovato.com Website	2016	2015	+/-
Page Views	210,161	88,410	138% ↑
Unique Visitors	54,136	45,831	18% ↑

## II F. Social Media

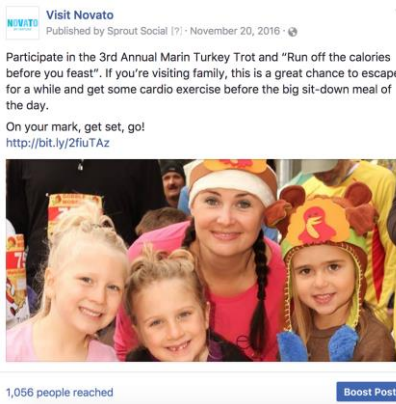


Social channels ([Facebook](#), [Twitter](#) and [Instagram](#)) were set up for Visit Novato in 2014, and they continue to collect followers and attain high levels of engagement and inquiries. Kiosk manages social media, updating on a regular basis.

By December 31, 2016 Visit Novato had 17,051 Facebook likes, 345 Twitter followers and 213 Instagram followers, representing a **1664%** increase in followers from 2015.



Visit Novato on Instagram



Examples of social media posts during the 2016 calendar year. Social media followers increased by 1664% in 2016.

## **II.G. Visitor Center:**

To support the implementation of the marketing plan the Chamber office doubles as the Visitor Information Center for the City of Novato and Chamber staff responds to all inquiries generated by the Tourism Committee's advertising and promotional efforts. Visitor activity fluctuates seasonally with walk-in traffic and phone inquiries peaking in the summer months.

In 2016, there were 4623 inquiries (via walk-ins and telephone inquiries). There are inquiries for local dining, directions, brochures and maps, hotel information, and information about community events. Approximately 40% of the entire walk in traffic is referred to Downtown Novato for dining and shopping activities.

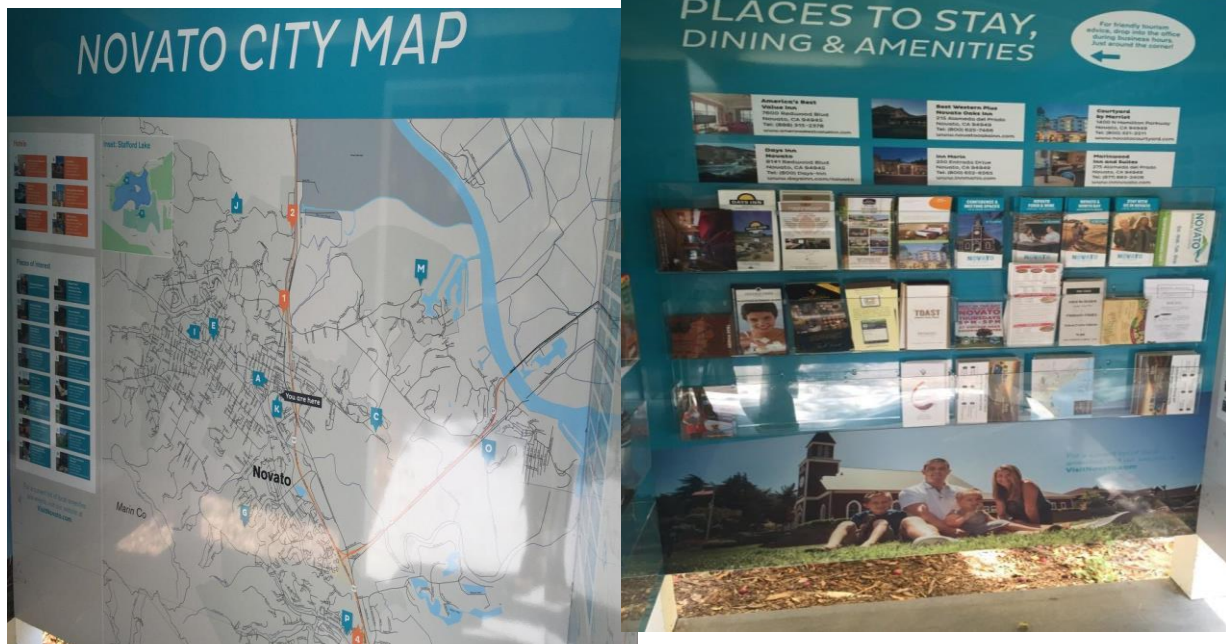
The walk-in visitors in 2016 included travelers from 39 US states and 16 countries including Norway, Germany, Australia, China, England, Finland and Canada.

All Chamber staff (five employees) have been trained to respond to all inquiries from the general public for tourist related information. There are often several tourists in the Chamber office at the same time seeking information and the staff always makes it a priority to assist tourists as quickly and efficiently as possible.

A significant portion of the staffing and overhead expenses for the Visitor Information Center operations are subsidized by the Chamber of Commerce. Total Chamber staff and overhead costs exceed \$360,000 annually. The tourism budget contributes \$46,000 towards the Visitor Information Center's operational expenses. This equates to approximately 12% of the Chamber's total staffing and overhead expenses. The Visitor Information Center services - if done as a stand-alone operation - would cost the City a significantly higher amount (between \$100-\$150,000 annually). The City also benefits from a Tourism program that is staffed by personnel with years of experience and training in visitor services, which combined with the experienced tourism committee understands how to market Novato.

In response to the increased tourism activity at the Chamber that has occurred from tourism promotion and the "Visitor Information" signage on US 101, the visitor serving portion of the Chamber now includes a computer workstation with easy to find web links to Novato hotels, restaurants and attractions. There are also specific sections of display space in the office that are dedicated to tourism related information.

The outdoor Visitor Information kiosk includes weatherproof maps of both the local area and the wider region with over 100 places of interest marked, including a key with contact details. Additionally, the kiosk has panels that provide contact details for local hotels, dining options and shopping and leisure highlights. The kiosk means that visitors to Novato can access information 24/7 and 365 days a year, even if they do not have access to the internet. The photos below show the inside of the kiosk.



### III. Marketing Plan Evaluation and Conditions

The committee has measured the success of its marketing programs by evaluating the number and quality of the contacts generated. With a few exceptions, it is difficult to absolutely quantify the success of our efforts in terms of additional hotel revenues and additional business to other Novato visitor serving merchants. The best measure of our effectiveness is to compare how the City of Novato's TOT collections (a direct function of hotel revenues) have trended over time compared to a similar market.

Novato hotel performance since 2010 (shown in Exhibit C) as reported by the industry's leading market research firm, Smith Travel Research. It also compares TOT collections over this period with San Rafael. The tourism industry is cyclical. Historically, the industry lags both recessions and recoveries. Locally the industry peaked in 2007. Three consecutive years of decline followed. This trend was mirrored on the national level, where economic conditions contributed to the worst 3 year period in the industries history. A relatively rapid recovery began in 2011 and continued into 2012, then by 2013 Novato had exceeded the 2007 peak. 2016 growth has slowed to 3.5% over 2015 lags substantial gains of San Rafael. The marketing initiatives developed by the Tourism Committee helped to accelerate the recovery. Since 2010 Novato has increased TOT collections by 81.93%, but outpaced by San Rafael's recovery at 88.9% largely due to substantial gains in 2016. Novato's total collections in 2010 were 56% of San Rafael and now after 2016 exceeds 68% a much larger share of our combined markets even with the addition of a 112 room Extended Stay America in May of 2007. However, new corporate business is needed to replace the loss of Firemen's Fund and others to ensure the long-term health of the industry and growth of TOT. The lodging market growth opportunities lie in filling vacant rooms in the off season and increasing guestroom rates.

#### IV. Future Marketing Plans

One of the stated goals of the Tourism Committee for 2016 was to grow Visit Novato's social media followers (those that fit our target audience in terms of persona and geographic location), so that we could engage with that audience and drive hotel bookings. Having succeeded in that goal in 2016, we plan to shift the focus of our advertising spend in 2017:

- **Greater Focus on Hotel Referrals:** For 2017, the Tourism Committee has chosen to focus advertising dollars on a single performance metric: outbound hotel clicks (though Kiosk will continue to report on all four performance metrics). We plan to make changes to the website and landing pages to drive hotel referrals over brochure requests/ data collection.
- **Online Advertising Optimization:** We will continue to refine and optimize our online advertising campaigns (with a focus on Paid Social ads and Search Engine Marketing) in order to drive more engagements with better cost efficiencies.
- **Latino Outreach:** In recent years we have seen an increase in the number of Latino visitors and prospective visitors. According to the 2015 National Survey of Latinos, people who are Spanish language dominant or monolingual make up 38% of the adult Latino population, so we see the lack of Spanish language outreach as a missed opportunity. In 2017 we will launch Spanish language pages, and introduce Spanish-language ads to California Latinos within our target geographical areas and demographic profiles.
- **New Photography:** It is three years since we commissioned photography of Novato. With an increased focus on hotel promotions, we plan to commission new photography of our city, and especially hotel settings, in Spring of 2017.
- **Trade Shows:** We will participate in several trade shows in 2017 including IPW, and the Go West Summit.

**The Novato Chamber of Commerce Tourism Committee is pleased to submit this report to the City of Novato.**

End of Report.

Exhibit A - Budget



Tourism Committee 2016 Income and Expenses						
	2016		% of	Committe	Actual	Total
	Budget	Budget				
<b>Brochures Distribution</b>	\$ 13,000	8%	\$ -	\$ 12,267	\$ 12,267	
Certified Brochure (12 Welcome Centers)	\$ 13,000		\$ -	\$ 12,267	\$ 12,267	
<b>Advertising</b>	\$ 63,500	38%	\$ -	\$ 61,992	\$ 61,992	
Ad agency contract - Kiosk	\$ 57,700		\$ -	\$ 57,700	\$ 57,700	
Calif State Visitors Guide (co-op)					\$ -	
Travelguidefree.com	\$ 4,800			\$ 4,292	\$ 4,292	
GoCalifornia.com					\$ -	
Production	\$ 1,000				\$ -	
<b>Tourism Events</b>	\$ 4,000	2%	\$ -	\$ 4,000	\$ 4,000	
Special advertising - Art & Wine	\$ 4,000		\$ -	\$ 4,000	\$ 4,000	
<b>Printing, ads</b>	\$ 5,700	3%	\$ -	\$ 3,427	\$ 3,427	
Visitor guides (dining, local act, excursions meeting)	\$ 2,000		\$ -	\$ 2,227	\$ 2,227	
Brochures (reprint of visitor guide)					\$ -	
Maps for hotels	\$ 1,200			\$ 1,200	\$ 1,200	
Production & Photography	\$ 2,500				\$ -	
<b>Public Relations</b>	\$ -	0%	\$ -	\$ -	\$ -	
FAM Trip					\$ -	
<b>Tracking</b>	\$ 1,500	1%	\$ -	\$ 1,500	\$ 1,500	
Smith Travel	\$ 1,500		\$ -	\$ 1,500	\$ 1,500	
<b>Visitor Center</b>	\$ -	0%	\$ -	\$ -	\$ -	
Outdoor kiosk					\$ -	
<b>Tradeshows</b>	\$ 11,500	7%	\$ -	\$ 12,239	\$ 12,239	
Trade show - Go West	\$ 4,000		\$ -	\$ 4,795	\$ 4,795	
Trade show - IPW (POW WOW)	\$ 6,500			\$ 7,003	\$ 7,003	
Trade show supplies	\$ 1,000			\$ 441	\$ 441	
Additional Trade show opportunities					\$ -	
<b>Memberships</b>	\$ -	0%	\$ -	\$ -	\$ -	
Marin Visitors Bureau					\$ -	
<b>Website</b>	\$ 19,000	11%	\$ -	\$ 19,180	\$ 19,180	
Web site updates, social media -	\$ 18,000			\$ 18,250	\$ 18,250	
Landing pages & enews	\$ 1,000			\$ 930	\$ 930	
<b>Operations</b>	\$ 50,500	30%	\$ -	\$ 51,280	\$ 51,280	
Visitor Services	\$ 46,000		\$ -	\$ 46,000	\$ 46,000	
Postage, 800#, misc	\$ 4,500			\$ 5,280	\$ 5,280	
<b>Total</b>	<b>\$ 168,700</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ 165,885</b>	<b>\$ 165,885</b>	
*Reserve Fund	\$ 20,000					
Carry Over Funds Previous Year	\$ 2,750					
Actual TOT funding for 2016	\$ 164,160					
Total	\$ 186,910					
Total 2016 Available Funding	\$ 166,910					
2016 Total Budgeted Spend	\$ 165,885					
(Over)/Under	\$ 1,025					



Exhibit B - Trade Show Handout - updated in 2016

# NOVATO


BY NATURE





Ideally situated at the northern tip of Marin County, Novato is surrounded by pristine open space, wetlands teeming with wildlife, and rolling coastal hills. Within Novato's city limits, visitors will discover some of the North Bay's best food & drink, accommodations, outdoor leisure, and entertainment values.

Novato is within perfect striking distance of the Sonoma-Napa Wine Country to the east, the Point Reyes National Seashore to the west, the Russian River to the north, and San Francisco to the south. Whether you have a few hours or days to explore, we welcome you to experience all that Novato has to offer.



**NOVATO CHAMBER OF COMMERCE**  
807 DeLong Avenue • Novato, CA 94947  
Tourism Web Site: [www.visitnovato.com](http://www.visitnovato.com)  
Call 800-897-1164 for more information

Visitors from throughout California, the U.S. and the world are attracted to Northern California's diversity of both its urban and rural mix and its natural beauty. Novato is nestled in the rolling hills of the Coastal Range amid the finest of the North Bay's entertainment highlights.

Most of Novato's hotels are located on or near US 101, the main artery linking visitors to all Marin cities and San Francisco. For more information on Novato's lodging, call Novato Chamber of Commerce at toll free 800-897-1164 or visit our website: [visitnovato.com](http://visitnovato.com)

Thank you for choosing Novato as your ideal destination to stay.



## NOVATO

BY NATURE

### GREAT PLACES TO STAY!

**Americas Best Value Inn of Novato**  
7800 Redwood Blvd.  
Novato, CA 94945  
415-452-7100  
[www.americasbestvalueinn.com](http://www.americasbestvalueinn.com)  
Number of Rooms: 55 - Number of Double/Doubles: 26

**Best Western Plus Novato Oaks Inn**  
215 Alameda del Prado  
Novato, CA 94945  
415-463-4400 or 1-800-425-7466  
[www.novatooaksinn.com](http://www.novatooaksinn.com)  
Number of Rooms: 107 rooms and suites - Number of Double/Queens: 52  
Contact: Traci Long, Sales  
Email: [traci@reneison.com](mailto:traci@reneison.com) 415-483-4400 x 7100  
Restaurant on Site: W!keFox Restaurant and Bar - Room service available. Lunch and Dinner.

**Courtyard by Marriott**  
1400 North Hamilton Parkway  
Novato, CA 94949  
415-483-8050  
[www.novatocourtyard.com](http://www.novatocourtyard.com)  
Number of Rooms: 136 - Number of Double/Doubles: 45  
Contact: Anna Lee - email: [anna.lee@marriott.com](mailto:anna.lee@marriott.com) 206-424-4405  
Adjacent to Hamilton Marketplace, featuring restaurants and shopping

**Days Inn**  
8141 Redwood Boulevard  
Novato, CA 94945  
415-857-7111  
[www.daysinn.com](http://www.daysinn.com)  
Number of Rooms: 87 - Number of Double/Doubles or Queen/Queens: 28  
Contact: Brendan Sullivan - email: [novato@daysinnmanager@yahoo.com](mailto:novato@daysinnmanager@yahoo.com)

**Marinwood Inn and Suites**  
275 Alameda del Prado  
Novato, CA 94949  
877-863-3406  
[www.marinwood.com](http://www.marinwood.com)  
Number of Rooms: 47 - Number of Double/Doubles: 8  
Contact: Kevin Theaker

**Inn Marin**  
250 Estrada Drive  
Novato, CA 94949  
415-463-9552 or 1-800-653-4555  
[www.innmarin.com](http://www.innmarin.com)  
Number of Rooms: 89 rooms and suites  
Number of Double/Doubles: 34  
Contact: Terri Rose, Director of Operations - email: [t@innmarin.com](mailto:t@innmarin.com)  
415-463-4923/656  
Restaurant on Site: Riskey's Restaurant and Bar, Dinner & Room Service Tuesday thru Sunday  
Certified Green at the highest level-Environmental by the State of California Green Lodging Program

**Special for Bus Tours:**  
• Complimentary continental breakfast buffet each morning  
• One complimentary room for each 20 paid, per night  
• Motorcoach parking

**Special for Bus Tours:**  
• Complimentary continental breakfast each morning

**Special for Bus Tours:**  
• Drivers room complimentary  
• Complimentary breakfast each morning

**Special for Bus Tours:**  
• Steppen Wilkerson upon arrival  
• Motorcoach parking  
• One complimentary room for each 20 paid, per night, per program  
• Complimentary continental breakfast each morning

## Exhibit C - Novato Hotel Performance

### Quarterly Market Share Analysis Novato Lodging

Year	Quarter	Occupancy		Room Rate		RevPar		Room Supply		Room Demand		Room Revenue		TOT Novato		TOT San Rafael	
		QTR	CHG	QTR	CHG	QTR	CHG	QTR	CHG	QTR	CHG	QTR	CHG	QTR	CHG	QTR	CHG
2010	First	42.8%	-19%	\$ 91.64	-3%	39.24	-22%	42,480	0%	18,191	-19%	\$ 1,666,979	-22%	\$ 159,593	-16%	\$ 303,827	-6%
2010	Second	58.9%	-8%	\$ 99.04	-1%	58.33	-9%	42,952	0%	25,296	-8%	\$ 2,505,362	-9%	\$ 233,889	-8%	\$ 405,619	9%
2010	Third	66.6%	2%	\$ 102.64	1%	68.34	2%	43,424	0%	28,912	2%	\$ 2,967,620	2%	\$ 321,992	7%	\$ 523,190	10%
2010	Fourth	50.5%	-5%	\$ 94.71	1%	47.86	-4%	43,424	0%	21,945	-5%	\$ 2,078,419	-4%	\$ 196,207	0%	\$ 378,613	1%
2010	Total	54.8%	-6.9%	\$ 97.71	-0.2%	53.51	-7.1%	172,280	0.0%	94,344	-6.9%	\$ 9,218,380	-7.1%	\$ 911,680	-3.0%	\$ 1,611,249	4.5%
<b>Fiscal Year 2009/2010</b>														<b>\$ 890,685</b>	<b>-11%</b>	<b>\$ 1,557,772</b>	<b>3%</b>
2011	First	44.6%	4%	\$ 95.67	4%	42.66	9%	42,480	0%	18,942	4%	\$ 1,812,209	9%	\$ 176,683	11%	\$ 302,829	0%
2011	Second	58.7%	0%	\$ 104.40	5%	61.30	5%	42,952	0%	25,220	0%	\$ 2,633,005	5%	\$ 246,114	5%	\$ 675,855	67%
2011	Third	74.8%	12%	\$ 106.92	4%	80.00	17%	43,424	0%	32,491	12%	\$ 3,473,807	17%	\$ 367,631	14%	\$ 289,198	-45%
2011	Fourth	57.8%	14%	\$ 98.21	4%	56.77	19%	43,424	0%	25,100	14%	\$ 2,465,196	19%	\$ 214,481	9%	\$ 449,214	19%
2011	Total	59.1%	7.9%	\$ 102.05	4.4%	60.28	12.6%	172,280	0.0%	101,753	7.9%	\$ 10,384,217	12.6%	\$ 1,004,909	10.2%	\$ 1,717,096	6.6%
<b>Fiscal Year 2010/2011</b>														<b>\$ 940,996</b>	<b>6%</b>	<b>\$ 1,880,487</b>	<b>21%</b>
2012	First	52.2%	17%	\$ 95.34	0%	49.72	17%	42,120	-1%	21,966	16%	\$ 2,094,146	16%	\$ 188,126	6%	\$ 362,843	20%
2012	Second	67.4%	15%	\$ 109.20	5%	73.61	20%	42,952	0%	28,951	15%	\$ 3,161,484	20%	\$ 283,553	15%	\$ 493,581	-27%
2012	Third	77.8%	4%	\$ 117.81	10%	91.69	15%	43,424	0%	33,798	4%	\$ 3,981,664	15%	\$ 421,547	15%	\$ 655,322	127%
2012	Fourth	62.4%	8%	\$ 104.04	6%	64.94	14%	43,424	0%	27,102	8%	\$ 2,819,759	14%	\$ 251,288	17%	\$ 498,150	11%
2012	Total	65.0%	10.1%	\$ 107.83	5.7%	70.13	16.4%	171,920	-0.2%	111,817	9.9%	\$ 12,057,053	16.1%	\$ 1,144,513	13.9%	\$ 2,009,896	17.1%
<b>Fiscal Year 2011/2012</b>														<b>\$ 1,053,790</b>	<b>12%</b>	<b>\$ 1,594,836</b>	<b>-15%</b>
2013	First	54.5%	5%	\$ 96.87	2%	52.82	6%	42,120	0%	22,965	5%	\$ 2,224,623	6%	\$ 205,401	9%	\$ 394,102	9%
2013	Second	72.3%	7%	\$ 115.86	6%	83.80	14%	42,952	0%	31,069	7%	\$ 3,599,501	14%	\$ 340,025	20%	\$ 633,048	28%
2013	Third	83.4%	7%	#REF!	#REF!	#REF!	#REF!	43,424	0%	36,196	7%	#REF!	#REF!	\$ 434,367	3%	\$ 734,669	12%
2013	Fourth	67.8%	9%	\$ 108.27	4%	73.45	13%	43,424	0%	29,457	9%	\$ 3,189,358	13%	\$ 296,796	18%	\$ 546,889	10%
2013	Total	69.6%	7.0%	#REF!	#REF!	#REF!	#REF!	171,920	0.0%	119,687	7.0%	#REF!	#REF!	\$ 1,276,589	11.5%	\$ 2,308,708	14.9%
<b>Fiscal Year 2012/2013</b>														<b>\$ 1,218,261</b>	<b>16%</b>	<b>\$ 2,180,622</b>	<b>37%</b>
2014	First	60.9%	12%	\$ 105.24	9%	64.10	21%	42,120	0%	25,657	12%	\$ 2,700,077	21%	\$ 236,360	15%	\$ 450,438	14%
2014	Second	80.9%	12%	\$ 122.23	5%	98.91	18%	42,952	0%	34,759	12%	\$ 4,248,445	18%	\$ 383,471	13%	\$ 597,684	-6%
2014	Third	88.3%	6%	\$ 135.93	#REF!	120.05	#REF!	43,424	0%	38,349	6%	\$ 5,212,867	#REF!	\$ 478,474	10%	\$ 821,884	12%
2014	Fourth	71.2%	5%	\$ 117.30	8%	83.55	14%	43,424	0%	30,931	5%	\$ 3,628,262	14%	\$ 335,471	13%	\$ 598,200	9%
2014	Total	75.4%	8.4%	\$ 121.74	#REF!	91.84	#REF!	171,920	0.0%	129,696	8.4%	\$ 15,789,651	#REF!	\$ 1,433,776	12.3%	\$ 2,468,206	6.9%
<b>Fiscal Year 2013/2014</b>														<b>\$ 1,350,994</b>	<b>11%</b>	<b>\$ 2,329,680</b>	<b>7%</b>
2015	First	70.2%	15%	\$ 110.74	5%	77.78	21%	42,120	0%	29,584	15%	\$ 3,276,252	21%	\$ 292,976	24%	\$ 515,341	14%
2015	Second	83.0%	3%	\$ 133.75	9%	111.05	12%	42,952	0%	35,662	3%	\$ 4,769,680	12%	\$ 436,714	14%	\$ 633,936	6%
2015	Third	87.5%	-1%	\$ 146.03	7%	127.77	6%	43,424	0%	37,995	-1%	\$ 5,548,377	6%	\$ 511,867	7%	\$ 466,066	-43%
2015	Fourth	73.0%	2%	\$ 127.61	9%	93.15	11%	43,424	0%	31,699	2%	\$ 4,045,117	11%	\$ 361,305	8%	\$ 662,857	11%
2015	Total	78.5%	4.0%	\$ 130.72	7.4%	102.60	11.7%	171,920	0.0%	134,940	4.0%	\$ 17,639,426	11.7%	\$ 1,602,862	11.8%	\$ 2,278,200	-7.7%
<b>Fiscal Year 2014/2015</b>														<b>\$ 1,543,635</b>	<b>14%</b>	<b>\$ 2,569,362</b>	<b>10%</b>
2016	First	70.0%	0%	\$ 115.74	5%	81.00	4%	42,120	0%	29,475	0%	\$ 3,411,569	4%	\$ 305,684	4%	\$ 589,657	14%
2016	Second	85.4%	3%	\$ 140.28	5%	119.83	8%	42,952	0%	36,689	3%	\$ 5,146,796	8%	\$ 463,819	6%	\$ 709,592	12%
2016	Third	84.8%	-3%	\$ 150.64	3%	127.68	0%	43,424	0%	36,807	-3%	\$ 5,544,495	0%	\$ 510,796	0%	\$ 932,748	100%
2016	Fourth	75.7%	4%	\$ 127.00	0%	96.08	3%	43,424	0%	32,853	4%	\$ 4,172,354	3%	\$ 378,321	5%	\$ 798,556	20%
2016	Total	79.0%	0.7%	\$ 134.55	2.9%	106.30	3.6%	171,920	0.0%	135,824	0.7%	\$ 18,275,214	3.6%	\$ 1,658,620	3.5%	\$ 3,030,553	33.0%
<b>Fiscal Year 2015/2016</b>														<b>\$ 1,642,674</b>	<b>6%</b>	<b>\$ 2,428,172</b>	<b>-5%</b>
Comment As the market peaks the growth rate is slowing as anticipated														since 2010	81.93%	since 2010	88.09%
Fiscal year growth strong verses San Rafael.														Fiscal	84.43%	Fiscal	55.87%
San Rafael TOT collections 3rd and 4th quarter are very high?																	