

**SONOMA COUNTY TOURISM
FISCAL YEAR 2023-2024 ANNUAL REPORT**

TO BE FILED WITH THE OFFICE OF THE CLERK OF SONOMA COUNTY
PURSUANT TO STREETS AND HIGHWAYS CODE SECTION 36533
SUBMITTED: APRIL 8, 2023

I.

BACKGROUND

A. Sonoma County Tourism Business Improvement Area

On November 2, 2004, the Sonoma County Board of Supervisors (“Board”) adopted Ordinance No. 5525 (“Ordinance”) creating the Sonoma County Tourism Business Improvement Area (“SCTB BIA”). Under the Ordinance, lodging establishments generating annual room revenue of \$350,000 or more during the preceding fiscal year must pay an assessment equal to 2% of such revenue. Proceeds from assessments are used to pay for activities designed to increase the number of overnight visitors to the area.

In January 2005, the Board appointed five members to the Sonoma County Tourism Business Improvement Area Advisory Board (“Advisory Board”), a body established pursuant to the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code section 36500 et seq., the “Act”) which is charged with advising the Board on the amount of the SCTBBIA assessments and on the services, programs and activities to be funded by the assessments. In 2011, the Board amended the Ordinance, appointing the board of directors of Sonoma County Tourism Bureau, Inc. (“SCTBB”) to serve as the Advisory Board for the SCTBBIA. This decision was based on recommendations of a 2010 County audit of the organization.

B. Sonoma County Tourism Bureau, Inc.

The Ordinance authorized the County to enter into an agreement with a contractor to carry out the services, activities, and programs to be funded from the assessments, and designated SCTB to serve as the initial contractor. In June of 2005, the Board executed an agreement with SCTB to carry out services, activities and programs promoting tourism to Sonoma County, with funding from both SCTB BIA assessments and from transient occupant tax (TOT) revenue allocated to SCTB by the Board. As noted above, in 2011, the SCTB Board of Directors also was appointed to serve as the Advisory Board. The Ordinance requires a 22-member Board of Directors for SCTB, the composition of which must comply with a matrix that provides representation from each supervisorial district, and from each size category of lodging establishment. Appointments to the SCTB board are made on a pro rata basis in accordance with the respective contributions made to the SCTBB budget by SCTB BIA assessments and by County TOT allocations. The Sonoma lodging industry appoints the number of directors resulting from SCTB BIA assessments, and the Board appoints the number of directors resulting from TOT allocations.

C. Boundaries

The SCTB BIA was the first county-wide tourism Business Improvement Area formed in California. For assessments to be collected from lodging establishments within the incorporated cities in the County, the councils of each City had to consent to formation of the SCTB BIA. Consent was given by the Cities of Santa Rosa, Petaluma, Rohnert Park, Sebastopol, Cloverdale and Cotati, and the Town of Windsor. Accordingly, the boundaries of the SCTB BIA include the territory within the boundaries of those seven cities plus all of the unincorporated territory within the County. These boundaries have remained unchanged since the SCTB BIA was formed, and SCTB does not recommend any changes to the boundaries in the upcoming year.

D. Assessment

Lodging establishments within the boundaries of the SCTB BIA generating annual room revenue of \$350,000 or more during the preceding fiscal year must pay an assessment equal to 2% of such revenue. Lodging establishments in the unincorporated territory of the County forward the assessment to the County tax collector. Lodging establishments in the municipalities that consented to formation of the SCTB BIA allocate the assessments to the collecting entities within their respective municipalities. Those collecting entities, in turn, remit the collected assessments to the County in accordance with written agreements between the County and each municipality.

E. Purpose and Specific Benefit

The Ordinance requires that revenues from assessments must be used to conduct marketing activities designed to increase overnight visits to the area. The term “area” is defined as the territory within the boundaries of the SCTB BIA, and the term “marketing activities” is defined as activities designed to market the area as a tourist destination, including the expenditure of funds to place advertising in any media, conduct public relations campaigns, perform marketing research, promote conventions and trade shows, and foster improved contacts within the travel industry, for the purpose of promoting tourism within the area. Revenues from assessments may be used for programs, services, and activities outside the area, if such programs, services, and activities are designed to promote and encourage overnight visits to the area. Revenues from assessments may also be used to pay the ongoing administrative costs associated with the marketing activities.

The focus on increasing overnight visits to the area constitutes a specific benefit to the lodging establishments that pay the assessments. This specific benefit is what distinguishes the assessments from taxes that are subject to voter approval requirements. The fact that others may receive incidental benefits from the expenditure of assessments, such as restaurants, attractions, wineries, retailers and parks, does not change the characterization of assessments as a specific benefit to lodging establishments because no additional cost is imposed on the lodging establishments to provide those incidental benefits. During 2021, with the continued impact of the COVID-19 global pandemic, SCTB shifted some of its focus to providing consumer insights and industry monitoring to help keep the tourism industry aware of the constantly shifting environment.

F. Annual Report

Pursuant to Ordinance, and in accordance with section 36533 of the Act, the SCTB must present an Annual Report to the Board for its approval that includes a program of activities intended to be implemented within the SCTB BIA during the upcoming fiscal year, together with an estimate of related expenditures. The SCTB must also include in the Annual Report an outline of the previous year’s revenues and how those revenues were spent. The SCTB obtains annual audits from independent auditors each year. The most recent annual audit is submitted as part of this Annual Report, providing a detailed analysis of the sources and uses of funds. Looking forward, the annual budget for the upcoming year submitted herewith describes the anticipated revenues and expenditures. The balance of this Annual Report will provide additional information concerning programs and activities completed in the prior year, as well as those planned for the upcoming year. The Board’s consideration and requested approval of this Annual Report is the act which constitutes the levy of the assessment for the upcoming year.

II.

ANTICIPATED USE OF REVENUE FOR FY23-24

A. Fiscal Year 2023-2024 BIA Revenue

For fiscal year 2023-2024, SCT projects BIA revenue of \$6,284,973. This represents growth of 5.2% over the projected year end revenue of \$5,975,995 in FY22-23. In FY22-23, SCT based revenue projections using industry forecast models and predictions. This revenue has been taken down compared to the budget due to discussions of a 2023 Q2 recession and some softening in the winter months.

B. Fiscal Year 2022-2023 TOT Revenue

For fiscal year 2023-2024, SCT projects the TOT revenue allocated to the organization will be approximately \$3,836,979, an 8.2% growth over the projected FY22-23 revenue of \$3,547,970. TOT revenue for the unincorporated county appears to be more resilient against recessions and softening so have projected for a higher growth as recovery continues in the County.

C. Recommendation

SCT requests that the TOT allocation continue at the same level as recent previous years, that being 1.25% of the first 9% of TOT collected in unincorporated Sonoma County. The BIA will continue at 2% of revenue from lodging properties included in the SCTB BIA program.

D. Activities and Program Expenditures

As the organization worked to move the destination forward during and in the immediate time following the COVID pandemic, and continuing a commitment to destination stewardship, the organization revised the fundamental guiding principles and priorities to reflect an evolving environment:

MISSION: Inspire travel to Sonoma County that strengthens our economy, reflects our diversity and encourages stewardship of our community's resources.

VISION: Sonoma County will be the leading destination for responsible travelers who enjoy, protect and preserve the area's bountiful natural and cultural resources.

VALUES:

- **Trusted** – Gaining the confidence of local stakeholders and residents is imperative for SCT's success. SCT will develop programs founded on research, driven by best-in-class execution and with results conveyed via various partner communications channels in a timely and accurate manner.
- **Transparent** – All budgets and programs administered by SCT are done so within an environment of openness and accuracy. SCT's goal is for all stakeholders to trust its operational effectiveness and believe the organization is an efficient steward of the funding provided.
- **Community-Centric** – As a steward of the region, SCT is committed to ensuring local businesses and residents are engaged in the organization's programming and support its direction. SCT is successful only when its partners and stakeholders are successful.
- **Inclusive** – SCT is committed to ensuring persons of all backgrounds are included and welcomed throughout its internal operations and external audience outreach. A strong dedication to diversity, inclusion and equity will guide the organization.

- **Entrepreneurial** – SCT operates as an ambitious and nimble business seeking new opportunities for revenue and growth. SCT works to find business development opportunities that drive revenue for partner businesses and generate new revenue for the region and the organization.
- **Creative** – Representing the Life Opens Up brand and a “progressive community of artisans,” SCT will develop its programming with a strategically creative approach. The organization will actively seek innovative ideas and “first to market” opportunities.

PRIORITIES:

Drive the Economy – Programs developed and administered through Sonoma County Tourism will be focused on ensuring a vibrant economy for Sonoma County and a stellar quality of life for the businesses and employees within the tourism and hospitality industry. Through robust sales and marketing efforts, SCT will bolster the revenue generated through travel and tourism activities.

Create a Resilient Organization – With a history of managing natural, health and financial crises, Sonoma County Tourism is committed to having the foundation needed to ensure it is fortified against all potential impacts. Programs and services will center around building a financially secure operation, ensuring the capacity to prepare for and manage a crisis, building a high-performing and satisfied team, and maintaining full organizational transparency.

Engage the Community – Sonoma County Tourism and the partners it serves are integral members of the Sonoma County community. Through a thoughtful Community Engagement program and as a focus of all marketing and sales initiatives, SCT is dedicated to ensuring the community it represents is integrated into, and benefits from, the organization’s programming.

Solidify Commitment to Destination Stewardship – Becoming the world’s first Destination Stewardship Organization in 2018, SCT has since developed programming and partnerships that take a broad-based view of the destination. Focusing on responsible and sustainable travel, the organization works to mitigate damage resulting from negative visitor behavior and creates programming and associated messaging to protect and preserve the area’s fragile natural and cultural resources.

2023-24 Programming

The programs listed herein are fundamental to the success of a destination organization. As the environment in which tourism organizations evolves, so too does the types of programming and channels required to compel responsible travel and manage the organization. Below is an outline of the current categories of work for the FY23-24 year, the programs contained therein.

This is the first year of the organization’s FY23-25 biennial strategic plan. As such, the programming and budget allocation have yet to be determined. These detailed elements will be contained in the plan that will be approved by the SCT Board of Directors at its May 2023 meeting.

To note: These program descriptions differ from those in previous reports, but represent a greater alignment with the current programming conducted by Sonoma County Tourism’s programming and operations areas:

1. Marketing/Communications
2. Business Development
3. Community Engagement
4. Research

5. Labor
6. Administrative Expenses
7. Capital Expenses
8. Reserves

1. Marketing Communications

1a. Paid Advertising (all paid consumer marketing including digital, print, television, social media; website development; content development; photo/video; professional services fees). Sonoma County Tourism works with its agency of record, Fahlgren Mortine, to craft both a seasonal intent marketing campaign (November – April) and an “always on” year-round strategy. The paid media campaign incorporates the following elements:

- Paid advertising in direct flight markets (those markets that have direct flights into STS). These include Los Angeles, Orange County, Burbank, Phoenix, Dallas, Portland, Seattle. SCT also targets the Bay Area and Sacramento, as core drive markets.
- Most of SCT’s paid advertising is digital, allowing the organization to get its’ messages in front of the right people, at the right time, with the right message.
- SCT leverages both tourism endemic advertising partners such as Travel + Leisure and Passport, as well as non-endemic partners like Warner Bros/Discovery and Flipboard.
- Paid search buys to improve Sonoma County’s visibility on search engines such as Google.
- Social media advertising on key sites such as Facebook and Instagram
- Brand partnership advertising such as with Volta EV charging stations in Southern California

1b. Partner Marketing Programs (partner co-op marketing opportunities include the semi-annual digital Inspiration Guide, the printed Visitors map, and consumer e-newsletter). In 2021, Sonoma County Tourism moved away from an annual printed visitors’ guide to publish a fully digital semi-annual inspiration guide. In FY23-24 SCT will continue to offer a Fall/Winter and Spring/Summer digital guide with advertising opportunities available to county-wide tourism and hospitality industry partners. Additional marketing programs occur with various cooperative marketing initiatives such as TravelZoo, Expedia and Visit California.

1c. Media Relations/Earned Media (all programming for outreach to the consumer, travel trade and meetings market segments including in-market press trips, deskside visits, media missions to large media-centric markets, trade shows, professional services fees – PR agency efforts) For FY22-23, the PR team will engage in the following initiatives:

- In-market press trips – hosting media in Sonoma County
- Media missions – trips to targeted media markets such as New York and Los Angeles to introduce Sonoma County through deskside visits, media events and other activities
- Ongoing media outreach – the SCT and our agency partners work collectively to pitch stories to local, national, and international media.
- Influencer visits – these generally come at a cost, so this effort is often shared with paid marketing. Influencers can be powerful contributors to the editorial content for Sonoma County.

1d. Consumer Event Sponsorships (sponsoring events that occur in Sonoma County designed to drive out-of-market visitation). SCT now has a semi-annual application process for events to gain approval for funding. For FY23-24, the total allocation will be \$60,000 (\$30,000 per application period).

2. Business Development

2a. Business/Meeting Sales and Marketing (all programs for this sector includes trade shows participation and trade association sponsorships, promotions, FAM trips, client events, partner incentives, professional services fees – marketing vendors, international representation firms). The goal is to inspire meeting & event producers sharing our destination insights through engagement in their prospective markets and in-person and virtual visits to Sonoma County. During FY23-24 the focus will be placed on creating personalized experiences either on a one-to-one basis or as a group that are crafted based on individual meeting planner profiles.

2b. Travel Trade (domestic) SCT works to promote the destination to leisure groups- including bank, SMERF - social, military, educational, religious and fraternal, and other types of leisure group trips. The focus during FY23-24 will be to continue connecting with these groups to identify opportunities to include Sonoma County in offerings.

2c. Travel Trade (international) SCT has vendor contracts with marketing/public relations companies in three key international markets:

- United Kingdom – Rocket Travel Marketing
- Australia – Gate 7
- Germany – MSi

The goals of this initiative are to include Sonoma County in the offerings of tour operators, travel agents and wholesalers in international markets and to raise awareness of Sonoma County as a destination through robust media outreach and promotions.

2d. Tourism Development This initiative encompasses many attributes. Developing the industry is important to help ensure Sonoma County is adapting to evolving visitor preferences and has the lodging and meeting properties that help to expand Sonoma County's offerings. During FY23-24, this area will focus on several critical components:

- Experience development – with the input of an expert consultant, Sonoma County will undergo an experience audit to identify opportunities for partners to heighten the types of experiences offered to visitors.
- Integration with developers – as developers build properties in the county, SCT will work to be at the table with developers and permitting agencies to help ensure the types of properties built align with the brand and offer both leisure and business travelers with options that run the entire spectrum of lodging types.
- Liaise with the Visitor Centers – if SCT funds the visitor centers, this staff position will work with each Center to help elevate the experience of visitors and the staff.

3. Community Engagement (programs that reach local residents and stakeholders, Accredited Hospitality Professional (AHP) program, community event sponsorships)

3a. Stakeholder Outreach. The Community Engagement team works to forge positive relationships with stakeholders including elected officials, city and county staff, chamber of commerce/visitor center teams and influential organizations throughout the county. For FY23-24, SCT will continue to host mixers and meetings that allow the industry to convey the issues and opportunities inherent in tourism.

3b. Accredited Hospitality Professional (AHP) program. SCT sunset the Certified Tourism Ambassador program in 2021 and introduced its fully customized Accredited Hospitality Professional (AHP) program in 2021. The program offers a variety of training and information for employees in the tourism/hospitality industry as well as overall industry training for students considering a career in tourism.

3c. Sustainability Initiatives: SCT works in partnership with the Sonoma County Regional Parks on the Leave No Trace initiatives, has introduced a Rewards for Rubbish program, will continue its partnership with Kind Traveler and will seize opportunities that align with SCT's destination stewardship platform.

3d. Sonoma County Hospitality Association (SCHA) Partnership: SCT works with the SCHA on issues and policy management initiatives as well as industry education programs. For FY23-24, SCT will re-sign its MOU with the SCHA for a \$50,000 partnership.

4. **Research** (all research ongoing and ad hoc programming): As an evidence-led sales and marketing organization, ensuring a solid foundation of research, program analytics and metrics-based performance programming is critical. This initiative was elevated during the past several years, so moving forward to ensure a highly focused and relevant program will continue to inform SCT's efforts. Current research providers include:
- Longwoods International - annual visitation, marketing return-on-investment
 - NEAR – real time geotracking of visitors when they travel through the county
 - Smith Travel Research (STR) – weekly and monthly performance of lodging properties part of the STR program (doesn't include many independent properties)
 - AirDnA – performance of the vacation rental properties part of this reporting system
 - Tourism Economics – monthly dashboard showing performance of the entirety of the tourism ecosystem

5. Labor

Following the reduction in staffing due to COVID, SCT has rehired most of the positions back. Total FTEs now stands at 23. Staffing costs have risen as SCT works to remain competitive in the Sonoma County labor market. And, due to inflation, SCT will provide its employees with a 5% COLA rather than the standard 3% COLA. Compensation is evaluated on an annual basis.

6. Administrative Expenses

6a. Database: CRM database: SCT operates its database that houses all information for use across SCT marketing, sales and operational programming through Simpleview, a renowned tourism industry database provider.

6b. Technology: This includes the contract with SCT's external IT vendor, licenses for the various platforms needed to conduct business, internet access fees and telephone bills,

6c. Office Supplies and Equipment: This includes repairs and maintenance of office equipment, equipment and small tools – smaller office equipment not included under capital expense, office supplies and the mailing and delivery services.

6d. Fees & Licenses: This area covers the majority of the services used by SCT to manage its business. Under this category are bank fees, insurance, professional fees including legal and HR contractor services, and other taxes and licenses.

6e. Rent: SCT will continue to reside in the American AgCredit Building at 400 Aviation Boulevard for the next five years. SCT has a lease partnership with the Sonoma County Vintners through which the Vintners pay for their portion of the space and a share of the Common Area Maintenance (CAM) and janitorial costs.

6f. Professional Services: SCT contracts with outside vendors in its Human Resources, Legal and Accounting/Audit roles.

7. Capital Expenditures

The SCTB will continue to replace outdated and end-of-life computers based on its 4-year replacement schedule. All other expenditures will be determined based on the office space situation and personnel needs.

8. Reserves

The SCTB has a 3-month (90-day) reserve level to provide funds for significant future cash demands arising from both planned and unplanned events or circumstances. This number has fluctuated during the past two years as revenues have been uncertain. The FY22-23 end of year reserves amount is \$2.1 million. This is due to unexpected higher than forecasted revenues from both BIA and TOT funding streams. To note, during 2018, the SCTB reduced its reserve target from a 6-month level to a 90-day level.

FY23-24 BUDGET

Fiscal Year
2023-2024

Revenues

BIA Assessments	6,284,973
Transient Occupancy Tax	3,836,987
Interest and Other Income	106,100
Total Revenues	<u>\$10,228,060</u>

Expenditures

Advertising	1,656,592
Client Events, Fams & Entertainment	555,975
Tradeshows & Sales Missions	473,260
Digital Engagement	616,575
Research, Tools & Memberships	380,606
Contract Services	746,595
Professional Development	405,750
Destination & Industry Programming	1,135,633
Labor	3,508,403
Administrative Expenses	748,651
Total Uses	<u>\$10,228,040</u>

TOTAL REVENUE LESS USES	<u>\$19</u>
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Reserve Usage Capital Items	
Depreciation	18,600

TOTAL SOURCES LESS USES	<u><u>-\$18,581</u></u>
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Expense Details FY2023-2024

Advertising	Budget
Domestic	1,476,442
International	180,150
Total	\$1,656,592

Client Events Fams & Entertainment	
Client Events & Meals	276,800
Site & Press Tours	185,532
Promotional Items	65,603
Travel - Mileage & Local	28,040
Total	\$555,975

Tradeshows & Sales Missions	
Event Fees & Expenses	299,670
Travel	173,590
Total	\$473,260

Digital Engagement	
Website	288,805
Media Tools	27,470
Email Campaigns	37,000
Photography & Video	156,400
Content	106,900
Total	\$616,575

Research, Tools & Membership	
Research Studies	212,270
CRM Systems & Sales Tools	83,584
Memberships	84,752
Total	\$380,606

Contract Services	
Account Management	342,721
Outside Representation	278,800
Design	87,500
Printing	37,574
Total	\$746,595

Professional Development	
Industry Education	41,000
Board & Community Development	103,700
Professional Development	170,550
Meetings & Retreats	90,500
Total	\$405,750

Destination & Industry Programming	
Sustainability & Destination Programming	697,396
AHP Program	27,786
Community Event Sponsorship	116,251
Marketing Partnerships	53,000
Industry Sponsorship	165,000
Group Business Development Incentive	76,200
Total	\$1,135,633

Labor	
Wages	2,928,180
Payroll Taxes & Workers Compensation	246,059
Benefits & 401K	330,121
Temporary Staffing & Recruitment	4,043
Total	\$3,508,403

Administrative Expenses	
Technology	156,148
Office Supplies & Equipment	87,716
Fees & Licenses	226,764
Facilities Expense	278,023
Depreciation	18,600
Total	\$767,251

FY23-24 Program Area Percentage of Overall Budget

Marketing/Public Relations	\$2,563,217 - 25.0%
Research	\$212,270 - 2.1%
Group Business Development	\$1,766,990 - 17.2%
Community Engagement	\$478,150 - 4.7%
Visitor Center Funding	\$610,000 - 6.0%
Personnel/Professional Development	\$3,678,953 - 35.9%
Administration (other than Labor)	\$937,060 - 9.2%
TOTAL	\$10,246,640

III.
Annual Report (FY21-22)

Due to the timing of the delivery of this report, the most recent full annual report is for FY21-22. Following are highlights from a year that saw the beginning of recovery and the end of the COVID chokehold. The annual report in its full version is available at [SonomaCounty.com/partners](https://sonomacounty.com/partners).

Overarching Key Performance Indicators
Summary

Performance goals are identified prior to the year and based on the suspected environment in which Sonoma County Tourism will operate. Going into the year, we anticipated FY21-22 would be a year punctuated by recovery challenges, but we had no idea the swings this year would produce. Thankfully, Sonoma County did not have to manage through a natural disaster such as a wildfire, but the ongoing drought has been a concern. In addition, issues such as workforce shortages, housing and homelessness continue to impact the destination, but have not yet directly impacted the work of SCT.

The following Key Performance Indicators (KPIs) were purposefully centered around recovery and provided flexibility to help ensure the team was able to pivot and respond given the potential impacts.

1. Reenergize Sonoma County's tourism industry through a robust program that drives business, elevates the industry through education and creates destination champions.

Throughout FY21-22 the County has been recovering from the impacts of the pandemic. While keeping an eye on the continued impacts of health and safety protocols, SCT reenergized the industry through:

- a. Reengaging partners via in-person events (including a November 2021 mixer; and quarterly mixers in Petaluma and Santa Rosa)
- b. SCT executed a large industry event in Los Angeles attended by meeting planners, tour operators and journalists. The event showcased the Sonoma Sound music track; local beverage partners; and key projects that were of interest to the audience.
- c. The SCT team increased partner visits making a concerted effort to visit partners throughout the destination.
- d. Developed the "How to Work with Sonoma County Tourism" brochure to help partners, especially those new to the region or industry, understand the myriad opportunities available through SCT.

2. Create and manage group (business and leisure) leads ensuring partners are able to book business surpassing pre-pandemic levels.

The team hosted a FAM coordinated through Connect Meetings that brought 11 planners into Sonoma County. The FAM had a two-fold purpose. First, to introduce Sonoma County to meeting planners and second to gain feedback from the planners regarding the destination. The group stayed at the Hyatt and visited diverse meeting venues and recreational activities.

During the focus group, the planners overwhelmingly positive feedback about the diversity and beauty of the destination, and the passion conveyed by the employees at the various locations. They also discussed issues such as homelessness and feeling unsafe during portions of their visit.

3. Integrate the Leave No Trace partnership and continue to communicate a commitment to destination stewardship, positioning Sonoma County as a leader in sustainable travel.

The Leave No Trace partnership between the Sonoma County Regional Parks and SCT has been fully integrated and has moved from the initiation phase into the partner education and general

communications phase. During the year, SCT has embraced this partnership to the extent that it has been recognized and appreciated by the Sonoma County Board of Supervisors and by television program Open Road through a visit to the area with interviews with Claudia and a member of Supervisor Hopkins' team.

On April 22, 2022 (Earth Day), Sonoma County Tourism, Sonoma County Regional Parks, and Leave No Trace unveiled its Sonoma County Leave No Trace Coalition Toolkit. The toolkit contains physical and digital assets for land managers and hospitality businesses to promote practices designed to prevent environmental impacts in parks, preserves, and other outdoor recreation locations.

Hospitality partners that promote the Sonoma County Leave No Trace Seven Principles, either by adding language into reservation confirmations, or placing our tent cards or posters in their businesses, are considered members of the "Sonoma County Leave No Trace Coalition."

Because of SCT's leadership in this partnership, a three-county partnership was created between Mendocino, Sonoma and Marin counties through the Cleaner California Coast initiative. To date, the following has been completed:

- MOU between all three counties and Leave No Trace has been fully executed
- Press release distributed to media contacts
- The three-county initiative has a name: *Cleaner California Coast*
- In an effort to protect future program development, Sonoma County Tourism has secured the website domain cleanercoast.org for the three-county group's use moving forward.

4. **Identify and integrate research model that shows impact of quality over quantity visitation approach.**
This KPI is still in the works. We've reached out to a number of researchers, but the model is just not yet perfected. SCT has integrated a full dashboard using the Symphony platform that allows us to track performance across the totality of the tourism ecosystem. This does help to show if we're driving visitation from advertised markets.

Since reopening, SCT started its focus on the drive market, and eventually grew to include nonstop flight markets out of STS. As COVID concerns and variants impacted travel decisions, there was a short window in which pent up demand created tremendous opportunity in the market. Our paid campaign and content delivery focused on wellness and responsible travel, helping to shift the focus from quantity to quality. Sonoma County's core feeder markets led this recovery. The year ended with lower consumer confidence amidst rising concerns around inflation and a potential recession. SCT's messaging during the summer is highly focused on responsible and sustainable travel. We will continue to search for the right metric that shows this is the type of traveler who's coming to Sonoma County, but for now, we need to rely the strength of our messaging to lay a foundation for the quality over quantity KPI.

5. **Secure a funding model that will help ensure long-term financial stability for the organization.**
SCT is working hard to secure additional funding through revisions to the BIA agreement that will help create long-term funding for the organization. While this was not completed during FY21-22 a tremendous amount of work was done during the fiscal year to develop foundational materials, conduct initial informational meetings with key stakeholders and determine obstacles to success.

The initiative began with meetings at approximately 30 lodging properties across the county with the goal of providing information about the proposed changes and eliciting input from the properties. The insights gained during these meetings were conveyed to the Finance and Legal Committee.

Several materials were developed including an updated white paper providing an overview of the process and the value of this initiative was completed in a post-COVID world. A presentation deck was developed to help guide conversations with elected officials and municipality staff leaders.

6. Create and initiate a business development model that seeks to find new markets, heightens current partner opportunities and introduces Sonoma County to more diverse communities.

SCT began the year having hired a Director of Business Development to work on this goal. This person did not work out as an SCT staffer so this initiative was put on hold as the Business Development team was created.

SCT, through its sustainability and responsible traveler initiative, does work to find new visitors (primarily FIT) who are within this visitor profile. The media outreach to these audiences is getting Sonoma County into a more diverse set of communities.

SCT also continues to amplify its appeal to diverse communities and better illustrates Sonoma County as a destination for LGBTQ+ and BIPOC travelers. This effort will continue into future fiscal years.

Business Development efforts have amplified across social media with greater emphasis on connecting with planners and travel trade professionals via LinkedIn. The Business Development team has included this channel in its general outreach initiatives.

7. Complete foundational components (organizational statement, team inclusion action plan, external communications policies) of a DEI program that mandate the organization's commitment to both internal and external diversity, equity and inclusion.

SCT worked with the Governance Committee and Board to develop and organizational DEI statement:

At Sonoma County Tourism, our commitment to diversity, equity and inclusion is unwavering. We strive to ensure those in our workforce, and participation in our board and committees reflect the diversity of the communities we serve. We embrace diversity of identity, experience, and thought. We will elevate, provide access to, and intentionally integrate this abundance of input across our organization and within the stories we create that inspire travel to the region.

SCT worked with the County to develop a Lands Statement:

As an organization that resides in Sonoma County, we align with the County of Sonoma in recognizing that we are on the ancestral lands of the Coast Miwok, Pomo, and Wappo who are the original caretakers of this area. We respectfully acknowledge the Indigenous peoples who have been stewarding and maintaining relationship on this land as knowledge keepers for millennia.

This statement was vetted by the Board and voted on/agreed to (with the added inclusion of the lands statement) during the board retreat in March.

The Marketing and Communications team has increased production and visibility of DEI-specific content by 211% over FY20/21. We are also seeing strong engagement with this new content across audiences.

As part of one particular photo/video shoot, SCT was honored to capture a story with Suki Waters, a member of the local Kashia Pomo tribe, and owner of WaterTreks in Jenner. Suki discussed the importance of destination stewardship, told through the lens of her culture, and how all of us can play a role in preserving Sonoma County for generations.

The SCT executive team has completed an Equity, Diversity and Inclusion (EDI) course through Destinations International and also participated in a session at their annual conference. Moving forward, we will more fully integrate this initiative into our overall organizational management.

8. Identify and staff the organizational structure to meet the needs of SCT for the time period covered in the plan.

This was a rebuilding year. The SCT team is an extraordinarily professional, talented and passionate group. The growth of the staff and positions created do fit the needs of the industry. During the year we added a Director of Travel Trade to help SCT reenter three international markets, two new coordinators for the Marketing; and Business Development Teams, a Senior Research Manager and a Senior Manager, Digital Marketing. We built the Business Development (sales team) to best meet the needs of the meetings sector.

SCT also developed a newly created position of Manager, Sustainability and Climate Issues. This is to emphasize the organization's commitment to sustainability and responsible travel and manage the myriad programs that fall within this sector.

9. Deepen relationships with key local stakeholders, including elected officials, business leaders, partners, non-profits and other influential organizations through meetings and activities that convey the value of tourism and SCT's role in managing responsible travel.

While this is paramount for the Community Engagement Team and CEO specifically, strengthening relationships with partners is a key component of the entire team's objectives. While the revenue generation initiative is underway, connection with elective officials has never been more important. This is coming at a time of change among city council members, so SCT is not only discussing the revisions to the BIA, but introducing many to SCT and the value of the tourism industry.

Relationships with the Board of Supervisors is paramount and were a focus of the year. SCT engaged in one-on-one meetings with each of the Supervisors, including monthly meetings with Chair Gore. Several on the Board were interviewed as part of the Destination Stewardship and Resilience master plan.

Conducting the focus groups for the Destination Sustainability and Resilience Master Plan gave SCT the opportunity to help leaders from many business sectors connect what they do with tourism. While this was a unique one-time opportunity, the chance to continue to connect as the plan is launched and executed will continue to expand SCT's influence in the community.

SCT developed the Hospitality Collaborative as a replacement for the Partner Information Presentations (PIP). With the PIP sessions, partners came to the SCT office. The Collaborative brings SCT staff out to the partner locations. Working with the local chambers of commerce and partners in municipalities, SCT comes away with a better understanding of the businesses and cities.

Throughout the year, the team has made a concerted effort to visit partner properties whether to get campaign elements (photos/videos, content development), as part of the Hospitality Collaborative that brings the SCT staff to partner properties with some including a mixer, or as part of the revenue generation initiative.

10. Work with the County to review and potentially revise the requirements of the March 15 program and budget submission.

Claudia worked with the EDB and County Counsel to push the submission date from March 15 to April 20. This allowed Lori to have revenue from which she could forecast the upcoming year for two quarters of the previous year rather than just one. We were successful at getting this date changed.

11. Work with the County and vacation rental companies to identify and integrate BIA/TOT taxes.

SCT did reach out to AirBnB and VRBO to ask if they would be willing to collect and remit BIA funds should the environment be such that would allow this. They both agreed. Now we need to have the \$350,000 annual revenue benchmark removed to ensure vacation rentals can benefit from SCT's marketing efforts.

12. Ensure crisis plan is updated, communicated and executed as planned (if needed).

The crisis plan is fully updated for 2022 and has been integrated with the team so they understand each individual's role should a crisis occur. While we focus on wildfires, the team knows that a crisis may include an active shooter, acts of terror or other type of crisis.

Key SCT staff and select board members went through crisis communications/media training administered by Fahlgren Mortine associate John Segale.

Sonoma County Tourism has been invited to participate in the County's Emergency Operations Center (EOC) as a direct link to the visitor community during an emergency.

Thankfully we did not need to execute the plan, but we were prepared if needed.

Team Results Per Priority

Business Recovery

As the world emerged from the economic impacts of the pandemic, Sonoma County Tourism's marketing, communications and business development teams crafted programs and campaigns designed to position the region as a compelling destination. With the advantages of being in a wide-open natural environment, Sonoma County's appeal even during the pandemic was fairly high. But, when travel fully opened, it was imperative that SCT's marketing and sales efforts regained top-of-mind status among leisure and business travelers.

Using research as a base and building on the destination stewardship platform, the marketing team recognized that wellness, self-care and care for the planet were central consumer sentiments. Intent marketing programs focused on renewal for the individual, family and greater environment. This approach proved very successful in driving inquiries and conversion with travel to the destination roaring back with some sectors surpassing pre-pandemic levels by year's end.

Within the business travel segment, headwinds continued with ongoing concerns about mandates surrounding group events. Ongoing masking requirements and restrictions on the number of people in a space caused a start and stop to group business travel.

Obtain and Convey Industry Insights and Marketing Analytics

SCT continued its commitment to being a research-based organization with insights coming through a number of traditional and innovative sources.

Longwoods International provided the annual visitor survey as well as a marketing ROI study.

SCT continued its partnership with Visit California to obtain the Dean Runyan Economic Impact Survey.

SCT created a new partnership with Tourism Economics to create a dashboard showcasing the performance of the entire tourism ecosystem. This dashboard also is posted on the partner portal of Sonoma County.com.

SCT also partnered with external companies to gain additional insights on key topics:

- SCT engaged Cultivar Strategies and an expert industry task force to identify opportunities and an approach for Sonoma County to enter the cannabis travel arena. SCT also partnered with Longwoods International on an advertising return-on-investment study.
- Through a unique insights program, the Business Development team partners with Connect Meetings on an in-market familiarization tour (FAM) that brought 11 planners into Sonoma County. The FAM had a two-fold purpose. First, to introduce Sonoma County to meeting planners and second to gain feedback from the planners regarding the destination. The group stayed at the Hyatt and visited diverse meeting venues and recreational activities.

During the focus group with Sonoma County partners, the planners provided overwhelmingly positive feedback about the diversity and beauty of the destination, and the passion conveyed by the employees at the various locations. They also discussed issues such as homelessness and feeling unsafe during portions of their visit.

Drive Inquiry and Conversion through Advertising and Other Paid Opportunities

SCT along with its agency partners, Fahlgren Mortine and Miles Partnership, created and executed a consumer marketing campaign that drove visitation back to Sonoma County. This campaign generated an astounding \$203 (returned in visitor spending): \$1 (for every one dollar in SCT marketing) ROI to Sonoma County!

SCT has increased its consumer email database by 16% over the previous fiscal year. This important marketing channel is also seeing industry-leading open rates and click throughs.

SCT launched the Sonoma County App, creating a new and exciting channel to promote the destination.

In early March, SCT hosted four influencers as part of our “Intentional Itineraries” portion of the campaign, which matches influencers with wellbeing experts to determine what kinds of travel experiences they need to support their personal wellbeing. From that place, SCT was able to curate itineraries powered by our destination experiences to bring these itineraries to life. We captured the influencers’ trips with photos and videos, all have been added to an Intentional Itineraries page on the website.

The marketing team worked with chef and hotelier Crista Luedtke filming a new three-part video series as part of the spring campaign. Entitled “Beyond the Wineglass,” the series featured Crista interviewing three different luminaries/tastemakers in Sonoma County.

SCT and the Fairmont Sonoma Mission Inn hosted the Travel Mom, Emily Kaufman and her co-host Tommy Didorio for a 16-city satellite media tour on March 16.

Earned media coverage (PR) of Sonoma County garnered a 7.3/10 qualitative score (goal was 7/10). SCT leverages the Barcelona Principles media scoring method. SCT moved away from the advertising equivalent metric in 2019, with the goal of showcasing the true value of media coverage.

Top Media Coverage:

Matador Network (Top 100; 793,456 UVMs): [Hit California's standout stargazing spots in this epic road trip](#)

Robb Report (Top 100 (496,013 UVMs): [From Hikes to Bike Tours, 7 Ways to Get Active in Wine Regions Around the World](#)

Business Insider (28,078,207 UVMs): [I own a brewery where fans camp out overnight to snag a bottle of our famous IPA. Here's how we built up a huge community of customers](#)

St. Louis Post-Dispatch (1,399,650 UVMs): [Taking the kids: — to kid-friendly California wine country this winter](#)

MSN (67,151,557 UVMs)/ **Travel +Leisure** (962,011 UVMs): [California's Russian River Valley is Full of Family-owned Wineries, Restaurants, and Hotels — Here's How to Plan Your Trip](#)

Good Morning America (Top 100; 726,009 UVMs): [GMA's Getaway Guide](#)

TravelZoo (95,952 UVMs) [Sonoma Wellness Tourism With Travel Zoo's Gabe Saglie!](#), (95,952 UVMs)

Forbes [Many Travelers Want To Financially Give Back To Their Destination, According To This Booking Platform's Survey](#) (24,220,000 UVMs)

CHRON [Concierge Confidential: Micah James from Vintners Resort Has the Skinny on Sonoma's Best](#) (11,410,000 UVMs)

KTLA [Vacation deals that help the environment, communities | KTLA](#) (3,075,794 UVMs)

Flipboard [Modern Guide to Guerneville: Cool Refinement + a Rainbow of Culture in the Russian River Party Town | Flipboard](#) (1,167,170 UVMs)

Amplify the Brand

SCT developed and launched a new destination sizzle video that leverages our “Sonoma Sound,” and portrays an evolved and engaging brand story. The Sonoma Sound was composed by Cliff Goldmacher, who until just recently lived in Sonoma County.

All activities within the marketing and business development initiatives are designed to amplify the “Life Opens Up” brand.

Acquire, Engage and Expand Key Audiences

Responsible Travel Marketing Campaign – The spring 2022 paid advertising campaign revolved around responsible travel and wellness. The campaign creative encouraged people to take care of themselves and the environment around them.

The Cultivated video series highlighted luminaries in the area that provided unique perspectives about Sonoma County, all creating love letters to the region through their own insights. Telling these stories and creating emotional connections with viewers is a great way to elevate the potential that visitors will take better care of a place they love.

Fall Campaign Overview

- Timing: September 1 – November 30, 2021
- Messaging: Life Opens Up in Sonoma County; increased focus on wellbeing
- Objective: Drive leisure business during campaign period
- Tactics: Paid advertising, public relations, social media, Visit California Coop, Search Engine Marketing (SEM) and Social Media Marketing (SMM)
- Geo Targets: In-state markets and nonstop STS markets; nationwide re-targeting
- KPIs: Ad impressions, click throughs, and engagements; room night bookings; earned media scoring and impressions; social engagements; partner referrals; and website traffic/conversions

Earned Media:

- Number of media hits: 105
- Average Qualitative Media Score: 6.97 out of 10
- Key outlets represented in media hits: 14
- Impressions on earned media results: 346M

Press Releases:

- SCT Launches "Cultivated in Sonoma County" Video Series
- SCT Stars of the Industry Awards
- Jonny Westom Joins SCT as VP, Business Development
- What's New Fall 2021
- Make Sonoma County your Holiday Home Away from Home
- Celebrate Giving Tuesday in Sonoma County

Spring Campaign Overview

- Timing: Jan 1 – April 30th, 2022
- Messaging: Life Opens Up in Sonoma County
- Objective: Drive leisure business
- Tactics: Paid advertising, public relations, social media, Visit California Coop, Search Engine Marketing (SEM) & Social Media Marketing (SMM)
- Geo Targets: In-state markets and nonstop flight markets into Sonoma County Airport (STS)
- KPIs: Ad impressions and click throughs, room night bookings, earned media scoring and impressions, social engagements, partner referrals, and website traffic/conversions

Performance Snapshot:

- Impressions: 43,356,327
- Click Throughs: 166,707
- Engagements: 73,994
- Video Views: 1,668,474
- Site Sessions: 105,117
- Intent To Travel Actions: 5,321

PR Outreach:

The Spring campaign PR outreach focused on stories that celebrated our wellbeing key message, along with luminaries and approachable culture/food and wine.

Key Stories Included:

- What Wellness Travel Means in 2022/Intentional Itineraries: highlighting restorative experiences and sensory immersion, outdoor activities and adventure
- Sustainable Travel/Earth Day: highlighting sustainability & stewardship
- BIPOC Culture and Ties to Sonoma County: highlighting luminaries & approachable culture
- What's New in Spring: highlighting new and seasonal experiences that celebrate wellbeing, restorative experiences and sensory immersion, outdoor activities and wine/food

Develop Business from Existing and New Market Segments

SCT held a client event in West Hollywood/Los Angeles on March 22. The event, held at 1 Hotel, featured 11 Sonoma County partners including wineries, makers and influencers. Attendees included meeting planners, tour operators, journalists and influencers. While in Los Angeles, The PR team also conducted deskside briefings with journalists and freelance writers.

Throughout the year, the Group Business Development team was challenged with new COVID-19 variants, including Delta, Omicron, BA2, and Sonoma County's health restrictions that went into effect in early January. Beyond these challenges and an overall slowdown in industry recovery, the team was able to generate awareness of Sonoma County as a leisure, group, meetings, special event, and weddings destination, through a variety of tradeshow, advertising campaigns, familiarization tours, and lead generation.

The Business Development team worked with Northstar Media to develop videos for each of the conference hotels. These beautifully produced videos will be provided to the hotels as well as for SCT's use at trade shows and other sales presentations.

The team also identified opportunities to sponsor key meeting planner events such as Meeting Professionals International (MPI) World Education Conference, Maritz and Amex conferences. The group worked closely with San Francisco Travel to take over the infield at Oracle Park during the MPI WEC conference. This offered a tremendous chance to connect with meeting planners interested in booking events in this region.

FY21-22 by the numbers:

1:1 MEETING WITH CLIENTS:	947
PARTNER REFERRALS:	1,122
LEADS TO BIA HOTELS:	858
SCT INFLUENCED ROOM NIGHTS:	3,332
TOT GENERATED:	\$128,354
ROOM REVENUE GENERATED:	\$1,138,220
BIZ PROPERTY IMPACT:	\$1,289,338

ECONOMIC IMPACT*

FISCAL QUARTER	ROOMS NIGHTS	AVG RATE	ROOM REVENUE	TOTAL TOT	BIA 2%	TOTAL IMPACT
Q1	251	\$ 399.00	\$ 100,149	\$ 12,413	\$ 2,003	\$ 114,565
Q2	1,191	\$ 242.24	\$ 288,511	\$ 27,816	\$ 5,770	\$ 322,097
Q3	1,199	\$ 337.35	\$ 404,481	\$ 48,209	\$ 8,090	\$ 460,780
Q4	691	\$ 499.39	\$ 345,079	\$ 39,916	\$ 6,902	\$ 391,896
TOTAL:	3,332	\$ 341.60	\$ 1,138,220	\$ 128,354	\$ 22,764	\$ 1,289,338

* Economic Impact : Total calculation of (sleeping room rental revenue + TOT + BIA) from all leads turned definite with influence by SCT's Business Development Team.

TRADESHOWS, CONFERENCES, AND CLIENT EVENTS

PROGRAM	MEETINGS	PROGRAMS	MEETINGS
1. CalSAE Seasonal Spectacular	12	13. HB ABC	30
2. Destination CA	20	14. IMEX Frankfurt	34
3. IMEX 2021	141	15. CD APM	11
4. Connect CA	35	16. MPI WEC Pre FAM	10
5. Visit CA (Midwest)	135	17. ConferenceDirect FAM	9
6. CALSAE Elevate	40	18. SCT Advisory Group FAM	10
7. Cvent Connect	32		6
8. MPI WEC	6	19. Arrowhead FAM	2
9. IPC	21	20. SITE Southeast (Site Visit)	42
	180		88

10. Visit CA (East Coast)	17	21. IPW 2022	16
11. Destination West	20	22. IPW 2021	30
12. Incentive Live		23. Visit CA Luxury Forum	
		24. Cal Cup	

TOTAL 1:1 CLIENT MEETINGS: 947

SITE TOURS/FAM's

Site Inspections

- NorthStar Travel Weekly
- SITE Southeast Site Visit 2022
- Sonoma Eye Site Inspection
- One Immunology
- Glaucoma 2023
- Presidents' Club 2021/2022
- Micron Executive QBR 2022
- Old Republic Surety Presidents Club

FAM Tours

- SCT Advisory Group FAM
- Arrowhead FAM
- ConferenceDirect FAM
- MPI WEC Pre-FAM

Weddings Guide - The Business Development team designed and launched a digital Wedding Guide, featuring a wide variety of the types of weddings that can take place in Sonoma County, along with resources and considerations when planning a Wine Country wedding.

Bandwango/Sonoma County Tasting Pass – In addition to the regular tasting pass, SCT launched a Distillery Pass with seven distilleries from around the county. The Sonoma County Distillery Pass is a gateway to the region's specialty micro-distilleries, each putting their local spin on spirits - from vodka and whiskey to gin and beyond. The Sonoma County Distillery Pass offers exclusive pricing on spirit tasting flights at many of our distilleries.

Engage Partners

SCT created coop marketing opportunities for our partners throughout the year, allowing partners the ability to leverage SCT's channels to amplify their own messaging.

The Marketing and Communications team conducted several partner training and outreach webinars throughout the year, to educate and engage partner businesses. Examples include: Trends in the Travel and Tourism Industry; Understanding the Value of PR; Marketing Trends; Spring Marketing Campaign Webinar.

SCT held its annual general meeting on Sept. 29. The meeting was held via Zoom due to the rise in the Delta variant. About 120 people registered for the Zoom event. During the meeting, SCT covered its year in review and highlighted the partnership with Regional Parks and Leave No Trace to help elevate responsible travel messaging and visitor behaviors.

With events back in full swing, SCT provided sponsorships for large community events including:

- California Artisan Cheese Festival

- Sonoma County Vintners Association – Barrell Auction and Taste of Sonoma

SCT held its first post-COVID industry mixer in November at the SCT Offices. The event was attended by approximately 100 tourism industry professionals.

During FY 21-22 SCT evolved the Partner Information Presentation (PIP) meetings into the Hospitality Collaborative Program. The Collaborative focuses on a different city each event, and includes one lodging property, one restaurant, one winery/brewery/cidery/distillery, and one attraction/retailer/other. One of the businesses acts as the host site with the other businesses and Sonoma County Tourism staff meeting at that site. After a brief tour of the host site, each participant provides an overview of their business, engaging with SCT staff and exploring opportunities for collaboration with SCT and the other businesses. Collaboratives were held in:

- Windsor – Grand Cru Custom Crush
- Petaluma – Hampton Inn Petaluma – followed by a community mixer
- Santa Rosa – AC Marriott – followed by a community mixer

SCT also created a Working with Sonoma County Tourism brochure that showcased some of the key programs that can help drive business for partners. This information is available in a printed brochure and on the partner portal of [SonomaCounty.com/partners](https://sonomacounty.com/partners).

Monitor/Restart Travel Trade/International Outreach

Sonoma County Tourism initiated a nationwide search for a director of travel trade in December 2021. The job opportunity garnered well-qualified candidates from across the US. After a lengthy interview process, Sonoma County Tourism's offer was accepted by Percy Stevens. Percy joined Sonoma County Tourism in March 2023 bringing a lengthy background in working with destination marketing organizations and state travel organizations, mainly focusing on international travel trade development.

The department regained a budget in Q4 FY21-22 that is strategically deployed to increase domestic and international awareness for Sonoma County as an overnight destination. Further, in Q4-22, SCT signed agreements with international representation major feeder markets, Australia, Germany, and UK/Ireland. In addition to the representation firms, the team reignited the partnership with Visit California's travel trade and international marketing teams as well and Brand USA and the United States Travel Association.

While not a KPI, it's always great when the team wins awards. For FY21-22 projects, we were thrilled to have work and our team recognized:

US. Travel Association Destiny Award: Best Digital Marketing Campaign

Hospitality Sales and Marketing Association International (HSMAI) Silver Anvils:
Digital Campaign – Integrated Marketing Campaign for Consumers (B2C): Recovery Marketing

Public Relations Society of America Central Ohio Chapter Prism Awards:
Media Relations/Consumer Products and Services: "Life Opens Up" in Sonoma County: Immersive Press Trip
Integrative Communications: Reawakening the Spirit of Travel in Sonoma County

ETourism Summit Rising Star: Frank Filice

Destination Stewardship

Sonoma County Tourism became a destination stewardship organization in 2018 and since then has evolved this platform to include a number of initiatives and programs designed to shape consumer behavior toward protecting and preserving the region's natural and cultural resources.

SCT adopted a phrase that helps keep this commitment at the forefront:

A place worth visiting is a place worth protecting.

Develop and Communicate Broad-based Approach to Destination Stewardship

SCT finally embarked on its Destination Stewardship and Resilience Master Plan – While SCT had contracted with the Coraggio Group in 2018 to begin this plan, the series of crises that occurred kept this from happening. With the pandemic waning, the timing seemed right to restart this critical planning process. During FY21-22 the first of the three-phase process began. SCT and Sonoma County underwent a number of assessments including one from the Global Sustainable Tourism Council (GSTC) that measured a number of attributes throughout the destination. SCT also conducted focus groups with business leaders in a wide variety of industry sectors and conducted a resident survey. The initiative will continue and conclude in FY22-23.

The 2022 National Travel and Tourism Week provided SCT with tremendous opportunities to connect with partners and the community. The theme of the week was “The Future of Tourism.” Through several activities designed to elevate awareness of tourism and the value of the industry, SCT was able to coalesce the industry – critically important during the recovery. Key activities included:

- 2022 Stars of the Industry Awards. The first in-person event was a great success. The nomination of the “stars” and selection of the winners generated great interest among the industry. The event itself was a true celebration of the industry. Through high-energy hosting, the joy expressed by the winners and the general enthusiasm of the event offered a great way to deepen relationships between SCT and the industry.

SCT congratulates the 2022 winners in each category:

- Front of the House: Lawrence Ku, Charles M. Schulz Museum and Research Center
 - Customer Engagement: Pure Luxury Transportation
 - Heart of the House: Gray Rollin – Belly Left Coast Kitchen & Taproom
 - Innovation: Wildhaven Sonoma Glamping
 - Rising Star: Ama Waya-Bivin – Wilson Winery
 - Environment Stewardship/Sustainable Practices: Kendall Jackson Winery
 - Ally of the Industry: Chef Mei Ibach – West County High School
 - Lodging Property of the Year: Boon hotel + spa
 - Accredited Hospitality Professional Program Champion: Kirk Lok
 - Legacy Award: George Webber (for creating extraordinary customer experiences as the Count at Buena Vista Winery)
- Pinot Purple Lighting. SCT connected with 50 businesses who agreed to light their properties in purple throughout the week. This showed a great connectivity among the industry and a solidarity around the value of tourism for the general public.
 - Live Like a Visitor App Experience: Throughout NTTW (May 1-7), SCT will be inviting residents to experience Sonoma County as visitors do by utilizing SCT's new mobile application to visit

businesses, attractions, and activities. Residents that experience participating locations will receive a special code they can enter into the app to verify their visit. Residents who complete the NTTW Live Like a Visitor experience will receive a prize from Sonoma County Tourism.

Five roads have been adopted by Sonoma County Tourism as part of the County's Adopt a Road program:

- District 1 – Arnold Drive through Glen Ellen
- District 2 – Petaluma Hill Road through Penngrove
- District 3 - Petaluma Hill Road near The Gables and Bees N Blooms
- District 4 – Airport Blvd. in unincorporated Santa Rosa
- District 5 – Armstrong Woods Road

Sonoma County Tourism and Visit Santa Rosa hosted a webinar in April for lodging properties in the City of Santa Rosa to help lodging properties understand their rights and what the City can and cannot do when working with the unsheltered population and loitering that may occur around their property.

Align with Local Organizations and National Programs with a Similar Mission

SCT joined the Global Sustainable Tourism Council. The Global Sustainable Tourism Council is a non-profit organization that establishes and manages global standards for sustainable travel and tourism. Our membership with GSTC will support the Destination Master Plan process.

Leave No Trace – During the year, the partnership moved into Phase 2. This exciting phase included more outreach to partners and local organizations involved in stewardship initiatives. During this phase, SCT:

- Conducted two Leave No Trace focus groups and concluded a stakeholder survey to help inform program design.
- Leave Not Trace conducted a professional development workshop on effective communication of Leave No Trace messaging for content creators on staff.
- Created a video series illustrating each of the Seven Principles. This will allow these principles to come to life in a way signage is not able to achieve.

SCT's ongoing partnership with Sonoma County Regional Parks and Leave No Trace continued work to preserve high traffic visitor points including coastal beaches and Russian River launch areas. Through signage and clean-up programs, the initiative is starting to make a positive impact. The initiative expanded to include a tri-county (Marin, Sonoma, Mendocino) Cleaner California Coast program that kicked-off in FY21-22.

Encourage Responsible Travel Behaviors

Leave No Trace is just the beginning of the organization's commitment to sustainable and responsible travel. Throughout the year, content has been developed that encourages visitors to adhere to sustainable practices and protect and preserve the region's natural and cultural resources.

SCT worked in collaboration with Regional Parks on a radio campaign over summer holiday weekends (Memorial Day, Independence Day, and Labor Day) in Sacramento and Bay Area markets encouraging responsible visitation along the Russian River and Sonoma Coast. Spots ran in English and Spanish.

On the marketing side, the spring/summer advertising campaign had wellness and responsible travel as key themes. The messaging aimed to encourage people to take care of themselves and the world around them.

SCT partnered with Matador to create a sustainable travel video series distributed across the Matador network including their 1.4 million TikTok followers. The pieces will lay a broad-based foundation for future broadcast and digital distribution opportunities.

Also, Fahlgren Mortine crafted a plan to reach responsible travelers that provides a strategic approach, potential channels and messages that will help create a laser focused outreach to this coveted traveler group.

Additional programs include:

- Continued partnership with Kind Traveler. In FY21-22, we added Charlie's Acres, Farm to Pantry and Pepperwood Preserve to its list of available donation recipients.
- Rewards for Rubbish
- Partnership with the Russian River Confluence
- Worked with Sonoma County Water Agency to develop drought messaging for lodging partners. Window clings were available for distribution.
- Carbon Offset Calculator added to SonomaCounty.com
- National/International speaking engagements at the Travel and Tourism Research Association, Emerging Markets Summit
- SCT created a new position of Manager, Sustainability and Climate Initiatives

Initiate and Maximize the Accredited Hospitality Professional (AHP) Program

While the new program officially launched in June, the program really launched in July. Throughout the year, stops and starts with safety and protocol issues of in-person classes required flexibility in the administration of the program. The first class was held on July 8th with 19 attendees.

As of June 30, 2021:

- Total registered: 217
- Fully accredited: 128
- In progress: 89

SCT worked with Kirk Lok and West County High School to integrate the AHP program into their hospitality course and their culinary arts programs. The program was offered to approximately 248 students in the program. The Fairfield Inn has offered \$1,000 to seed a scholarship fund for the program at that high school. The program is also being considered or will be approached at Petaluma High School, Casa Grande, Healdsburg, Piner, Windsor and Cloverdale.

Organizational Sustainability

FY21-22 proved to be a challenging year for budgeting and forecasting. With some delays in obtaining information regarding Transient Occupancy Taxes (TOT) SCT needed to be more flexible than ever. For most of the year, TOT trended above forecast, due largely to performance at Short Term Rental units.

Develop and Integrate Long-term Funding

This initiative has been started and stopped several times during the past five years, but finally got underway in FY21-22. As Sonoma County Tourism works to truly shape visitor behavior toward more responsible travel and sustainable visits, SCT is working with its media buying agency to identify how this is possible given the costs of paid advertising in key regional and direct flight markets.

Because of the focus on sustainability, the initiative was termed the Responsible Tourism Assessment and focused on revisions to the county-wide BIA. Through a series of conversations with partners, elected

officials and other key stakeholders, SCT gained information critical for making the decision about the approach and mitigate questions that arose about the funding and its use.

Much of the stakeholder outreach during the year was conducted on behalf of this initiative.

By year's end SCT determined the approach to a BIA revision would be to eliminate the \$350,000 benchmark set when the ordinance was originally adopted in 2025.

This effort will continue into FY22-23 when a conclusion will be reached.

Create Opportunities for Frequent Stakeholder Engagement

Stakeholder outreach falls into many of the programs listed throughout this report. Specific to public affairs, SCT continued to find a seat at the table of issues that impact tourism, but on behalf of which SCT had not historically been involved. Issues such as transportation, homelessness and workforce became focus areas for the team as elevated involvement with various organizations offered critical insights into how the issues impact the long-term future of tourism.

SCT once again held a seat on the Sonoma County Hospitality Association board. This provided insights into the advocacy and educational programs offered through that organization.

On the board of CalTravel, SCT attended the various board and committee meetings that help elevate SCT's understanding about legislative priorities and enhance connectivity to elected officials.

Run an Effective Business

Going into FY21-22, SCT knew this would be a rebuilding year. With continued health & safety protocols to contend with, a very slow reemergence of the group business segment and testing mandates making international travel cumbersome, if not impossible, the team approached the year with a cautious optimism.

The key issues facing the tourism and hospitality industries focused on workforce and housing. Businesses were forced to reopen for limited operational hours, cut back on offerings or close until help could be secured. This was the case not only in Sonoma County, but across the country and in many industry sectors.

Sonoma County Tourism approached the year in a fiscally conservative way, ensuring revenue from both the TOT and BIA were solid before hiring new staff and bringing back programs that went dormant during the pandemic.

Piscente & Brinker once again performed financial, and travel and entertainment audits and gave the organization clean audits without exceptions.

As the year progressed, SCT was able to regain its financial footing, hire staff and realize operational and programmatic opportunities to maximize potential within key audiences.

(More information about SCT's end-of-year financials is available in the Financial Report section of this report.)

Create a High-performance, Satisfying Work Environment

SCT worked hard to identify the employee environment coming out of the pandemic. The organization settled on a hybrid model offering employees three days in the office and two days at home each week. SCT also celebrated employee appreciation month in May creating a number of opportunities for employees to get to know each other better and forge a solid team.

Sonoma County Tourism began rebuilding the business development team in July 2021. The team added two group sales managers in July and August and retained the Vice President, Business Development on August 31, 2021. The team expanded in December 2021 with the addition of a department coordinator, followed by a Director, Travel Trade in March 2022, and rounding out the fiscal year with the addition of a mid-west sales contractor, who started on July 1, 2022.

The marketing team bolstered its brand and digital efforts through hiring a Director of Brand Development, Senior Manager of Digital Marketing, a Content and Social Media Manager, a Project & Design Specialist and a Marketing & PR Coordinator.

On the Administrative and Operations front, SCT hired a Senior Research Manager, a Data & Systems Specialist and an Accounting & Administrative Coordinator. (A full team list is in the Appendix)

Engage the Board and Committees

As the guiding force behind Sonoma County Tourism, the Board and Committees provide critical insight and inspiration for the organization and its teams.

The Board continued to meet each month to discuss issues of importance to the organization. In March, the Board held its annual retreat at the MacMurray Ranch event center. The retreat offered a platform for robust conversation around the direction of the board and SCT, the organization's commitment to Diversity, Equity and Inclusion and the ongoing challenges and opportunities facing the industry.

During the year, the Community Engagement Committee was revived, offering opportunities for new insights and creative approaches to community outreach. Under new leadership, the Business Development Committee continued to provide direction to the team and learn of opportunities for partner properties.

The remainder of the Committees continued to meet as scheduled and provide insights to the team.

FY21-22 Final Budget Allocation

Fiscal Year

2021-2022

Revenues

BIA Assessments	6,245,571
Transient Occupancy Tax	3,824,215
Interest and Other Income	642,399
Total Revenues	<u>\$10,712,185</u>

Expenditures

Advertising	3,315,626
Client Events, Fams & Entertainment	270,633
Tradeshows & Sales Missions	286,641
Digital Engagement	871,704
Research, Tools & Memberships	397,142
Contract Services	581,465
Professional Development	192,530
Destination & Industry Programming	596,200
Labor	2,403,770
Administrative Expenses	574,400
Total Uses	<u>\$9,490,111</u>

TOTAL REVENUE LESS USES	<u>\$1,222,074</u>
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Reserve Usage Capital Items

Depreciation	19,153
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TOTAL SOURCES LESS USES	<u><u>\$1,202,921</u></u>
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IV. FY22-23 Update

Following is an update regarding SCT's achievements toward the Key Performance Indicators (KPIs) outlined in the organization's FY22-23 strategic plan.

Organizational KPIs (FY22-23)

1. **Achieve a 5% year-over-year increase in revenue to Sonoma County's lodging properties (per BIA/TOT collections and Dean Runyan economic impact survey).**

Tourism Economics tracks the YTD lodging revenue for both traditional and short-term rental properties. Year-over-year, Sonoma County is down slightly in occupancy and average room rate (ADR). See performance table on page 28. This performance dashboard is available on SonomaCounty.com/statistics.

2. **Increase length of stay from 2.8 nights (2020) to 3.1 nights (or longer), focusing on winter and spring, helping to flatten weekend vs. weekday travel (per Longwoods International Visitation Study).**

The 2021 Longwoods International Visitor Study shows length of stay has decreased from 2.2 nights in 2020 to 1.9 nights in 2021. SCT is working on strategies such as the Extended Stay program and other "bottom of the funnel" programs such as TravelZoo promotion to help drive immediate overnight weekday visitation.

3. **Increase group leads to partners by 10% year-over-year.**

The Business Development team has achieved this goal and is working on other metrics that are more meaningful to partners including business booked and the incentives available to partners.

4. **Generate a marketing program Return-on-Investment that exceeds pre-pandemic levels (per Longwoods ROI Study) and continues to show a high level of customer awareness of SCT advertising.**

The paid marketing Return on Investment (ROI) study was conducted by Longwoods International for the Spring 2022 campaign. For this campaign period, the return-on-investment was \$262:\$1 in visitor spending and \$27:\$1 in taxes generated for the county. The 2022 Spring ROI is higher than that of the 2019 and 2021 studies. This result is amongst the highest ROI in the tourism industry, showcasing an enormously efficient and effective campaign.

5. **Ensure the organization's DEI imperative has a high level of inclusion and satisfaction within the programming (internal) and diverse audiences are being included at increasingly higher levels in sales and marketing pieces (external).**

SCT continued to work on its DEI goals through a number of components:

- Team hiring practices
- Working with the County on the GARE Assessment for tourism businesses (specifically vacation rentals)
- Continued education through participation in classes offered through Destinations International

Each member of SCT's executive team has completed the Destinations International EDI online course.

SCT does need to move further forward into true DEI integration. This will be done through hiring a consultant to assist with the initiative.

- Bolster partner satisfaction in the organization's efforts with results shown through an annual partner survey achieving a high or very high overall rating.**

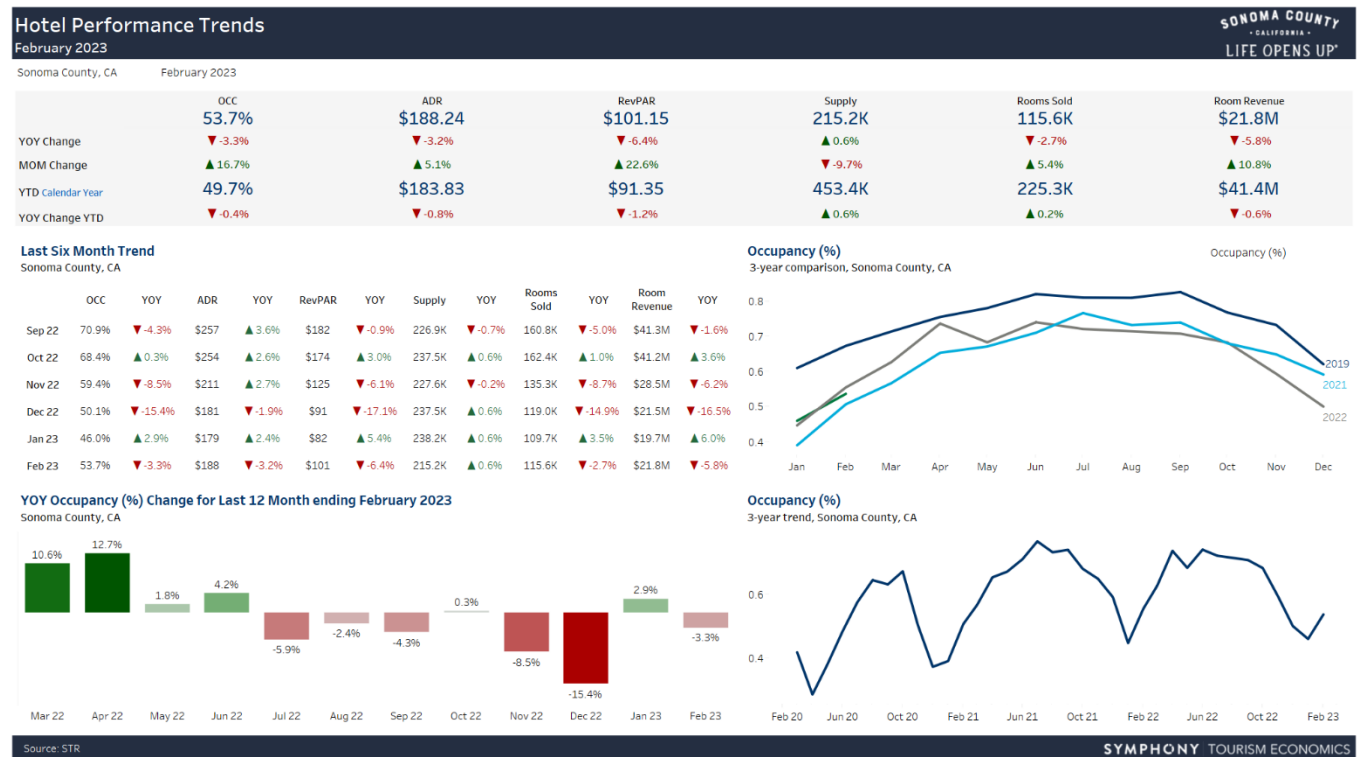
The partner survey is yet to be developed or distributed. This is slated for May 2023.

- Ensure the process for long-term funding secured in FY21-22 is operational and funds are distributed to the organization as designated.**

Based on the feedback received from the Short-term rental industry, this initiative was put on hold. The approach for moving forward is yet to be determined.

Overall industry performance through November is mixed, with the key standout being activity at STS airport.

Industry Performance YTD (Tourism Economics)



Key Priorities/Associated Programming KPIs

Business Recovery

Overall

- **Obtain and convey industry insights and marketing analytics, providing to partners at least monthly via Partner News and Insights newsletter.**

This is on track for completion. SCT provides both the Tourism Information News and Resources and the Tourism Insights and Performance newsletters providing partners with updated information and needed research.

- **Drive Visitation among Responsible Travelers through advertising, enhanced content distribution, the new Sonoma County App and other paid, earned and owned opportunities.**

This is on track for completion. Through a number of initiatives, SCT is conveying the need for responsible travel. SCT also is working to elevate this message so that it's not punitive or overly directive, but integrated into its paid campaign "Pause and Effect" to help travelers understand that while they can enjoy wellness and self-care, everything they do has a consequence. This consequence can benefit themselves, the planet and the destination itself.

- **Continue to see year-over-year growth of revenue into the BIA partners and the county.**

Year-over-year growth of revenue continues to be achieved.

- **Elevate group business and leisure travel leads and partner booking, highlighting urban experiences and unique venues.**

SCT met with hoteliers from Santa Rosa to help ensure a stronger connection between the entities. Santa Rosa was on the cover of the fall/winter inspiration guide.

The SCT business development team is working to promote unique venues through partner sales mixers and inclusion of non-traditional locations in offerings and suggestions to meeting planners.

- **Identify and begin integrating marketing initiatives for new BIA payors.**

This initiative was put on hold.

- **Engage Partners through business development opportunities in key audience and market segments.**

Partners also participated in a holiday sales mixer event aboard the San Francisco Giants Enterprise private yacht including a tour around the San Francisco Bay. The Business Development team continues to identify opportunities for partner inclusion in trade shows, in-market activations, connections to meeting planners, industry partnerships, and other business building opportunities.

- **Restart travel trade/international marketing in three key markets: U.K., Germany, Australia**

Representative firms have been retained in all target markets and efforts are underway. SCT has attended various tradeshow and client missions in each country. Additionally, the team sits on Visit California's international marketing committee and hosted a UK sales mission with attendance by Hotel E and Art House in Santa Rosa.

Marketing/Communications

- **Engage targeted priority markets and audiences.**

This is on track for completion. SCT engages priority audiences in key markets on several levels. Through paid media in target markets, SCT micro-targets audiences based on geography and interests. This creates a stronger connectivity between our brand and the audience with a more compelling invitation to visit.

Through social media, SCT engages fans and friends through our channels with messages that convey a broad-based view of Sonoma County. Through these online conversations, audiences are engaged at the highest level possible.

- **Increase digital engagement in advertised markets by 10% year-over-year.**

This is on track for completion.

- **Amplify storytelling around cities, towns and neighborhoods**

- Content development program, showcasing communities throughout Sonoma County
- SCT created the Sonoma County Videocast, a new project that serves up many stories of Sonoma County told in a fun way that engages audiences.
- SCT hired a communications professional to focus on a program titled The Neighborhoods Project. This is on track to launch during FY23-24.

- **Launch Sonoma County App through to phase 2 – creating additional opportunities to drive business and enhance loyalty.**

Completed. The app has been wildly successful! Here are some highlights:

- Total Users: 22,494 since launch
- Total App Accounts: 592 since launch
- Avg Time Duration: 3:42 since launch

Travel + Leisure featured the app in Jan. 2023: [This Interactive App Will Help You Plan the Perfect Trip to Sonoma \(travelandleisure.com\)](https://www.travelandleisure.com/this-interactive-app-will-help-you-plan-the-perfect-trip-to-sonoma) resulting in enormous interest in the app.

- **Grow high value task completions, such as Email subscribers; social media followers; map orders; Inspiration Guide views; web visits, etc.**

As of February, the digital campaign delivered over 8M impressions, 43,009 clicks and a CTR of 53%.

In addition to the digital campaign, SCT is running a CTV campaign. Video performance delivered 2,322,189 impressions and a 99% VCR.

The following numbers represent YTD figures (July 1, 2022 – February 28, 2023):

Website:

1. Sessions/Traffic: 1,972,095
2. Top Cities: San Jose, San Francisco, Los Angeles, New York

Social Media:

1. IG Total Followers: 62,293
2. Facebook Total Followers: 297,129
3. TikTok Total Followers: 1,106

Consumer eNewsletter:

SCT's monthly newsletter routinely receives industry-leading open and engagement rates from highly engaged opt-in subscribers.

- Total Subscribers: 143,390
- Open Rate: 57%

Inspiration Guide:

SCT's bi-annual Inspiration Guides receive impressive engagement rates, with higher-than-average page views and an exceptional time on site.

- Sessions: 52,124
- Avg Duration: 4:22m

- **Continue to develop responsible travel messaging, and increase exposure audiences to responsible travel content, including responsible travel page, LNT principles, video views, travel kindly pledge, etc.**

Responsible travel is now fully integrated into all components of SCT's sales, marketing and community engagement efforts. The Pause & Effect campaign directs people to SonomaCounty.com/sustainable helping to ensure greater exposure to the overall organizational commitment and the various initiatives showcased within.

- **Measure and report ROI – achieving pre-pandemic level of \$166:\$1**

The paid marketing Return on Investment (ROI) study was conducted by Longwoods International for the Spring 2022 campaign. For this campaign period, the return-on-investment was \$262:\$1 in visitor spending and \$27:\$1 in taxes generated for the county. The 2022 Spring ROI is higher than that of all previous studies. This is actually amongst the highest ROI in the tourism industry, showcasing an enormously efficient and effective campaign.

- **Leverage new and developing partnerships**

SCT is working with a new-to-us advertising partner – Volta. This partnership places Sonoma County advertising on electric vehicle charging stations throughout Southern California – a key target market for SCT. An example of this is shown below.



Sonoma County Tourism advertising on Volta charging station at a Whole Foods in Southern California

- **Continue ADA work on website, including making top 10 web articles available audibly. Audit site for ongoing ADA compliance opportunities.**
All website articles are now available audibly. The digital team is working with our web developers to further our ADA compliance. As we overhaul our website, this is a key focus area.
- **Create roadmap to develop accessibility guide online.**
This is a work in progress. SCT has engaged Wheel the World to conduct a county-wide accessibility assessment in FY23-24.
- **Create updated event sponsorship process to review, vet, and activate on opportunities throughout the year. Communicate new process to existing and potential event partners.**
Completed. An updated schedule for applying for sponsorship funds as well as a new application was approved by the board and integrated with partners.
- **Identify opportunities for brand alignment partnerships, with goal of securing a brand partnership.**
This has been completed with the announcement of the TODAY show and its StartTODAY wellness platform coming to Sonoma County in April 2023. This is a strategic brand alliance in that it combines the marketing campaign platform of "Pause and Effect" with responsible travel and national television exposure.

Business Development

- Increase group leads/RFPs to partner properties
 - Team goal: 922 – 472 leads per business development manager (increase of 9%)
- Increase room nights generated through integration with SCT business development team
 - Team goal: 12,000 nights, 6,000 nights per business development manager (increase of 72%)
- Engage in one-on-one meetings with key planners through interactions including trade show attendance, sales trainings, client events and in-person office meetings
 - Team goal: 841 meetings (10% increase over FY21-22)
- Continue to bolster Bandwango Sonoma County Tasting Pass programming and revenue.
 - Team goal: \$37,405 (10% increase over FY21-22)

As of February 2023, the Business Development Team's work toward achieving its goals:

ECONOMIC IMPACT*

FISCAL QUARTER	ROOMS NIGHTS	AVG RATE	ROOM REVENUE	TOTAL TOT	BIA 2%	TOTAL IMPACT
Q1	634	\$ 362.36	\$ 229,736	\$ 28,109	\$ 4,595	\$ 262,440
Q2	2,609	\$ 251.02	\$ 654,912	\$ 66,243	\$ 13,098	\$ 734,254
Q3	2,834	\$ 289.67	\$ 820,914	\$ 90,551	\$ 16,418	\$ 927,884
Q4	0		\$ -	\$ -	\$ -	\$ -
TOTAL:	6,077	\$ 280.66	\$ 1,705,562	\$ 184,904	\$ 34,111	\$1,924,577

* Economic Impact : Total calculation of (sleeping room rental revenue + TOT + BIA) from all leads turned definite with influence by SCT's Business Development Team.

GROUP/MEETINGS

KPI	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Total	Goal	% of Goal
Group Leads	60	95	72	86	73	52	85	76	599	944	63%
Group Room Nights	480	154	0	351	655	1,603	685	2149	6077	12,000	51%
1:1 Planner Meetings	4	97	9	110	199	120	49	162	750	841	89%
Tasting Pass Revenue	\$2,561	\$2,793	\$2,891	\$2,755	\$3,194	\$1,732	\$1,082	\$ 1,051	\$18,060	\$37,405	48%

Travel Trade – promotion of Sonoma County within domestic leisure groups and international leisure and business travelers.

These programs are underway with KPIs central to the efforts.

- **Engage in 1:1 Meetings with Travel Trade Professionals. These can occur through trade show appointments, client events, business meetings and other channels.** FY22-23 goal is 187 (10% increase over FY21-22)
This is a work in progress.
- **Increase international programs offered and Itinerary Inclusion in catalogues specifically for fly-drive offerings.**
FY22-23 is a benchmark year. SCT is working with our international offices to have Sonoma County included in itineraries for the major tour operators in each key market: Australia, U.K., Germany
- **Expand In-market product offerings specially for lodging programming.**
 - Add new hotels to the options available to leisure group planners/operators
- **Represent Sonoma County at four domestic trade shows:**
 - Visit California Luxury Forum (Oct '22) - Completed
 - Visit California Signature (Nov '22) - Completed
 - GoWest Summit (March '23) – Completed
 - US Travel IPW (May '23) – In progress
- **Represent Sonoma County at four international trade shows:**
 - BrandUSA Travel Week Frankfurt - Completed
 - Visit California Mexico Trade Event - Completed

TRAVEL TRADE

KPI	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Total	Goal	% of Goal
1:1 Prof. Meetings	0	47	86	25	96	0	42	335	631	187	337%
Tour Operator FAM's									0	5	0%
Int'l Tradeshows			1				1		2	4	50%
Domestic Tradeshows		1		1	1				3	4	75%
Int'l Sales Mission			1						1	1	100%

Destination Stewardship

Overall

- **Encourage responsible travel behaviors, elevating SCT's partnership with Leave No Trace and other organizations that will help elevate this priority.**
During the year, SCT partnered with the Regional Parks and Leave No Trace on a video project that showcases each of the Seven Principles. These videos are available on the [SonomaCounty.com/sustainable](https://www.sonomacounty.com/sustainable) web page.
- **Position Sonoma County Tourism as an industry leader in destination stewardship through integration with local, national and international organizations.**

Completed. SCT has been a featured speaker at Green Destinations International conference, the Travel and Tourism Research Association (TTRA) Marketing Outlook Forum and the TTRA International Conference.

SCT created a Manager of Sustainability and Climate Initiatives position and Devin McConnell moved into that position. He has spent the year identifying opportunities for SCT to be better integrated into statewide and national organizations. He attended the Global Sustainable Tourism Council (GSTC) annual conference, has received his certificate in sustainable tourism from GSTC, and is working to identify a certification program for Sonoma County. Devin also sits on the CalTravel Sustainability Committee.

SCT also joined the US Travel Association's Sustainability Coalition to help further policies and industry practices around sustainable travel.

SCT participated in the Sustainable Tourism International's video series that was launched worldwide on World Tourism Day Sept. 27, 2022.

- **Finalize and socialize Destination Sustainability and Resilience master plan, identifying action plan funding, roll-out and integration.**
This is on track for completion. The launch date has been set for May 11, 2023.
- **Continue to grow the Accredited Hospitality Professional (AHP) program, creating additional opportunities for continuing education.**
This is on track for completion.

Community Engagement

- **Execute a robust National Travel and Tourism Week, including a Stars of the Industry Event, to raise awareness of the importance of the tourism industry to the residents of Sonoma County.**

The 2022 Stars of the Industry Event was a tremendous success. The first "in person" event brought together about 200 members of the local tourism industry to celebrate the industry and recognize stellar professionals. The 2023 event is scheduled for May 9 and will be held at the Hyatt.

The 2023 National Travel and Tourism Week will take place May 7-13, 2023. Planning is underway for additional activities that will be conducted during the week, including an industry mixer, countywide light display and a Tourism Cares project.

- Accredited Hospitality Program
 - **Increase the number of Accredited Hospitality Professional's from 128 to 350.**
 - **At least 30 partners actively engaged in supporting continuing education for AHP.**
 - **Quarterly updates to online module and curriculum for AHP.**
 - **A minimum of 10 AHP classes to be hosted at partner sites.**

This is on track to achieve the numbers outlined in this KPIs.

- **Sustainable/Responsible Tourism**
 - **Identify measurement metrics that show the positive impact of shifting consumer behavior**
Still a work in progress. SCT is adding geotracking to its visitor research to gain a better understanding if travelers are participating in activities outlined in marketing campaigns and responsible travel behaviors.
 - **Develop dynamic voluntourism page on sonomacounty.com.**
Phase 1 has been completed, and the page now features both individual and group opportunities to volunteer at local organizations. Phase 2 will be completed in the next fiscal year and will include additional opportunities and video content on the page to highlight opportunities.
 - **Develop carbon offset incentive program.**
The carbon offset calculator and opportunity to offset travel through Sustainable Travel International is featured on our website. This is posted on the SonomaCounty.com/sustainable web page. Further programming has been flushed out, and will take place in the way of “meaningful experiences” that can be taken advantage of when someone offsets their carbon emissions to travel to Sonoma County. Partner feedback is currently being solicited.
 - **Double the number of Sonoma County Leave No Trace Coalition partners from 36 to 72.**
SCT is working with Regional Parks to achieve this KPI.
 - **Onboard 20 businesses (10 coastal and 10 river area businesses) to Rewards for Rubbish program. Generate report near end of FY measuring program success.**
SCT is working with partners, including the Russian River Confluence, to achieve this KPI.
- **Hold 3 Tourism Cares events per year and 10 Adopt a Road Clean-up events.**
Both are on track for completion.

Organizational Sustainability

Overall

- **Develop and integrate long-term funding.**
The central initiative to expand the BIA was suspended in October 2022. This initiative will be relaunched once a higher level of communications and connectivity is achieved with the vacation rental community as well as current BIA participants.
- **Effectively manage current and additional funding within a fully transparent financial environment.**
Completed. Financials continue to be provided to the Finance & Legal Committee and the board as well as available to any partner or requester.
- **Create a high-performance environment founded in employee engagement, wellness and team development.**
This is always a work in progress. SCT will be reenergizing its wellness initiatives in the Spring of 2023.
- **Continue to see a high level of employee engagement scores.**
SCT’s employee engagement scores increased significantly over previous engagement scores in the summer 2022 employee engagement survey. SCT will conduct annual employee engagement surveys to determine opportunities and successes as both relate to the team.

- **Ensure team inclusion and strong commitment to Diversity, Equity and Inclusion (DEI)**
The SCT executive team has completed the Destinations International EDI course. The SCT team is engaged in community initiatives around DEI and will continue to elevate this initiative throughout the year.
- **Elevate the perception of SCT among key stakeholders and partners as measured through a partner engagement survey.**
Partner engagement survey will be completed in April/May 2023.
- **Identify ways to increase engagement of the SCT Board and Committees.**
SCT has engaged Tom Floyd of Flouracity in developing board development programming. The Board completed the DiSC assessment allowing people to better understand the personalities on the board and potential approaches to initiatives based on the traits of that personality type.
- **Continue to update and educate the team and all internal audiences on the crisis plan.**
A work in progress. SCT did engage the crisis plan to create and convey messaging around the flooding in Jan. 2023.

Finance and Operations

- Finance
 - **Update accounting policies and procedures manual**
Yet to be completed.
 - **Develop updated tracking method and forecast model for revenue to achieve 5% forecast accuracy for revenue**
Continued COVID impacts have made this almost impossible throughout 2022. As the travel industry normalizes, this will become more achievable.
 - **Ensure reserves amount is kept at 3 months of expenses (\$2.1 million)**
Completed. Reserves are at this level.
 - **Find new ways to safely maximize investments for reserves.**
Discussions continue. A volatile financial environment has made this very challenging.
- Administration/Operations
 - **Ensure board and committees have full participation**
A work in progress
 - **Achieve an overall employee engagement score of 85% favorability (CultureAmp)**
Completed. The overall engagement score was 88% favorable. This is up from 58% favorable in 2021.
 - **Develop new asset tracking system for all new equipment and hardware**
In progress
 - **Update Employee Handbook to encompass evolution of work environment, labor laws and ensure inclusion of DEI imperatives**
In progress.
- Data Systems
 - **Conduct full audit of all listings on the database and ensure information is updated in a timely manner**
This is in progress with completion expected by year's end.
 - **Create tutorial for partners to ensure administration of the database is easily understood**

Webinars and in-person trainings have been conducted. More are planned for the Spring.

- **Work with existing platforms and identify new technology that streamlines and automates office processes such as expense reports, online inquiries and Simpleview reporting of activities.**

A work in progress.

Research

- **Integrate quantitative and qualitative data to provide added insight and context into visitor flows.**
More than ever, SCT is including a variety of models into its research foundation to ensure information is timely, does integrate both quantitative and qualitative insights and has the output most salient to partners. Research is derived from:
 - Dean Runyan annual economic impact survey
 - Longwoods International annual visitor survey
 - Longwoods International marketing ROI survey
 - STR reports
 - VisaVue Data (spending on Visa cards – most useful for international travel spend)
 - Tourism Economics Symphony Dashboard
 - AirDnA
- **Integrate the outcomes from the Destination Stewardship and Resilience Master Plan.**
Once the plan is completed, the outcomes from the assessments will be integrated into fundamental programming.
- **Identify qualitative methodology to measure sustainable travel behaviors.**
Still to be determined.
- **Evaluate performance of the Symphony (Tourism Economics) dashboard and opportunities to integrate into marketing campaigns and other research platforms.**
SCT did evaluate this product and reviewed it against other similar products. We determined to continue to work with Symphony and have signed a three-year agreement for continued and elevated services.
- **Launch and complete survey of visitor centers to determine usage, visitor experience, needs and opportunities.**
SCT worked with the visitor centers and Destination Analysts to create the survey. The survey went into the field in February and will be completed in May.
- **Track funding models for other California DMOs and identify changes to their assessments and tax base.**
Completed. SCT reviewed funding models for our destinations in our comp set including:
 - Visit Napa Valley
 - Visit Santa Barbara
 - Visit SLO
 - Visit Palm Springs

FY22-23 Forecasted Results (July to January actual, February to June forecasted results)

Fiscal Year
2022-2023

Revenues

BIA Assessments	6,067,995
Transient Occupancy Tax	3,462,970
Interest and Other Income	85,552
Total Revenues	<u>\$9,616,517</u>

Expenditures

Advertising	2,369,645
Client Events, Fams & Entertainment	513,195
Tradeshows & Sales Missions	317,582
Digital Engagement	2,552,657
Research, Tools & Memberships	492,516
Contract Services	731,699
Professional Development	351,239
Destination & Industry Programming	692,691
Labor	3,110,718
Administrative Expenses	662,993
Total Uses	<u>\$11,794,936</u>

TOTAL REVENUE LESS USES	<u>-\$2,178,419</u>
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Reserve Usage Capital Items	
Depreciation	18,521

TOTAL SOURCES LESS USES	<u><u>-\$2,196,940</u></u>
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Marketing/Public Relations	\$5,281,537 - 44.7%
Research	\$301,810 - 2.6%
Group Business Development	\$1,585,267 - 13.4%
Community Engagement	\$436,523 - 3.7%
Visitor Center Funding	0
Personnel/Professional Development	\$3,275,228 - 27.8%
Administration (other than Labor)	\$933,092 - 7.9%
TOTAL	\$11,813,457