



**MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE OFFICER
COUNTY OF PLACER**

TO: Honorable Board of Supervisors

FROM: David Boesch, County Executive Officer
By: Jennifer Merchant, Principal Management Analyst

DATE: July 22, 2014

SUBJECT: **North Lake Tahoe Resort Association - Fiscal Year 2014-15 through FY 2015-16 Contract in the amount of \$5,151,123**

Action Requested

Approve a two-year contract with the North Lake Tahoe Resort Association (NLTRA) to promote tourism and provide guidance on transportation and infrastructure project expenditures at a first year cost of \$5,151,523 fully funded by Transient Occupancy Tax (TOT) revenue as a budgeted net county cost, for the periods of FY 2014-15 and FY 2015-16.

Background

The NLTRA serves to help promote tourism and to provide guidance in funding infrastructure projects to enhance the built environment in North Lake Tahoe communities. The primary task of the NLTRA is to implement the 2004 North Lake Tahoe Tourism and Community Investment Master Plan through marketing, transportation and infrastructure development efforts. Each year the County negotiates an agreement with the NLTRA for disbursement and expenditure of Transient Occupancy Tax dollars for these purposes.

The contract, as proposed, maintains tourism and business development and services while also balancing other related Placer County Tahoe operational needs. Contract highlights are discussed in the following section and reflected in the attached Agreement between the County of Placer and NLTRA. Contract attachments include the Scope of Work (and Attachments A1, A2, and A3), Payment Schedule, NLTRA TOT Budget (Attachments B and C), as well as the Community Marketing Grant Program-Grant Funding Criteria, Marketing Performance Review and Marketing Reserve Policy Memorandum— Adopted by the NLTRA Board, February 2003, (Attachments D, E and F), which accompany the agreement. The recommended contract amount will fund administrative costs, direct marketing, program research, visitor information, transit services, and various infrastructure projects.

Issues

As indicated earlier, the FY 2014-15 through FY 2015-16 Contract has been amended through negotiations to reflect a comprehensive approach to tourism marketing while also maintaining

Placer County's ability to provide services key to sustaining the tourism economy and earmarking funds for identified capital project needs.

This contract is the second of a three-year strategy to renew focus on tourist serving capital project development, especially those consistent with the County's Priority Infrastructure Investments, as well as to simplify and streamline contract management processes, and to improve community engagement. Improvements made last year include revisions to the Capital Investment and Transportation Committee structure, addition of County-priority capital projects to the Integrated Work Plan, requirements for contracted transit services to meet state and federal regulations and streamlining of project payment processes. Improvements this year will include completion of a TOT-funded project to identify all public transit services in the North Lake Tahoe-Truckee region under a single brand, completion of a capital investment finance plan, analysis of the North Lake Tahoe Express (airport shuttle) and Water Shuttle services prior to re-issuance of FY 2015-16 Requests for Proposal, consideration of taking on additional contract management and transit service expansion.

In response to requests by NLTRA, the term of this contract is for a two-year period - FY 2014-15 through FY 2015-16. Three contract, scope of work, and budget amendments are expected through the term, to account for two expected fund balance disbursements expected in the fall of 2014 and 2015, and concurrent with approval of the County budget, to account for revenue and expenses in the Tahoe Tourism budget, in which the Resort Association allocation is contained

Consistent with the terms of last year's agreement, the County further reduced allocation of TOT funding that had been allocated in previous contracts for certain services provided directly by Placer County. Because shrinkage in population in the Tahoe area in comparison with the rest of the County continues to reduce state sales tax allocation to transit in eastern Placer County, \$279,300 in TOT funds are proposed to be allocated to maintain base TART bus service. This is a \$170,700 decrease in the amount of funds allocated to this purpose last year.

NLTRA is undertaking the third year of a pilot water shuttle program, which completed a short pilot season last summer and will be operated for a full season during the upcoming summer season. An economic analysis of the proposed Transit Vision will also be completed, as well as public outreach regarding proposed transit improvements. Capital projects identified for possible review and funding consideration this year include further way finding signage installation, bus shelter construction, and Tahoe City Golf Course and Olympic Heritage Museum planning, and the Northstar/Martis Community Trail.

An NLTRA-led committee is also expected to review and make recommendations to update the County's Tourism & Community Investment Master Plan and preceding Tourism Development Master Plan. A draft of the document is expected to be available for public review later in the summer. Public workshops are currently being planned. Any Master Plan revisions would come to your Board for review and approval prior to implementation.

NLTRA's marketing department is focused on further developing its "Human-Powered Sports Initiative," sponsoring major events such as the second North Lake Tahoe Ironman Triathlon this fall, USA Cycling, Winter WonderGrass, Autumn Food & Wine, and is also working to identify other significant events that attract visitors during off-peak periods, as well as broadening its reach to capture destination visitors.

Fiscal Impact

The annual NLTRA agreement is funded with a negotiated share of TOT revenues generated in the North Tahoe TOT area. For FY 2014-15, contract funding of \$5,151,523 is recommended and included in the FY 2014-15 Proposed Budget. The contract budget allocates funding as follows: Marketing Account- \$2,626,772, Transportation Account- \$787,442, and Infrastructure Account- \$1,737,309.

The contract amount is \$757,083 (17%) higher than the initial FY 2013-14 contract as a result of front-loading expected revenue in excess of budget. This will likely cause a lower than normal fund balance allocation to the Resort Association following final County budget approval. That allocation will require a contract and scope of work amendment that will come before your Board for action in October.

Attachments:

NLTRA FY 2014-15-FY 2015-16 Contract
Attachments A, A1, A2, A3, B, C, D, E, F

DESCRIPTION: AGREEMENT BETWEEN THE COUNTY OF PLACER AND THE NORTH LAKE TAHOE RESORT ASSOCIATION

THIS AGREEMENT MADE AND ENTERED INTO THIS 22nd DAY OF July, 2014 BY AND BETWEEN the County of Placer, hereinafter referred to as "COUNTY" and the North Lake Tahoe Resort Association, Inc., a California Nonprofit Public Benefit Corporation, hereinafter referred to as "RESORT ASSOCIATION".

WHEREAS, the 1995 *North Lake Tahoe Tourism Development Master Plan* recommended the consolidation of the Tahoe North Visitors and Convention Bureau and the North Lake Tahoe Chamber of Commerce into a Resort Association; and,

WHEREAS, the *North Lake Tahoe Tourism Development Master Plan* recommended a Resort Association to oversee a full spectrum of tourism management functions, including marketing and visitor services, and the development, planning, and implementation of transportation and infrastructure projects; and,

WHEREAS, the COUNTY is desirous of obtaining certain services as recommended by the *North Lake Tahoe Tourism Development Master Plan*, and its successor plan, the *North Lake Tahoe Tourism and Community Investment Master Plan*, approved by the Placer County Board of Supervisors on July 26, 2004; and

WHEREAS, the NORTH LAKE TAHOE RESORT ASSOCIATION, Inc., a California Nonprofit Public Benefit Corporation, has been organized under the Nonprofit Public Benefit Corporation Law for public purposes, to promote, enhance, reinvigorate, coordinate, and direct tourism for the economic betterment of the North Lake Tahoe, California region, and is willing to perform certain services for the COUNTY to implement the *North Lake Tahoe Tourism and Community Investment Master Plan*, and

WHEREAS, the COUNTY recognizes and values the local input process provided by the RESORT ASSOCIATION to maintain ongoing area-specific expertise and review of tourism marketing and capital infrastructure and operational investments.

NOW, THEREFORE, for and in consideration of the mutual promises and agreements herein contained, it is agreed by and between the parties hereto as follows:

I. SCOPE OF WORK

RESORT ASSOCIATION shall perform the Scope of Work as set forth in Attachment A, attached hereto and incorporated herein by reference. Without restricting or otherwise limiting the work to be performed as described in Attachment A and its attachments, it is agreed the intent of this Agreement is that the RESORT ASSOCIATION shall, in performing the work, do the following: 1) provide a full spectrum of management activities for tourism marketing and visitor services for the Placer County businesses of the North Lake Tahoe region (These services at times will include cooperative regional marketing and visitor services efforts. Any regional marketing efforts shall not result in a competitive benefit to

participating external jurisdictions.); 2) undertake its activities to implement in full the *North Lake Tahoe Tourism and Community Investment Master Plan*; and, 3) assist with the planning, development, and implementation of necessary public infrastructure improvements in the Placer County portion of the North Lake Tahoe region.

The Scope of Work may be amended only upon written approval between the RESORT ASSOCIATION and the County Executive Officer; provided, however, that no such amendment shall increase the compensation paid hereunder without execution of a written amendment approved by the Board of Supervisors.

2. CONDUCT OF BUSINESS OF THE ASSOCIATION

- A. All board meetings of the RESORT ASSOCIATION shall be conducted in such a manner as to afford and encourage public attendance and participation. No later than two (2) business days prior to the date of a meeting of the board, the agenda shall be posted at the meeting place and at other appropriate locations in the North Lake Tahoe community, and the RESORT ASSOCIATION'S website. The public shall be given an opportunity to attend each board meeting and to directly address the Board on any item on the agenda and on the business of the RESORT ASSOCIATION generally.
- B. The RESORT ASSOCIATION need not discuss confidential matters involving litigation; attorney-client privileged matters, or personnel issues in public session. The RESORT ASSOCIATION shall make every effort to maximize public input into its decision-making process.
- C. All RESORT ASSOCIATION Board members and Executive Management shall file a Form 700 with the County Executive Office, no later than the February RESORT ASSOCIATION Board of Directors meeting of each contract year.
- D. To the extent funding received for a project and program is expended by the RESORT ASSOCIATION or by a third party under grant from the RESORT ASSOCIATION for service and support in any amount greater than \$25,000, the RESORT ASSOCIATION shall utilize and require any third party to utilize a competitive bidding or procurement process, and in projects involving capital improvements, and shall be solely responsible for compliance with applicable state and federal prevailing wage and other labor laws. Such expenditures shall be accompanied by a contract for services that includes a scope of work and milestones. A copy of all contracts shall be provided to the COUNTY. This process will ensure that the work is awarded in an impartial manner to the most responsive and best qualified contractor making certain that the projects and programs are accomplished in a cost-effective manner. This provision is not applicable to cooperative programs in which the RESORT ASSOCIATION is not a primary partner. Primary partner is defined as funding a 40 percent or greater share of service and support costs. This provision is also not applicable when service and support is being provided by a non-profit public benefit corporation that does not compete with other potential service providers. All service and support including initial pre-project planning and feasibility phases in an amount greater than \$10,000 must be accompanied by a scope of work and contract which is reviewed and approved by the Board of Directors. This includes funds granted for cumulative or phased projects and programs. RESORT ASSOCIATION staff shall within 29 days notify and provide supporting documentation

in writing to the Board of Directors for unbudgeted project or program expenses of \$2,500 or greater.

The RESORT ASSOCIATION shall maintain updated bylaws that reflect current Board composition and committee structures.

3. TERM AND TIME OF COMPLETION

The term of this agreement is from July 1, 2014 through June 30, 2016, and may be extended from year to year thereafter as provided in Section 12. Budget and Scope of Work amendments are anticipated three times during the contract term consistent with adjustments made to work tasks as fund balance is allocated and the FY 2015-16 Tahoe TOT budget is agreed upon.

4. PROGRESS REPORTS

RESORT ASSOCIATION shall submit such progress reports and information as may be requested by COUNTY, including, but not limited to, the following requirements:

- A. The RESORT ASSOCIATION shall provide regular progress reports as identified in Attachment E of the contract. The report shall describe the need to revise the Scope of Work to achieve the desired program objectives, if required, explain any unanticipated difficulties in achieving program objectives, and propose amendments to this Agreement as may be necessary to achieve the objectives of the parties. The COUNTY may request additional information regarding the activities of the RESORT ASSOCIATION, which shall be provided within 15 business days.
- B. No later than April 1 of each contract year COUNTY CEO will provide a total contract budget figure to the RESORT ASSOCIATION. Following the first NLTRA Board meeting in May, the RESORT ASSOCIATION shall submit a Scope of Work and an accompanying budget request for the subsequent fiscal year. The request shall include any suggestions for improvement of the Scope of Work and program objectives, and identify the costs thereof, if any, and a progress report measuring Key Performance Objectives identified in the Scope of Work, Attachment A. COUNTY will provide a written response and coordinate a meeting with appropriate participants from COUNTY and RESORT ASSOCIATION staff and Board members to review and resolve any outstanding differences within 30 days.
- C. Prior to submittal to the COUNTY, the proposed budget and Scope of Work shall be made available for public review and comment by the RESORT ASSOCIATION in public forums at the Board of Directors and committee meetings. All feedback shall accompany the submittal to the COUNTY. Any RESORT ASSOCIATION partners, both public and private, who could be impacted by funding proposed to be included or excluded in the proposed budget will be notified in advance of the review and comment process.
- D. The RESORT ASSOCIATION shall have an annual audit of assets and liabilities performed and shall provide the same to the COUNTY within thirty (30) days of its completion. The COUNTY shall have the right to perform an audit of the financial records of the RESORT ASSOCIATION at its own cost at any time to verify payments and expenditures made under this Agreement. Upon request of the COUNTY, the

RESORT ASSOCIATION agrees to make its financial records available to the COUNTY for any such review within a reasonable period of time.

5. COMPENSATION

A. MAXIMUM LIMIT

- 1) The RESORT ASSOCIATION'S total FY 2014-15 compensation is **\$5,151,523**, as set forth in detail on Attachment B (Payment Schedule), and Attachment C (RESORT ASSOCIATION TOT Budget). The total compensation amount reflects the amount approved in the Board of Supervisors Final Budget for the current fiscal year, and may also be subject to further written amendment based upon any subsequent agreement and budget revisions approved by the Board of Supervisors. Such budget revisions shall also be based on approved percentage formulas and funding availability, including Transient Occupancy Tax revenues and previous fiscal year fund balance, which may be adjusted, either positively or negatively. Subsequent contract years will be negotiated based on the process and timeline outlined in Section 4. B., based on distribution of budgeted Tahoe TOT revenue, exclusive of staff, general and administrative expenses, which shall be adjusted equal to the March 2015 San Francisco Consumer Price Index.
- 2) FY 2014-15 funding availability of \$3,630,620 is net after Infrastructure Account-Tahoe Capital Improvements allocation, as detailed in Attachment C, RESORT ASSOCIATION TOT Budget.
- 3) The maximum compensation amount shall represent full compensation for those activities and tasks described in the "Scope of Work" set forth as Attachment A and A 1-4, and is subject to any amendments to this amount and to the Scope of Work. All expenses of the RESORT ASSOCIATION, including any expert or professional assistance, any travel or per diem costs, any administrative services, and any capital expenditures necessary to complete the Scope of Work will be paid only from the money identified for each specific purpose, and within the limits set forth above.
- 4) COUNTY and RESORT ASSOCIATION agree that, to the extent possible, COUNTY SERVICES funded with TOT revenue will align with the mission of the RESORT ASSOCIATION and goals set forth for the organization by the COUNTY.

B. INFRASTRUCTURE ACCOUNT

- 1) Maximum FY 2014-15 TOT funding to be received by RESORT ASSOCIATION to cover expenses for Personnel/Overhead shall not exceed \$95,205 and General and Administration TOT expenses shall not exceed \$72,201. Any overages will be reimbursed by NLTRA to the Infrastructure Account held in the COUNTY Treasury.

- 2) Other than Overhead and Administration expenses noted above, action by the Board of Supervisors is required for the expenditure of infrastructure funds following recommendations of the NLTRA Infrastructure Committee to the Resort Association Board of Directors and approval of RESORT ASSOCIATION recommendations by the Board of Supervisors. The Capital Investment Transportation Committee, shall include 16 members with the following representation: up to three North Lake Tahoe Resort Association Board members, three Placer County representatives (one member representing the Placer County Executive Office, one member representing Placer County Tahoe Area Regional Transit, one member representing Placer County Public Works or Facilities departments), two members representing the Truckee North Tahoe Transportation Management Association, two representatives from Special Districts that provide visitor services (to be rotated to two new Districts on an annual basis, as necessary), and six Community At-Large members. All jurisdiction and entity representatives will be appointed by the representative jurisdiction, and accepted by the RESORT ASSOCIATION Board of Directors. The Community At-Large representatives will be appointed by the RESORT ASSOCIATION and approved by the County Executive Office. All fund balance from the previous fiscal year and interest on funds earned in the RESORT ASSOCIATION Visitor Support Services and Infrastructure Accounts shall be applied back to the Infrastructure Account, allocated only to Infrastructure projects and not applied to other activity accounts, unless approved by the County Executive Office. All Infrastructure fund balance, including capital project maintenance, shall be tracked annually and clearly labeled as "designated equity" on the face of the draft and audited financial statements. Project invoices will be paid by Placer County after receipt of reviewed and approved invoices for approved projects are provided to Placer County by the RESORT ASSOCIATION. A year-end accounting of remaining funds held by the RESORT ASSOCIATION will be provided to the COUNTY no later than 30 days following the end of the fiscal year. Expenditure of interest and fund balance in the Infrastructure Account shall be in accordance with the approval process illustrated in Section B. 2). Placer County will provide FY 2013-14 year end infrastructure or capital maintenance contract balances including applicable interest to the Resort Association by October 1, 2014.
- 3) Expenditure of Research and Planning funds allocated to the Infrastructure Account does not require Board of Supervisors approval, but shall be limited to expenditure on Research and Planning Activities that provide advance studies, concept or preliminary planning, technical fact-finding or analysis, data collection, community workshops, and public opinion surveys that lead toward the advancement of projects eligible for funding from the Infrastructure Account as outlined in the TCIMP, and as specified in the annual budget. A list of potential Research and Planning fund activities being considered for FY 2014-15 is included in the Scope of Work, Attachment A-I. All Legislative Advocacy activities shall be limited to those that are consistent with Placer County plans and policies and will be executed only following notification of and consultation with the County Executive Office.
- 4) In ongoing recognition of the need for maintenance of tourist-serving Infrastructure projects envisioned in the Tourism/Community Investment Master Plan, a Maintenance Reserve Account has been established. The funds will assist in meeting certain maintenance needs for visitor-serving projects. The process for allocation of

maintenance funds will include Committee and Board recommendation and Placer CEO approval, prior to expenditure. By October 1, 2014 the RESORT ASSOCIATION will provide Placer County with a recommendation on the total maximum amount needed in the account so that an annual allocation into the account can be made until such time the maximum amount is needed.

- 5) In order to track progress and completion of tasks associated with projects and programs implemented with TOT funds, the RESORT ASSOCIATION will utilize a contract format for all projects and programs allocated TOT funds. The contract format shall include a scope of work and progress payment schedule.

C. MARKETING ACCOUNT

- 1) Maximum FY 2014-15 TOT expenses for Personnel/Overhead shall not exceed \$763,686 and General and Administration TOT expenses shall not exceed \$523,784.
- 2) The Marketing Account shall maintain a total 15 percent reserve of the total budgeted expenditures to provide for fluctuations in the Transient Occupancy Tax collected. The RESORT ASSOCIATION'S policy document on marketing reserve fund expenditure is included as Attachment F to this contract. If reserve funds are expended as called for in Attachment F, the funds will be reimbursed to the reserve account prior to the end of the following fiscal year.
- 3) In order to meet the Tourism and Community Investment Master Plan goals "conducting more direct marketing and sales in cooperation and coordination with its member businesses and constituents," and consistent with Attachment A, Scope of Work, a Community Marketing program shall allocate \$100,000 toward the development of special projects and programs that promote visitation to communities. Of that total, the Community Marketing program will set aside \$30,000 to be allocated only after consensus recommendation of the RESORT ASSOCIATION'S Business Association-Chamber Collaborative (BACC) to the West Shore Association, Northstar Village Retailers Association and the Squaw Valley Business Association, based on pre-determined criteria. Distribution of grant funds to the North Tahoe Business Association and Tahoe City Downtown Association will be accomplished through separate contracts with the Placer County Economic Development Department. The Associations will continue annual program planning in consultation with, and provide expenditure reports to the BACC, in accordance with the Economic Development contracts. Attachment D to this Agreement includes the criteria list, as well as monitoring information required to determine ROI. Non contracted payments may occur only following recommendation by a majority vote of the RESORT ASSOCIATION Board of Directors. The remaining \$50,000 balance will be distributed through a similarly-approved Special Events mini-grant process, for which the North Lake Tahoe Chamber of Commerce is an eligible applicant and recipient. The Special Events Task Force will consist of two representatives each from Marketing Committee, Business Association-Chamber Collaborative, one representative from the NLTRA Board of Directors and one representative from the Lodging Committee.

- 4) As identified in the Tourism and Community Investment Master Plan, the RESORT ASSOCIATION and Placer County Executive Office Staff have developed and approved a mutually agreed upon set of Return on Investment indicators from the expenditure of all dollars expended by NLTRA for direct marketing promotion. The purpose of this requirement is to ascertain the effectiveness of the COUNTY'S investment in direct marketing and promotions services provided by the RESORT ASSOCIATION. As recommended in the Master Plan, the specific set of ROI indicators developed shall use measurable objectives and tracking mechanisms, so that RESORT ASSOCIATION marketing program expenditures, as recommended in the TCIMP, can be "measured, tracked, and evaluated based on ROI." The resultant Marketing Performance Review Document is included as Attachment E to this document. An ROI data and analysis report will be provided to the Placer County Executive Office based on specifications agreed to by the Placer County Executive Office as part of the Bi-seasonal Marketing Collateral Reports. The summer report (April-September) is due no later than 45 days following the last day of the first quarter and the winter report (October-March) is due 45 days following the last day of the third quarter. Additionally, the reports shall include analysis of the Conference Sales department, as agreed to by the RESORT ASSOCIATION Board of Directors. The reports shall be archived by the RESORT ASSOCIATION in a format accessible if requested by the general public. Because the RESORT ASSOCIATION has an interest in revising the current reporting format, it will submit a proposal for County Executive Office review in mid-January that will result in a meeting to discuss potential format and deadline amendments.
- 5) The RESORT ASSOCIATION shall work with the Placer County Office of Economic Development to develop a Scope of Work associated with the allocation of \$40,000 in Tahoe TOT funds for the provision of visitor information and tourism development services at the Placer County Visitor's Bureau California Welcome Center on behalf of the RESORT ASSOCIATION. It is anticipated that these actions will be completed by October 1 of each contract year.
- 6) The RESORT ASSOCIATION Board has established a commission structure which charges 15 percent for booked leads for conference business outside of jurisdictions that are members of the North Lake Tahoe Marketing Cooperative (Placer/Washoe). This structure can only be amended following approval by the COUNTY.
- 7) The RESORT ASSOCIATION will undertake periodic reviews to ensure that all lodging properties and vacation rental firms in Placer County are listed on any and all websites and printed materials and guides that include lodging listings. All web-based listings will include direct links to property or firm websites when available.
- 8) The RESORT ASSOCIATION has entered into a Cooperative Marketing Agreement with the Incline Village Crystal Bay Visitors Bureau (IVCBVB). Consistent with the terms of the North Lake Tahoe Marketing Cooperative Participation Agreement between the RESORT ASSOCIATION and the IVCBVB, the following stipulations are also made part of this Agreement between the RESORT ASSOCIATION and the COUNTY.

- a) No provision in the North Lake Tahoe Marketing Cooperative Participation Agreement shall be interpreted as to supersede or conflict with any provision of the current Agreement between the COUNTY and the RESORT ASSOCIATION as approved by the RESORT ASSOCIATION and the COUNTY.
- b) The RESORT ASSOCIATION shall provide a separate accounting of its Marketing Expenditures as contributed to the Cooperative and provide to the COUNTY on a quarterly basis to the County CEO office.
- c) The RESORT ASSOCIATION shall include Marketing Performance Indicators based on the total annual expenditures of the North Lake Tahoe Marketing Cooperative as part of the RESORT ASSOCIATION'S adopted Marketing Performance Review Document, an updated copy of which shall be provided to Placer County as part of the RESORT ASSOCIATION'S Year End Report to Placer County.
- d) Activities, including program oversight, and any decisions made by the Cooperative Marketing Committee, as defined in Section 8 of the North Lake Tahoe Marketing Cooperative Agreement, shall be consistent with the budget resources and marketing direction approved by the RESORT ASSOCIATION Board of Directors, in accordance with its approved Operating Procedures and Policies document.

D. TRANSPORTATION ACCOUNT

- 1) Maximum FY 2014-15 TOT expenses for Personnel/Overhead shall not exceed \$98,630 and General and Administration TOT expenses shall not exceed \$62,392. Any overages will be reimbursed by NLTRA to the Infrastructure Account held in the COUNTY Treasury.
- 2) Expenditure of Research and Planning funds allocated to the Visitor Support Services Account shall be limited to expenditure on Research and Planning Activities that provide advance studies, including plans, specifications and engineering, concept or preliminary planning, technical fact-finding or analysis, data collection, community workshops, and public opinion surveys that lead toward the advancement of projects eligible for funding from the Visitor Support Services Account as outlined in the TCIMP. A list of potential Research and Planning fund activities being considered for FY 2014-15 is included in the Scope of Work, Attachment A1. All Legislative Advocacy activities shall be limited to those that are consistent with Placer County plans and policies and will be executed only following review and approval by the County Executive Office.
- 3) Implementation of transit and transportation services and programs shall be limited to the list provided in the Scope of Work, Attachment A-2. Additions or changes to the services provided require a Scope of Work amendment to be approved by the Board of Supervisors.
- 4) All new transit services shall be approved by the Board of Supervisors no later than 60 days prior to service implementation.

- 5) All Visitor Support/Transportation fund balance from the previous fiscal year and interest on funds earned in the RESORT ASSOCIATION Visitor Support/Transportation Account shall be applied back to the Infrastructure Account. All Visitor Support/Transportation Account fund balance shall be tracked annually and clearly labeled as “designated equity” on the face of the draft and audited financial statements.

- 6) Visitor Support Services/Transportation Account funds earmarked for services provided or operated by the COUNTY will not be allocated to the RESORT ASSOCIATION. Allocation of Transportation funds for transit and transportation services provided by the COUNTY shall be completed via an internal journal transfer following written request from DPW following review and approval by the RESORT ASSOCIATION and County Executive Office.

- 7) All transit services funded all, or in part, by Placer County TOT revenue, shall include requirements consistent with applicable state and federal law, including, but not limited to 49 CFR Part 655 “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations”; 49 CFR Part 40 “Procedures for Transportation Workplace Drug Testing Programs”; 49 CFR Part 37 “Transportation Services for Individuals with Disabilities”; 49 CFR Part 38 “Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles”; 49 CFR Part 395 “Hours of Service of Drivers”; California or Nevada commercial drivers licensing requirements for applicable passenger transportation; and be reviewed, and corrected, if necessary, for consistency with COUNTY insurance requirements.

E. PAYMENT SCHEDULE

- 1) Payments shall be made to the RESORT ASSOCIATION as set forth in Attachment B, entitled “Payment Schedule” for the term of this Agreement, predicated on the ongoing fulfillment of the terms of this Agreement, and based upon the receipt of progress reports as outlined in Section 4. The Payment Schedule for FY 2014-15 will begin on September 1, 2014 or upon execution of this agreement. The Payment Schedule may be amended with the written approval of the County Executive Officer or his designee. Such amendment may include advance funding for administration, marketing, and transportation as mutually agreed upon by the parties; however, in no event shall such amendments create any additional liability to COUNTY, or additional compensation to RESORT ASSOCIATION without approval of the Board of Supervisors (i.e. any advance would be comprised of funds included within the NLTRA/Placer County budget and overall agreement amount).

- 2) Apportionment to the Infrastructure Account held by the COUNTY will occur at monthly intervals per the Payment Schedule, Attachment B.

- 3) Allocation of funds for all services and projects implemented directly by or under direct contract with the COUNTY shall be conducted via internal journal transfer following recommendation by the RESORT ASSOCIATION Board of Directors and approval by the Board of Supervisors and based on an annual agreement. Journal

transfers as described above will be accompanied by electronic written notice to the RESORT ASSOCIATION.

F. POLITICAL CONTRIBUTIONS

The RESORT ASSOCIATION shall not use any funds received under this Agreement for political contributions of any type. The RESORT ASSOCIATION may use budgeted funds received under this Agreement to obtain legislative advocacy services, so long as those services are exclusively utilized in a manner consistent with the intent and purpose of this Agreement and the duly adopted policies of the COUNTY regarding any issue for which such services are obtained by the RESORT ASSOCIATION. Such efforts may include advocacy for state and federal funding to implement identified infrastructure projects, transit operations, and/or other legislative efforts consistent with the intent and purpose of this agreement that are allowable with respect to expenditure of public funds.

In the event that the RESORT ASSOCIATION engages in any other expenditures for legislative advocacy or political purposes utilizing its own funds, the RESORT ASSOCIATION shall certify upon the request of the COUNTY that all such expenditures are from funds other than those provided by this Agreement.

The RESORT ASSOCIATION shall coordinate its legislative and other advocacy and policy recommendations on issues of local or regional importance with the CEO. The RESORT ASSOCIATION shall create and implement an annual Board-approved legislative platform consistent with Placer County policies, and approved by the County Executive Officer, not later than its September 2014 meeting. To facilitate such coordination, the RESORT ASSOCIATION shall provide and maintain a list of its employees, Board members, and contract employees, who are, in the course of their employment, represented on local and regional bodies. Given the funding relationship of Placer COUNTY and RESORT ASSOCIATION and the need to represent both organizations' interests in a coordinated manner, the COUNTY of Placer Executive Officer shall be responsible to ensure said representation is not in conflict with County goals and objectives and that collective interests of the COUNTY and the RESORT ASSOCIATION are represented. In the event of the CEO finding such a conflict occurs, the CEO shall bring said conflict to the attention of the Executive Committee of the RESORT ASSOCIATION for resolution. Should said conflict not be resolved through such communication, the RESORT ASSOCIATION shall remove said representative at the request of the CEO.

G. RIGHT TO WITHHOLD PROGRESS PAYMENTS

- 1) COUNTY, in its sole discretion, may withhold part or all of monthly payments, if the RESORT ASSOCIATION:
 - a) Does not comply with the requirements set forth in this Agreement; or,
 - b) Does not adhere to the Scope of Work, detailed work plans and key milestones for measuring progress; or,

- c) Fails to take prompt and effective corrective action to remedy material variances from the Scope of Work, detailed work plans and key milestones for measuring progress.
- 2) Payments shall not be withheld unless and until COUNTY:
- a) Provides RESORT ASSOCIATION a written notice of intent to withhold payment; and,
 - b) Allows RESORT ASSOCIATION fifteen (15) calendar days to respond and/or take corrective action(s). The response could include a request to meet with the County Executive Office for purposes of determining agreement on acceptable progress on specified terms. If 30 days following such agreement there is still no acceptable progress, then COUNTY may withhold payment.

6. RECORDS

RESORT ASSOCIATION shall maintain at all times separate, complete, detailed records of the funds with regard to work performed under this Agreement in a form acceptable to COUNTY, according to generally accepted accounting and internal control principles. COUNTY shall have the right to inspect such records, including Board and Committee meeting agendas and minutes, at any reasonable time.

Records, progress reports, work papers, written or graphic material developed by RESORT ASSOCIATION in connection with its performance of services hereunder shall be, and shall remain after termination of this Agreement, the property of RESORT ASSOCIATION.

7. EMPLOYEES OF RESORT ASSOCIATION

All persons performing services for RESORT ASSOCIATION shall be independent contractors, or employees of RESORT ASSOCIATION and not employees of COUNTY. RESORT ASSOCIATION shall be solely responsible for the compensation of independent contractors and for the salaries and other applicable benefits, including Workers' Compensation, of all RESORT ASSOCIATION employees.

8. PERFORMANCE

The RESORT ASSOCIATION agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to high professional standards. Failure to perform the aforementioned work and services, as determined by the COUNTY, could lead to assessment of liquidated damages of up to three (3) percent of the net total Agreement amount.

9. HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

The RESORT ASSOCIATION hereby agrees to protect, defend, indemnify, and hold PLACER COUNTY free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by PLACER

COUNTY arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the COUNTY) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. RESORT ASSOCIATION agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the RESORT ASSOCIATION. RESORT ASSOCIATION also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against RESORT ASSOCIATION or the COUNTY or to enlarge in any way the RESORT ASSOCIATION'S liability but is intended solely to provide for indemnification of PLACER COUNTY from liability for damages or injuries to third persons or property arising from RESORT ASSOCIATION 'S performance pursuant to this contract or agreement.

As used above, the term PLACER COUNTY means Placer County or its officers, agents, employees, and volunteers.

10. **INSURANCE:**

RESORT ASSOCIATION shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A-VII showing.

A. **WORKER'S COMPENSATION AND EMPLOYERS LIABILITY INSURANCE:**

Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to RESORT ASSOCIATION'S employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Each Worker's Compensation policy shall be endorsed with the following specific language:

Cancellation Notice - "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer".

Waiver of Subrogation - The workers' compensation policy shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the County, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this agreement by the RESORT ASSOCIATION.

RESORT ASSOCIATION shall require all SUBCONTRACTORS to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed forthwith with the County upon demand.

B. GENERAL LIABILITY INSURANCE:

a. Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of RESORT ASSOCIATION, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

(1) Contractual liability insuring the obligations assumed by RESORT ASSOCIATION in this Agreement.

b. One of the following forms is required:

- (1) Comprehensive General Liability;
- (2) Commercial General Liability (Occurrence); or
- (3) Commercial General Liability (Claims Made).

c. If RESORT ASSOCIATION carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage, and Personal Injury Liability of:

- One million dollars (\$1,000,000) each occurrence
- Two million dollars (\$2,000,000) aggregate

d. If RESORT ASSOCIATION carries a Commercial General Liability (Occurrence) policy:

(1) The limits of liability shall not be less than:

- One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
- One million dollars (\$1,000,000) for Products-Completed Operations
- Two million dollars (\$2,000,000) General Aggregate

(2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).

e. Special Claims Made Policy Form Provisions:

RESORT ASSOCIATION shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of COUNTY, which consent, if given, shall be subject to the following conditions:

(1) The limits of liability shall not be less than:

- One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
- One million dollars (\$1,000,000) aggregate for Products Completed Operations
- Two million dollars (\$2,000,000) General Aggregate

- (2) The insurance coverage provided by RESORT ASSOCIATION shall contain language providing coverage up to one (1) year following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

Conformity of Coverages - If more than one policy is used to meet the required coverages, such as a separate umbrella policy, such policies shall be consistent with all other applicable policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies or all shall be Claims Made Liability policies, if approved by the County as noted above. In no cases shall the types of polices be different.

C. ENDORSEMENTS:

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

- a. "The County of Placer, its officers, agents, employees, and volunteers are to be covered as insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- b. "The insurance provided by the Consultant, including any excess liability or umbrella form coverage, is primary coverage to the County of Placer with respect to any insurance or self-insurance programs maintained by the County of Placer and no insurance held or owned by the County of Placer shall be called upon to contribute to a loss."
- c. "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer"

D. AUTOMOBILE LIABILITY INSURANCE:

Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.

Covered vehicles shall include owned, non-owned, and hired automobiles/trucks.

E. ADDITIONAL REQUIREMENTS:

Premium Payments - The insurance companies shall have no recourse against the COUNTY and funding agencies, its officers and employees or any of them for

payment of any premiums or assessments under any policy issued by a mutual insurance company.

Policy Deductibles - The RESORT ASSOCIATION shall be responsible for all deductibles in all of the RESORT ASSOCIATION's insurance policies. The maximum amount of allowable deductible for insurance coverage required herein shall be \$25,000.

RESORT ASSOCIATION's Obligations - RESORT ASSOCIATION's indemnity and other obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this agreement.

Verification of Coverage - RESORT ASSOCIATION shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the RESORT ASSOCIATION's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Material Breach - Failure of the RESORT ASSOCIATION to maintain the insurance required by this agreement, or to comply with any of the requirements of this section, shall constitute a material breach of the entire agreement.

11. CANCELLATION

This Agreement may be canceled by COUNTY or RESORT ASSOCIATION upon the giving of ninety (90) days advance written notice. Such notice shall be personally served or given by registered or certified United States Mail. In the event of cancellation by COUNTY or RESORT ASSOCIATION, RESORT ASSOCIATION shall be paid for all work performed and all reasonable expenses incurred to date of cancellation with any remaining unexpended funds returned to COUNTY.

12. AMENDMENTS - ANNUAL EXTENSIONS

This Agreement may be amended in writing. It is contemplated by the parties that the COUNTY will continue to contract for the services such as those set forth in the Scope of Work to be performed for the benefit of the North Lake Tahoe area on an annual basis, and that the RESORT ASSOCIATION will continue to be available, willing, and capable of providing such services on an annual basis.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

COUNTY OF PLACER, "COUNTY"

By: _____
Jack Duran
Chair, Board of Supervisors

Date: _____

Approved as to Form:

By: _____
County Counsel

Date: _____

**NORTH LAKE TAHOE RESORT ASSOCIATION,
"RESORT ASSOCIATION"**

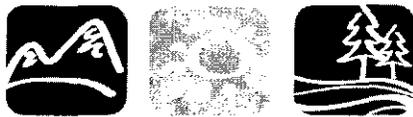
By: _____
Walter Auerbach, Chairman, Board of Directors
North Lake Tahoe Resort Association

Date: _____

List of Attachments:

- A- Scope of Work
- A-1- Research & Planning Projects Budget
- A-2- Transportation Programs & Services Budget
- A-3- Marketing Program Budget
- B- Payment Schedule
- C- FY 2014-15 Budget
- D- Community and Special Events Marketing Program Eligibility Criteria
- E- NLTRA Reporting & Metrics Schedule/Marketing Department Performance Measurements
- F- Marketing Reserve Account Policy

Attachment A



north lake tahoe

Chamber | CVB | Resort Association

North Lake Tahoe Resort Association Scope of Work— FY 2014-15

Purpose

The importance of tourism to the economic health of North Lake Tahoe and Placer County has been documented in numerous studies conducted over many years. Accordingly, the adopted mission of the North Lake Tahoe Resort Association is to ***“Promote tourism and benefit business through efforts that enhance the economic, environmental, recreational and cultural climate of the area.”***

Based on the Placer County-NLTRA agreement, the services provided by the NLTRA are summarized as follows: the NLTRA shall, 1) *provide a full spectrum of management activities for tourism marketing and visitor services for the Placer County businesses of the North Lake Tahoe region; 2) undertake activities to implement in full the NLTRA Master Plans; and, 3) assist with the planning, development and implementation of necessary public capital improvements that benefit the tourism-based economy in the Placer County portion of the North Lake Tahoe region.*

The NLTRA shall implement this Scope of Services through the following functions and expertise:

Tourism Division

2013-16 Strategic Goals

- Dominate the California market as a destination for alpine and Nordic skiing, biking and paddle sports
- Increase TOT by 20% over 2010/11 adjusted for inflation
- Increase occupancy during strike zones by 20% and annual occupancy by 10%
- By 2016, increase destination visitor market by 3% over 2012/13

Marketing, Advertising and Promotions, Group & Conference Sales, Leisure Sales, Special Events, Public Relations, Media Relations, Web Site, Social Media

The mission of the Tourism Division is to *“Promote North Lake Tahoe as a travel destination with the purpose of increasing travel spending within the region, including year-round occupancy and length of stay, generating additional Transient Occupancy Tax (TOT) revenues, sales tax revenues and maximizing the exposure and promotion of North Lake Tahoe on a regional, national, and international level.”*

For Fiscal Year 2014-15, the North Lake Tahoe Resort Association Marketing Department will implement the following projects and programs:

Establish marketing capacity to support North Lake Tahoe Nordic product and campaign. This effort will be coordinated with the newly formed Nordic Council made up of resorts, retailers, lodging providers, industry representatives, student athlete associations and other interested parties. The concept is to further leverage our winter Nordic product and ancillary and associated businesses.

The Marketing Committee has strongly expressed the desire to grow the destination visitor segment of the guest portfolio. These are visitors who travel longer distances, possibly by air, and stay more days than the regional guest. A Destination Visitor Task Force has been initiated to discuss various strategies and to attain the goal of increasing the destination visitor market by 3% over FY 2012-13.

As North Lake Tahoe continues to compete on a regional, national and international level, the NLTRA will target additional consumer marketing efforts at established and/or new destination markets. This will allow the NLTRA to further leverage existing consumer marketing efforts in its core drive market while enhancing destination visitor stays during targeted periods of the travel season.

The NLTRA Tourism Division Continues to position the North Lake Tahoe region as a premier resort destination location for leisure travelers, group and conference attendees and special event opportunities. A focus on human-powered sports is a key competitive advantage and one that is woven through all appropriate channels. Additionally, the NLTRA continues to use our adopted **Marketing Performance Reporting Document** which guides the tracking and reporting on Marketing "Return on Investment" (ROI) Indicators. The review of performance helps guide the development of each subsequent marketing plan.

Key Performance Objectives

- Track cost per visitor to the web site
- Increase web referrals from Ski Lake Tahoe by having them in the top 5 referral sites
- Grow unique visitors to the GoTahoeNorth.com website by 5% to Human Powered Sports landing page and by 20% to Cross Country landing page.
- Create programs that increase average daily rates 5% (ADR) and revenue per available room (RevPAR)10% over the winter and summer period.
- Increase the number of Web site clicks to lodging properties by 5%.
- Complete two-year overhaul of the gotahoenorth.com consumer website
- Increase of 5% from core consumer markets in ad awareness studies over the last study period
- Increase in Conference and Group room revenue by increasing the number of site visits to North Lake Tahoe by 20%(32) and increasing sales trips to the bay area by 50% (4).

- Increase social conversation and engagement about Human Powered Sports by 10% and increase press coverage mentions by 15%.
- Increase Leisure Sales and Tour operators offering North Tahoe product by 10%

The following is a summary of the focus and activities of each department and function within the Tourism Division and Key Performance Objectives for each:

Group/Conference Marketing and Sales

The purpose of this function and program is to increase the number of meetings held each year at North Lake Tahoe and to increase awareness of the region as a premier destination to the national and regional meetings industry. Specifically, the department works to develop group and conference business and provides referral and conversion services. Its efforts are focused in partnership with those properties, large and small, with the ability to book and serve group and conference business and who are members of the NLTRA Conference Program. Department programs consist of an integrated media and marketing plan, trade show schedule, sales missions and familiarization tours (FAMs), and client relations.

Key Performance Objectives

- Continue to improve competitive position, ease of navigation, and quality of content on the NLTRA's Web site, from the Conference Marketing and Sales program perspective.
- Increase site visits to North Lake Tahoe by 20% over FY 2013-14
- Increase sales trips to the Bay Area by 50% over FY 2013-14

Leisure Marketing and Sales

The purpose of this function and program is to increase vacation and leisure travel to North Lake Tahoe. This effort focuses on building regional, national and international tourism business for North Lake Tahoe through a variety of trade shows, familiarization tours, promotional programs, training for travel and reservation agents, and media and public relations. The department targets three distribution channels for the sale of North Lake Tahoe vacations and vacation products: 1) direct to consumer; 2) travel agents; and, 3) tour operators.

The department serves as NLTRA's primary liaison with the cooperative tourism marketing programs available at the state level, in partnership with the California Travel and Tourism Commission (CTTC), an industry advocacy and cooperative marketing organization. These cooperative marketing programs include contracted General Sales Agents (GSAs) in targeted countries. Leisure Sales also coordinates the marketing and sales of the NLTRA's popular Ski Tahoe North multi-resort interchangeable lift ticket (STN). This lift ticket may be discontinued due to the value gap and price differential between the various resorts. Over the past two years a value added component and a pay additional at the window option have been tried but have not met with consumer support.

- **Key Performance Objectives** Host at least two trade FAMs per year, one with a summer focus and one with a winter focus; continue working with the NLTRA's Public Relations team and GSAs to host multiple media FAM trips during the year.
- Increase Leisure Sales and Tour operators offering North Tahoe product by 10%.
- Increase North Lake Tahoe product placement in the wholesale and tour operator sales channels by 10%.
- Supports efforts to brand and position North Lake Tahoe as a Nordic destination through cooperative efforts with our Nordic resorts, suppliers and partners, increasing visits to the Cross Country landing page of GoTahoeNorth.com by 20%

Special Events, Projects and Promotions

The primary purpose of this department is to support the development, implementation and promotion of special events through available grant funding programs and event support services. Special Event staff continues to support the Tourism Division's new event development effort and the Community Marketing Grant Program administered by the North Lake Tahoe Business Association and Chamber Collaborative Committee. Promotional responsibilities of the department include coordinating special events with the www.GoTahoeNorth.com Web site and other internet marketing channels.

The Special Event department is also intricately involved in the acquisition of new, major events that support our Human-Powered Sports Initiatives. This includes effort to expand our relationship with current event producer partners, to acquire new events aligned with our strategic goals through specific sales channels, and to research new events direction and opportunities that provide regional benefit to our local businesses, residents and Placer County as a whole.

The Autumn Food and Wine Festival has been contracted to Northstar over the past three years. NLTRA remains involved with event ownership, production consultation and assistance and cash sponsorship.

Key Performance Objectives

- Fully integrate department expertise with community and resort sponsored and/or produced events.
- Continue to make available the **Special Events Resource Guide** for event producers and promoters, which includes a description of the special events services and support available through the NLTRA.
- Provide technical support and assistance to grantees of the Community Marketing Grant Program, as requested.
- Assist area special events producers in the completion of final event reports, as required, tracking specific measurements to determine ROI of each event.
- Develop or recruit a major special event with national and/or international television coverage, in one of the NLTRA Board-defined initiative areas or during a define strike zone period.
- Develop a special events plan that analyzes existing events and event management structures and identifies future growth opportunities in all events markets to improve

coordination with business association and other event producers, return on investment and consistency with Resort Association goals.

Web Site Strategies

As the main fulfillment channel for all marketing efforts, the GoTahoeNorth.com Web site must be fully leveraged to maximize the promotion of the entire North Lake Tahoe area, while delivering compelling consumer content. A new website platform and consumer interface has been researched, design work has begun and completion and launch is anticipated for FY2014-15. This will increase the communication platform's consumer connectivity, leverage tourism serving businesses and streamline the conversion from traveler interest to booking and beyond.

Key Performance Objectives

The following measurements will be tracked and analyzed regularly to determine success of Web Strategies efforts.

1. Total Unique Visitors
2. Cost Per Visitor
3. Percent of Direct and Bookmarked Visitors
4. Number of Repeat Visitors
5. Number of Lodging Referrals
6. Lodging Referrals as a Percent of Total Unique Visitors
7. Search Engine Referrals
8. Organic Search Engine Results

Public and Media Relations

This program focuses on efforts to increase public and media awareness of North Lake Tahoe as a premier year-round travel destination, to generate additional editorial coverage in national and regional publications and communication channels, and to help expand the reach of NLTRA marketing and advertising campaigns. Various media familiarization trips are organized and supported throughout the year, and assistance is provided to writers on assignment. The Public Relations team that was hired in 2012 is the Abby Agency out of Reno. They are also responsible for: 1) helping to support the Media Center on www.GoTahoeNorth.com to make it more useful to members of the media on assignment and/or those researching information about North Lake Tahoe; 2) coordinating the communication between traditional press and the online social media space; and, 3) providing information regarding the NLTRA and its programs in the local community and surrounding region.

Key Performance Objectives

- Increase the Advertising Equivalency of public relations efforts.
- Increase reference to, and the exposure of, the www.GoTahoeNorth.com Web site in editorial stories and features about North Lake Tahoe by 15%.

- Increase the number of media contacts and press releases downloaded from the GoTahoeNorth.com Web site by 10%.

Community Marketing Program

The purpose of the Community Marketing Program is to help coordinate with and support the efforts of the Chamber/NLTRA's community marketing partners, including, but not limited to improving the marketing and promotion of specific geographic areas within the region through the **Resorts and Towns of North Lake Tahoe** component of the NLTRA's marketing efforts. Program goals include promoting community economic vitality and hospitality and helping to fund community marketing collateral and related projects, as identified in the NLTRA's adopted **Community Marketing Program Grant Funding Criteria**. The Program criteria are included in Attachment D. An important focus of the Community Marketing Program is to provide funds to local business associations to assist with marketing collateral and/or events that increase the vitality of the various commercial core areas. Consistent with the Placer County/NLTRA agreement, the Community Marketing Program is administered by the North Lake Tahoe Business Association and Chamber Collaborative, with the final approval of all grant recommendations by the NLTRA Board of Directors. Starting in FY 2014-15 the County will contract directly with the NTBA and TCDA in the amount of \$10,000 each for their portion of the Community Marketing Program allocation. In order to maintain alignment with NLTRA marketing goals and initiatives, both business associations will continue working with the BACC in developing and implementing their programs, and provide an annual report including ROI.

Providing adequate funding is available this year, it is the intent to establish in-market media and promotional marketing in support of the Touch the Lake, Peak Your Adventure and High Notes Campaign. These efforts are to be coordinated with the Business Association Chamber Collaborative Committee (BACC). Similar to last year, these funds would be leveraged to enhance our out-of-market consumer communication efforts targeted at specific campaigns and audiences.

Key Performance Objectives

- Improve the quality and distribution of "in market" visitor information and achieve greater coordination of advertising and promotional messages with those of the NLTRA in drive and destination markets.

Support for Other Marketing Programs

Annually, by agreement with specific entities, the NLTRA provides financial and technical support as a partner in several regional cooperative marketing programs. These include the North Lake Tahoe Marketing Cooperative, Sierra Ski Marketing Council, Regional Marketing Committee, Placer-Lake Tahoe Film Office, North Tahoe Events Center, and the Placer County Visitor Council's California Welcome Center.

Visitor Information Services

2011-16 Strategic Goals

- Develop and execute a customer service training strategy
- Assess regional needs for Visitor Information distribution and execute plan
- Increase net promoter scores by 20% over 2011/12 or up to 85

The purpose of the NLTRA's visitor information function is to provide high quality, comprehensive and convenient information services to welcome visitors to North Lake Tahoe and provide them with helpful information to enhance their stay. This information, and the way in which it is presented, is intended to enhance the North Lake Tahoe experience as will be measured by Net Promoter Scores through visitor intercept research, and encourage longer stays and/or return visitation. The NLTRA employs knowledgeable staff and conducts training as necessary for new or seasonal staff. It is the goal of the NLTRA to continuously improve the quality of its visitor information services and expand the network of opportunities to provide such information. Visitor touch points are: Visitor Information Centers, lodging/property managers, visitor guides, web/mobile, TV/video and interaction with local businesses.

Visitor Information Centers

- Tahoe City
This center is open year-round, providing guests with information concerning North Lake Tahoe. It also provides referral services for Placer County businesses and gives them an opportunity to display collateral. The Center serves as a "front counter" for a variety of public services, such as ticket sales for a variety of area special events. The Tahoe City Visitor Information Center moved to a new location during Summer 2012. The expansion of the center allows for a gift shop, sponsorship opportunities, concierge services, library/book shop, local product sales, local gatherings, agency sharing and private business kiosks/displays.
- Reno
The NLTRA opened a new Visitor Information Center in the Reno Tahoe International Airport in the baggage claim area in 2011. The goal of this facility was to provide a welcoming gateway to visitors utilizing the North Lake Tahoe Express, increase airport shuttle ridership, reduce TOT subsidy and inform visitors of all North Lake Tahoe has to offer. Due to the cost of the lease and the current operator preferring not to utilize the space, this center will cease in September 2014. Other opportunities to welcome the visitor to North Lake Tahoe are currently being explored such as brochure space, digital messaging or large signage in the baggage claim area, and will be implemented during FY 2014-15.
- Kings Beach (summer only)
This year, the NLTRA will have a presence at the Kings Beach State Park. A mobile operation utilizing a tent and brochure kiosks will be set up daily and stored in the restroom buildings adjacent to the beach. Staff may also be utilized in the information area for the Kings Beach Commercial Core Improvement Project (KBCCIP) once that space is identified.

- Auburn and Truckee California Welcome Centers (displays only)
The NLTRA has created and rents space for North Lake Tahoe specific displays in both locations. Both displays will have racks to distribute the North Lake Tahoe Official Visitor Guide and the Neighborhood map.

Lodging Liaison

- The Information Services Director is responsible for meeting bi-annually with a majority of lodging properties in North Lake Tahoe to inform them of the services/benefits that the NLTRA provides. The Information Services Director is also responsible for sending lodging properties information concerning events and business opportunities.

Guide/Activity Maps, Web/Mobile, TV/Video and Local Business Outreach

- Official North Lake Tahoe Guide
We produce the Official North Lake Tahoe Visitors Guide in partnership with the Tahoe Quarterly twice annually. This guide is distributed throughout North Lake Tahoe in lodging property guest rooms/vacation homes and Visitor Information Centers. The guide will also be located on GoTahoeNorth.com in a flippable, easy to read version. 50,000 of these seasonal guides are printed and distributed each season, and are sent out as the primary fulfillment piece upon request.
- Maps
The North Lake Tahoe map and Cross Country Ski map continue to be extremely popular with guests and visitors.
- Web/Mobile
The information on GoTahoeNorth.com is made visitor friendly through the addition of a local transportation widget and making the mobile version more user friendly by appearing differently to in-market visitors. Cards, magnets and window clings with a QR code and our web address are distributed to lodging properties and Chamber members to increase in-market visitation to GoTahoeNorth.com. Content on the Mobile site has also been adjusted to the consumer depending on his/her location.
- TV/Video
TV and Video are available in the Tahoe City Visitor Center. We have formed a partnership with a local TV and video production company and will be researching the possibility of adding this technology to our Auburn display area.
- Local Businesses Outreach
Local Businesses are being informed of Visitor Information offered by the NLTRA through: a 10-Day Event Calendar distributed weekly to all lodging properties and chamber members, Ski-Reports during the ski season, weekly updates in Biz Bytes and presentations at NLTRA Committee and other Organizational meetings.

Customer Service Training

The Customer Service Training will be promoted to North Lake Tahoe businesses twice annually. This will be a free service performed at each

business location by members of the NLTRA staff, encouraging friendly, knowledgeable, and resourceful service.

Key Performance Indicators

- Track the number of visitors served (walk-ins, email inquires, and telephone contacts) at the year-round and seasonal Visitor Information Centers; increase the number of visitors served by 5% using appropriate strategies as may be available.
- Track Net Promoter Scores with seasonal visitor intercept research with a goal of increasing by 20% or up to 85.
- Assess opportunities for additional exposure and resource availability through other gateways such as Sacramento airport and California Welcome Centers.
- Increase in-market click-throughs to GoTahoeNorth.com by 25%.

Transportation and Capital Investment Projects

2011-16 Strategic Goals

- Develop a fully integrated transportation system that will effectively link visitor destinations, recreation and lodging products.
- Increase ridership on service and recreational routes by 20%
- Review and amend criteria, priorities, and application process for infrastructure projects
- Upgrade lodging and commercial environment on the North and West Shore with three new or re-developed projects
- Complete all trail systems in the basin including signage for biking, hiking, paddling and Nordic skiing
- Install 30 way-finding signs in the Tahoe basin during FY 2014-15, and 50 by 2016

The mission of the Visitor Support Services and Infrastructure Development is consistent with the NLTRA Master Plans and 5-year Strategic Goals to *“Improve Visitor and Community Infrastructure Facilities & Transportation Services for the Benefit of North Lake Tahoe’s Tourism-based Economy”*.

In the spring of 2014, the NLTRA started revising and the annual update of its **Capital Investment and Transportation Work Plan** and **Long Range Funding Plan**. The CIT Work Plan is an “action plan” for FY 2014-15 that includes project priorities, descriptions, lead agencies and identifies project partners. This year’s plan is suggesting revisions to criteria to be applied and the funding request application process to be used in evaluation of project selection for TOT appropriations. It also estimates funding requirements, suggests time frames for project completion, and quantifies “flexible funding” requests for transit projects. The Long Range Funding Plan is updated as a tool to assist in budgeting, evaluating additional projects that may be proposed, and establishing long-term investment priorities. The *Long Range Funding Plan* adopted this year is for the period 2014-2022.

Transportation

The Visitor Support Services allocation provides funding for the NLTRA’s contributions to the operation of Placer County’s Tahoe Area Regional Transit (TART) system and other visitor serving transit and transportation services in eastern Placer County.

NLTRA funds are typically targeted to provide additional or enhanced transit services in the area, including service added during peak periods. A comprehensive list of services expected to be provided this year is included as Attachment A-2.

Transit services provided by operators other than TART to which NLTRA funds are contributed include the North Lake Tahoe Express Airport Shuttle (NLTE), the winter and summer Nightrider services, the winter ski shuttle to Sugar Bowl/Donner Summit, and the North Tahoe Free Coordinated Winter Skier Shuttle. The Coordinated Winter Skier Shuttle operated last year under management of TART. A free voucher system for guests staying at Eastern Placer properties wanting to ride TART to ski resorts regardless of the time of day was also implemented. This service will be provided again this winter. Funding is provided through TOT and ski area operators. Both the Express and Nightrider are operated under contract with the Tahoe Transportation District (TTD). Additional transit service provided through contract with the TTD is the North Lake Tahoe Water Shuttle three-year pilot program. This service has been initially funded as an infrastructure project. The water shuttle will operate for its third year in summer 2014, and will be evaluated at the end of this season regarding whether or not it will be continued or expanded in future years.

The NLTRA will work with Placer County and partner entities in order to coordinate route schedules, funding agreements, operations contracts and marketing.

As part of completing public outreach on the Tourism Development Master Plan Update and the regional Transit Vision, the Resort Association will make recommendations on priorities for transit expansion. Those priorities will be folded into the annual update of the Long Range Funding Plan, as well as the Capital Investment Finance Plan.

Visitor Support Services also funds annual peak season traffic management programs. Currently, the NLTRA funds the "Tahoe City Three Lane Program" and, as necessary, a program in partnership with the Town of Truckee at the junction of Hwy. 89 and West River Street in the winter. In summer, funding is provided for traffic management in downtown Tahoe City each Thursday morning (to assist the flow of traffic in and out of the Tahoe City Farmer's Market), and traffic management efforts in downtown Kings Beach on holidays and busy Saturdays. Other possible traffic management times will continue to be reviewed.

The NLTRA has facilitated Transportation Summits in the fall of 2012 and 2013, to develop a vision and identify steps for North Lake Tahoe Transportation improvements. The vision is that "The greater North Lake Tahoe area has a comprehensive environmentally sensitive transportation system that encourages and supports an enjoyable experience while reducing the dependency on the personal automobile."

This has led to a region-wide North Tahoe Resort Triangle Transportation Vision Coalition which is reviewing existing service, evaluating various transit serving scenarios, exploring opportunities for region-wide transit governance and potential funding revenue sources. A third Transportation Summit is planned during FY 2014-15

to present the results and establish roles and tasks for bringing the vision funding and development to fruition.

This year Placer County and NLTRA, along with partner entities such as the Tahoe Transportation District and Truckee North Tahoe Transportation Management Association, will review the North Lake Tahoe Express on a quarterly or more frequent basis in order to determine the future of the service and solicit proposals for service providers when the current contract is complete at the end of the fiscal year.

Key Performance Objectives

- Complete public outreach and economic analysis phases of the region-wide Transit Vision, and include priority project recommendations in upcoming plans and budgets by December 30, 2014.
- Provide Placer County with a recommendation on the total maximum amount needed in the Capital Investment Maintenance account, by October 1, 2015.
- NLTRA transit service investments continue to result in increased passengers per vehicle service hour for the systems funded all or in part by the NLTRA.
- Improve monitoring and reporting documents for transit services provided by operators to which NLTRA funds are a prime contribution.
- Reduce traffic congestion during peak periods of visitor movement.
- Reduce TOT funding to specific transit services as revenues are generated through ridership fares and/or other funding sources.

Capital Investment Project Development

Consistent with the direction and goals of the adopted NLTRA Master Plans, the 5-year Strategic goals, and the projects specifically listed in the adopted *FY 2014-15 Capital Investment and Transportation Work Plan*, the NLTRA will continue to initiate, participate as a partner, and monitor and report on the status and progress of projects and programs funded through the Infrastructure Account.

The Resort Association will also work with Placer County and other entities responsible for implementing visitor-serving capital projects to create a Capital Investment Finance Plan for the North Lake Tahoe region. The Plan will include necessary planning and design, capital costs, funding sources and planned project completion timelines that are based upon recommended prioritization criteria.

In recognition of the need for maintenance of tourist-serving Infrastructure projects envisioned in the NLTRA Master Plans and 5-year Strategic Goals, the NLTRA will continue making available a reserve account to assist in meeting certain maintenance needs. The process for allocation of maintenance funds will be consistent with other Infrastructure Account funds which require application, committee review, and NLTRA Board of Directors approval and concurrence from the Placer CEO.

The Resort Association is undertaking a review of criteria used for projects and is working with a sub-committee of the Capital Investment Transportation Committee to update the project application process to an annual call for projects process, rather than

the first come, first funded process. The transition to the new process will be complete by the end of FY 2014-15, and be implemented in FY 2015-16.

Key Performance Objectives

- Achieve measurable progress in the implementation of approved infrastructure projects for which funds have been approved and budgeted in the FY 2014-15 CIT Work Plan.
- Continue to pursue new projects, as funding allows, that meet the goals, objectives, and criteria of the NLTRA Master Plans and 5-year Strategic Goals.
- Revise criteria and application for, and implement new capital fund distribution process.
- Complete a Capital Investment Finance Plan for the North Lake Tahoe Region for known visitor-serving capital projects, including planning, multiple funding sources and timelines, by June 30, 2015.

Research and Planning

Annually, the NLTRA engages in Research and Planning activities that provide advance studies, concept or preliminary planning for projects or programs, technical fact-finding or analysis, data collection, public opinion surveys, community workshops, and/or partnership development that lead to the advancement of Capital Investment and Transportation projects, or efforts to further implementation of the adopted NLTRA Master Plans and 5-year Strategic Goals. More specific research and planning projects are listed in Attachment A-1.

Resort Association Administration/Management Team

2011-16 Strategic Goals

- Have a comprehensive communication plan through all mediums
- Build trust, confidence and leadership with key partners
- Be a recognized voice of community in all core function areas
- Have a recognized brand message of "Who we are and what we do"
- Be the recognized business leader in the regulatory environment
- Be the recognized business leader for legislative issues impacting tourism
- Take the lead on Economic Development plans that align with tourism development
- Provide advocacy for all project and programs that align with our mission

The NLTRA is established as a 501(c)(4) community based California non-profit public benefit corporation. The function of the NLTRA's administration and management team is to manage the corporation and the full spectrum of Resort Association services and programs operated by the corporation. These include, but are not limited to: consumer marketing and advertising, group/conference marketing and sales, leisure sales, special events, projects and promotions, public and media relations, marketing research and evaluation, visitor information services, visitor support services (transportation), and infrastructure development. NLTRA administration is responsible for managing the company's human resources, accounting and financial services, internal controls, budgets and forecasts, cash flow analysis, capital planning, and the accurate reporting

required to support all of the NLTRA's functions and responsibilities. The NLTRA undergoes an annual review of its Financial Statements and an Independent Auditor's Report is prepared by a Certified Public Accountant each year.

The Administration/Management team will be responsible for oversight and execution of various other activities such as legislative advocacy, partnership management, economic development, and review of the Tourism Development Master Plan.

Placer County Tourism Development Master Plan Review and Update The TDMP is in the final stages of written updates and Freshtracks Communications has been contracted to assist with the organization of the written material as well as the community outreach plan. The Resort Association TOT budget includes costs for outreach efforts, printing and distribution of the plan. Outreach to all areas of the region will take place in late August focusing on the future goals of the plan. The effort will include a public outreach process that will feed into any final recommendations regarding TDMP revisions by the Resort Association to the Board of Supervisors. Final adoption by the Placer County Board of Supervisors is anticipated by January 30, 2015.

Preparation and Adoption of the Placer County Area Plans

The NLTRA continues its active involvement with Placer County's North Lake Tahoe Community Plan update. This is a planning process with significant ramifications for the North Lake Tahoe Chamber/CVB/Resort Association membership and its many partners, including Placer County.

Key Performance Objectives

- Complete the update to the Placer County Tourism Development Master Plan by January 30, 2015.
- Continue efforts to ensure the newly adopted TRPA Regional Plan Update will stimulate vital business and community investments and avoid inflexible regulations and stifling regulatory programs.
- Continue to work in cooperation with Placer County and other partners to support economic development goals as they align with the mission as defined in the 2004 Tourism and Community Investment Master Plan.

Legislative Advocacy

Key Performance Objectives

- Work with County Executive Office to insure that NLTRA legislative platform, approved by the Board annually, allocates expenditures and activities only to those consistent with Placer County policies.
- Continue advocacy efforts to support additional federal and state funding for the adopted Lake Tahoe Environmental Improvement Program (EIP). Such efforts shall include supporting the reauthorization of the federal **Lake Tahoe Restoration Act** (LTRA) as well as EIP investments from the states of California and Nevada.

- Continue advocacy efforts to support maintaining the new source of federal funds for transportation project development at Lake Tahoe through the Tahoe Transportation District.
- Continue advocacy efforts to support securing one or more new sources of transit operating funds for Lake Tahoe.

Maintaining and Developing Partnerships

The NLTRA will continue to use staff time and resources to maintain, enhance and develop new partnerships, so that NLTRA funds for infrastructure, transportation and marketing projects and programs are leveraged with other funds to the maximum extent possible. For infrastructure and transportation planning projects, this effort involves working with a variety of local, regional, state, and federal agencies to help develop funding and implement projects. For marketing projects and programs, the NLTRA's Tourism Division works with a variety of local, regional, and state partners to develop and deliver leveraged marketing investments and opportunities.

Partnerships with Placer County and Related Agencies

The NLTRA is committed to continuously improving understanding, communications and the productivity of its partnership with Placer County as it benefits the businesses and economic vitality of the North Lake Tahoe region. These include work with the Placer County Executive Office and the Board of Supervisors, Department of Public Works and TART, Placer County Office of Economic Development, Community Development Resources Agency, Public Information, Facilities Services, and Revenue Services, along with the Placer-Lake Tahoe Film Office, Placer County Visitors Council, PlacerArts, and the Placer County Transportation Planning Agency (PCTPA).

Economic Development

The NLTRA will continue to work with Placer County Road Map and The Prosperity Center on economic development initiatives that align with the TDMP and Strategic Goals. Some of the areas that are currently in progress are Health and Wellness initiatives that take advantage of the region's active lifestyle and performance sports, creating the ability to have increased broadband/wireless access in all areas of the Tahoe Basin, and developing opportunities for businesses and tourism that promote environmental innovation.

ATTACHMENT A-2 FY 2014-15 Approved Transportation Programs and Services

Traffic Management		
T-18	Winter Traffic Management (Existing)	\$ 20,000
T-19	Summer Traffic Management (Existing)	22,000
	Sub-Total Traffic Management Programs	\$ 42,000
 Transportation/Transit Programs		
	Enhanced Winter Skier & Employee Transit Service, TART, Highway 89,	
T-1	(Existing)	48,700 *
T-2	Enhanced Winter Transit Service TART, Highway 267 (Existing)	86,500 *
T-3	Enhanced Winter Skier/ Employee Shuttle Truckee/Sugar Bowl (Existing)	29,000
T-4	Winter Regional Coordinated Ski Shuttle and Voucher Program (New)	30,000 **
T-5	Winter Nighttime Transit Service (Existing)	247,420
	Enhanced Summer Daytime Transit Service, Squaw Valley, Kings Beach,	
T-9	Tahoe City, (Existing)	\$ 164,800 *
T-10	Summer Hourly Nighttime-Squaw, Hyatt, Tahoma (Existing)	155,000
T-11	Year Round Highway 89 Hourly Service (Fall & Spring) (Existing)	135,200 *
T-14	Reno/North Lake Tahoe Year Round Airport Shuttle-NLTE (Existing)	110,000
	Sub-Total Transit Programs	\$ 1,006,620
	2011-2012 Transportation & Transit/Management Total	\$ 1,048,620
	*Services provided by Placer County	\$459,200 *
	Services provided by other operators	\$589,420

** \$24,000 to Placer County, \$6,000 to Truckee North Tahoe TMA

**Tourism Marketing Budget
Attachment A3**

NLTRA Budget	Marketing	Conference	Visitor Info	TOTALS
Placer County TOT Revenue	\$ 2,021,192	\$ 320,580	\$ 285,000	\$ 2,626,772
PROGRAM EXPENSES				
Training/Seminars	2,334		1,400	3,734
Marketing Cooperative/Media	756,747	110,000		866,747
Collateral Programs			1,409	1,409
Community Marketing Programs	80,000			80,000
Conference NTPUD/Event Center		8,000		8,000
Special Event Sponsorship				-
Ironman	400,000			
USA Cycling	60,000			
WinterWonderGrass	15,000			
Autumn Food & Wine	15,000			
Elevations Tahoe	1,500			
SUBTOTAL- Special Events	\$ 491,500			491,500
Trade Shows				
Wanderlust	3,500			
Cal Travel Board Meeting	4,000			
Event Development	5,000			
SUBTOTAL- Trade Shows	\$ 12,500			12,500
Other Programs			2,785	2,785
Cross Country	25,000			
High Notes	20,000			
Performance Review	6,000			
BACC Product Campaigns	70,000			
SUBTOTAL- Other Programs	\$ 121,000			121,000
TOTAL	\$ 1,464,081	\$ 118,000	\$ 5,594	\$ 1,587,675

North Lake Tahoe Marketing Cooperative Budget	
Revenue Sources	
NLTRA	866,747
IVCBVB	472,000
TOTAL	\$ 1,338,747
COOPERATIVE DIRECT EXPENSES	
Public Relations/Social Media	80,000
Leisure Sales	67,000
Conference Sales	180,000
Website/Content Management	40,000
Consumer Marketing	721,747
Consumer Website Overhaul	35,000
COOPERATIVE PROGRAM EXPENSE	
Sierra Ski Marketing Council	80,000
Regional Air Service Committee	50,000
Wedding Promotion	15,000
DestiMetrics	18,000
VisitingLakeTahoe.com	36,000
Photography	6,000
Fulfillment	10,000
TOTAL	\$ 1,338,747

NOTE: Actual expenditures may be different based on market conditions, opportunity analysis, following committee and board action

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ATTACHMENT B

FY 2014-15 Payment Schedule

<u>PAYMENT NUMBER</u>	<u>PAYMENT DUE DATE</u>	<u>PAYMENT TO NLTRA</u>	<u>PAYMENT TO COUNTY</u>
1.	Sept. 1, 2014	302,552	126,742
2.	Oct. 1, 2014	302,552	126,742
3.	Nov. 1, 2014	302,552	126,742
4.	Dec. 1, 2014	302,552	126,742
5.	Jan. 1, 2015	302,552	126,742
6.	Feb. 1, 2015	302,552	126,742
7.	March 1, 2015	302,552	126,742
8.	April 1, 2015	302,552	126,742
9.	May 1, 2015	302,552	126,742
10.	June 1, 2015	302,552	126,742
11.	July 1, 2015	302,552	126,742
12.	Aug. 1, 2015	302,548	126,741
Totals		\$3,630,620	\$1,520,903
(1) (2)			(3) (4)

- (1) FY 2014-15 Proposed Budget includes a total of \$5,151,523 for the RESORT ASSOCIATION contract.
- (2) Payment Schedule is predicated upon receipt of Transient Occupancy Tax funds at the budgeted level.
- (3) Apportionment to Infrastructure Account held by Placer County until such time as the Placer County Board of Supervisors approves of NLTRA recommended infrastructure projects.
- (4) Services provided by or under contract with Placer County and funded with RESORT ASSOCIATION TOT funds will be allocated to and paid from the County Treasury through a journal transfer process.

FY 2014-15 TAHOE TOT BUDGET
ATTACHMENT C

MARKETING	PROPOSED BUDGET	TRANSPORTATION	PROPOSED BUDGET	CAPITAL IMPROVEMENTS	PROPOSED BUDGET	PROPOSED TOTALS
<u>RESORT ASSOCIATION CONTRACT:</u>		<u>RESORT ASSOCIATION CONTRACT:</u>		<u>RESORT ASSOCIATION CONTRACT:</u>		
Personnel/Overhead Cap - Direct Costs	763,686	Personnel/Overhead Cap - Direct Costs	98,630	Personnel/Overhead Cap - Direct Costs	95,205	957,521
G+A Cap - Indirect Costs	523,784	G+A Cap - Indirect Costs	62,392	G+A Cap - Indirect Costs	72,201	565,377
Research and Planning	7,000	Research and Planning	32,000	Research & Planning	49,000	82,000
Direct Marketing/Programs	1,252,302	(Detail in Attachment A-1)		(Detail in Attachment A-1)		1,252,302
Community Marketing Fund	30,000	Memberships	5,000	Maintenance Reserve: Tourism Serving Facilities	0	35,000
Special Events Marketing Fund	50,000	Traffic Management	42,000			52,000
(Detail in Attachment A-3)		Transit Programs- Non-County	547,420	Capital Improvements - Requires BOS Approval	1,520,903	2,068,323
		(Detail in Attachment A-2)		(County retains until BOS Approval)		
SUBTOTAL - RESORT ASSOC CONTRACT	\$ 2,626,772	SUBTOTAL - RESORT ASSOC CONTRACT	\$ 787,442	SUBTOTAL - RESORT ASSOC CONTRACT	\$ 1,737,309	\$ 5,151,523
						10-Jul-14

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ATTACHMENT D



2013-14 Community Marketing Grant Program for Business Association Partners Grant Funding Criteria and Application Form

Introduction:

The North Lake Tahoe Resort Association, in collaboration with the North Lake Tahoe Chamber of Commerce, has established the Community Marketing Grant Program. The purpose of this program is to provide community based business organizations specifically identified in the NLTRA/Placer County contract marketing and promotional support for projects and programs targeted at visitors to the region that generate local and regional business revenue; provide local and regional media exposure, and opportunities for public relations.

All Community Marketing Grant Program applications are reviewed by Chamber staff, and then reviewed by the Chamber of Commerce Advisory Committee during a regular public meeting. If approved by the Advisory Committee, the grant applications are then considered by the Board of Directors of the North Lake Tahoe Resort Association, typically as a Consent Calendar item on a regular Board agenda.

Grant Eligible Organizations

Certain community based business organizations, specifically defined in the NLTRA/Placer County contract, are eligible to submit applications for Community Marketing Program grants. A specific amount of total funding is set aside for these organizations each year. Currently, these organizations are the North Tahoe Business Association, West Shore Association, Squaw Valley Business Association, Tahoe City Downtown Association, and Village at Northstar Association.

Grant Program Deadlines:

Community Marketing Program (CMP) grants deadlines apply within the fiscal year (July 1 - June 30).

Deadline: Open

Note: Applications will be reviewed within 30 days of acceptance with final decision announced shortly thereafter.

Grant Program Eligibility Criteria:

To clearly establish eligibility for your CMP grant application, please comply with the following selection criteria.

CMP grants are designed to provide marketing and promotional support: including, but not limited to, the design, development and distribution of marketing collateral, promotional efforts, and/or advertising efforts which help generate local and regional business revenue (including Sales Tax and Transient Occupancy Tax) and promote the commercial/geographic area(s) of the requesting organization/entity.

Grant Eligible

- Geographic area advertising (TV, radio, print, Internet)
- Production and printing of promotional materials (brochures, flyers, posters, etc.)
- Production and printing of signage used to direct and/or inform visitors.
- Marketing and promotion in support of special events which benefit more than one geographic area of the region, or the region as a whole.

Grant Ineligible

- Capital Investments
- Salaries
- Operational Overhead
- Vehicle expenses (Fuel, etc.)
 - Food, Beverage, Entertainment & Transportation
- Supplies, Equipment, Telephone, Security, Clean-up, Facility Rental

Dollar amounts to be awarded:

A specific amount of total funding is set aside for these organizations each year.

Grant Program Recipient Obligations:

To clearly establish eligibility for your CMP grant application, please comply with the following:

Use of the North Lake Tahoe Resort Association/ North Lake Tahoe Chamber of Commerce logo, indicating sponsorship and/or support on printed promotional materials, including brochures, flyers, advertising, and on signage as appropriate.

The North Lake Tahoe Chamber of Commerce and North Lake Tahoe Resort Association shall be named as an Additional Insured if grant funds are to be used to help support a special event. General Liability and Liquor Liability Insurance Limits must be at least \$1,000,000 for Each Occurrence, Damage to Rented Premises and Personal Injury.

An event sponsors must be prepared to provide the Chamber/NLTRA with copies of all approved event permits and licenses, as may be required by local or state agencies, upon the request of the Chamber/NLTRA.

Accountability and Documentation of Return on Investment (ROI) - Within 90 days of the project or event completion, all grant recipients must file a full ROI report to the office of the North Lake Tahoe Chamber of Commerce. (See Section B for ROI requirements)



north lake tahoe

Chamber | CVB | Resort Association

2012-13 Special Event Development Grant Program

Purpose:

The North Lake Tahoe Chamber/CVB/Resort Association has an established the Community Marketing Grant Program. The purpose of this program is to provide marketing and promotional support to special events targeted at visitors to the region that generate local and regional business revenue; provide local and regional media exposure, overnight visitation, and opportunities for public relations.

Criteria for Eligibility

Special Event grant funds are open to any community organization or business with an event or program that meets the following criteria:

- Targeted at visitors to the region that generate local and business revenue.
- Revenue and other benefits generated must accrue principally to areas within Placer County since the funding for this grant program comes from Placer County Transient Occupancy Tax (TOT)
- Opportunities for public relations and local and regional media exposure
- Drive overnight visitation

CMP grants are designed to provide marketing and promotional support including, but not limited to, the design, development and distribution of marketing collateral, promotional efforts, and/or advertising efforts which help generate local and regional business revenue (including Sales Tax and Transient Occupancy Tax).

Grant Eligible

- Geographic area advertising (TV, radio, print, Internet)
- Production and printing of promotional materials (brochures, flyers, posters, etc.)
- Production and printing of signage used to direct and/or inform visitors.
- Marketing and promotion in support of special events which benefit more than one geographic area of the region, or the region as a whole.

Grant Ineligible

- Capital Investments
- Salaries
- Operational Overhead
- Vehicle expenses (Fuel, etc.)
- Food, Beverage, Entertainment & Transportation
- Supplies, Equipment, Telephone, Security, Clean-up, Facility Rental

Rating form to help you see if you meet the criteria for eligibility:

1. Does your event take place in Placer County?

Yes = 1 No = 0

2. Does the event have potential to generate overnight lodging tax?

- 1 -10 (1=none, 10=Very Strong) # _____
3. Is this a first time event?
Yes =1 No = 0 # _____
4. Does your event have opportunities for local & regional media exposure?
Yes =1 No = 0 # _____
5. When and where does your event occur? There is special consideration for events occurring during the slower times listed below and especially during the listed "strike zones". **Strike Zone is defined as a targeted period of occupancy growth opportunity of which additional resources are directed toward program implementation.**
- On the Lake** # _____
Jan 1 - Jun 15 = 1
Aug 15 - Dec 15 = 1
- Off the Lake** # _____
May 1 - Dec 15 = 1
- "Strike Zone"** # _____
Jan 4 - Jan 13 = 2
May 15 - Jun 15 = 2
Aug 15 - Oct 15 = 2
6. **Special Consideration** for new key initiative recreation events. Does your event showcase one or more of the following? Paddle sports, biking, hiking, Nordic skiing (one point for each) # _____

If you have 8 points or more you may qualify TOTAL # _____

Dollar amounts to be awarded:

The majority of grant awards given will be in the \$500 to \$2,500 range. Requests for more than \$5,000 should be for a large-scale event and/or program targeted toward a large visitor audience. Unused or unclaimed funds will be reallocated with a deadline of February 1, 2014

Grant Program Recipient Obligations:

Recipients of the Special Events Development Grants must comply with the following:

1. Use of the North Lake Tahoe Chamber/CVB/Resort Association logo, indicating sponsorship and/or support on printed promotional materials, including brochures, flyers, advertising, and on signage as appropriate.
2. The North Lake Tahoe Chamber/CVB/Resort Association shall be named as an additional insured if grant funds are to be used to help support a special event. General liability and liquor liability insurance limits must be at least \$1,000,000 for each occurrence, damage to rented premises and personal injury.
3. An event sponsors must be prepared to provide the NLTRA with copies of all approved event permits and licenses, as may be required by local or state agencies, upon the

request of the Chamber/NLTRA.

4. Grantee agrees to no less than two meetings with the NLTRA Special Events and Chamber staff to review:
 - The event plan and provide suggestions and recommendations.
 - Event Final Report to ensure all information requested at the initial meeting is available and covered in the final report. Once the Event Final Report is approved by staff, grant funds will be released.
5. Accountability and Documentation of the Event Final Report:
All grant recipients must file a complete Event Final Report to the office of the NLTRA prior to the release of grant funds to reimburse appropriate expenses. (See Section B for Final Event Report requirements).

Special Event Application:

The following information must be provided to complete the application process. To ensure your application is qualified for the review process, please carefully profile your proposal against the eligibility criteria as listed in the **Community Marketing Program Grant Funding Criteria**, as well as the Special Event Criteria listed below.

1. The event must be held in the North Lake Tahoe area (E. Placer County), as further defined by the service area of the requesting organization.
2. The timing of the event is encouraged to follow the principle as set forth in the **North Lake Tahoe Tourism and Community Investment Master Plan**.
 - In an effort to reduce pressure on tourism, community resources and infrastructure during periods of peak visitation, the NLTRA should help develop and promote special events during "strike zone" areas of opportunity.
3. Events that generate local and regional exposure and public relations value are encouraged.

Final Event Report:

The following information must be submitted before grant funds can be released. Required report must be submitted to the office of the North Lake Tahoe Chamber/CVB/Resort Association. Please attach additional documentation and materials, as necessary. Although each event is unique, many measurements of success are standard. Your specific measurements of success will be clearly defined at your initial meeting with NLTRA staff.

Please attach your Profit & Loss report, itemized expenditures and receipts for reimbursable items



ATTACHMENT E

North Lake Tahoe Resort Association Placer County Reporting and Metrics Schedule

Monthly (commencing March 1, 2013): Provide a copy of Key Impact Metrics to County CEO Office to be distributed to Board of Supervisors and key department supervisors.

Quarterly (commencing February 15, 2013): February, May, August, November): Provide a listing of all Infrastructure and Transportation projects in progress within an Integrated Work Plan spread sheet, an updated cash flow projection for Infrastructure/Transportation projects, a reconciliation of funds held by county and a request for reimbursement of funds for expenses of prior quarter to County CEO Office; Quarterly Financial Statements.

Semi-Annually (November/May): Provide a report of the prior season marketing and promotion expenditures and metrics to County CEO Office to be distributed to Board of Supervisors (see format on following pages); Provide One-Sheets on enhanced transportation services to include North Lake Tahoe Express, Water Shuttle, Skier Shuttle, Night Rider.

Annually: Provide presentation to the Board of Supervisors on the strategic goals of the organization (October), marketing strategies (January/July), and Integrated Work Plan for Infrastructure and Transportation projects (May). Also provide Scope of Work aligned with strategic goals and metrics by April 30.

Avg. Amount of 1st Page Positions
Avg. Amount of 2nd Page Positions

Number of bookings
 Booked room nights
 Booked attendance
 Booked Room Revenue

Lost Business

Number of lost opportunities
 Lost room nights
 Lost attendance

Oct - March 13-14 Oct - March 12-13

Arrived Business

Number of bookings
 Number of booked room nights
 Number of booked attendees
 Booked attendees spending

Personnel productivity metrics

Number of leads-sales person A
 Number of bookings-sales person A
 Number of booked room nights- sales person A

Travel Trade/Sales

Total Travel Trade Spend

Oct - March 13-14 Oct - March 12-13

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Leisure Trade Shows

Number of trade shows attended
 Number of Coop shows

Number of Sales Missions (call center trainings)

Domestic
 International

Leisure Familiarization Tours (FAMs)

Number of Site Inspections

Wholesale Product Placements

Domestic Brochure Placement
 International Brochure Placement
 Number of NLTRA Pages with Domestic Suppliers
 Number of NLTRA Pages with International Suppliers
 Number of Properties Featured on Domestic Websites
 Number of Properties Featured on International Websites

Attachment F
Memorandum – Adopted by the NLTRA Board, February 2003

SITUATION

1. Both the County and NLTRA have agreed that a “marketing reserve” should be created. The objective is to eventually accumulate a fund representing 15% of the average annual marketing budget, over several years. Based on a \$2,290,217 budget, the 15% target is \$343,533.
2. The County has been clear that it does not intend to control the use of these funds, but will leave it to the discretion of NLTRA.

RECOMMENDATION

1. The Marketing Reserve will be treated as an “internal reserve” (as per the definition proposed in #7 below).
2. The NLTRA Tourism/Executive Directors may not expend these funds except with the formal approval of the NLTRA Board, preferably with preview and approval of both Finance and Marketing Committees.
3. The criteria for the appropriate use of these funds is when NLTRA and its member businesses are experiencing a distinct shortfall in tourism business, due to unusual, economic, market or weather conditions, that would benefit from extra marketing efforts.
4. Any request for such funds from staff, should include the rationale, a targeted result, and be followed with an assessment of the actual results achieved.
5. NLTRA Accounting will need to track and report these funds, in such as way as to segregate them from normal operating funds.
6. Any Reserved funds that are accumulated, will automatically be rolled over into subsequent year’s budgets and will accumulate without limit, until an amount is achieved equal to 15% of normal annual marketing budget.
7. Any funds depleted as a result of the above actions will be replenished, as soon as practical. The manner of replenishment will be:
 - A. First from any external or internal marketing carry forward, from previous years, then:
 - 1) As part of the normal budgeting process each year.
 - 2) Any replenishment of the marketing reserve, (once established) would come from the same mechanism that the county and NLTRA are using to guarantee a consistent marketing operating budget going forward.
8. Recommended definitions for funds:
 - County Services: NLTRA funds earmarked by the county, for a specific designated purpose, and not available to either NLTRA Board or staff.
 - Internal Reserve: NLTRA funds earmarked, either by the County or NLTRA, available for expenditure by the NLTRA board, but not staff.
 - Contingency: NLTRA funds, within a specific departmental budget, not earmarked for any specific purpose, and available to be spent at the discretion of the supervising Director.