

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 8/11/2015	(3) CONTACT/PHONE Nikki J. Schmidt 781-5496	
(4) SUBJECT Request to approve Amendment No. 2 to the Agreement for Services with Mental Marketing Inc. and TJA Advertising in the total amount of \$679,000 to provide marketing services on behalf of the San Luis Obispo County Tourism Business Improvement District (CBID) for FY 2015-16. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve Amendment No. 2 to the Agreement for Services with Mental Marketing Inc. and TJA Advertising in the total amount of \$679,000 to provide marketing services on behalf of the San Luis Obispo County Tourism Business Improvement District (CBID) for FY 2015-16.			
(6) FUNDING SOURCE(S) County Business Improvement District Assessment	(7) CURRENT YEAR FINANCIAL IMPACT \$679,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Guy Savage			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Nikki J. Schmidt, Administrative Office

DATE: 8/11/2015

SUBJECT: Request to approve Amendment No. 2 to the Agreement for Services with Mental Marketing Inc. and TJA Advertising in the total amount of \$679,000 to provide marketing services on behalf of the San Luis Obispo County Tourism Business Improvement District (CBID) for FY 2015-16. All Districts.

RECOMMENDATION

It is recommended that the Board approve Amendment No. 2 to the Agreement for Services with Mental Marketing Inc. and TJA Advertising in the total amount of \$679,000 to provide marketing services on behalf of the San Luis Obispo County Tourism Business Improvement District (CBID) for FY 2015-16.

DISCUSSION

On July 24, 2012, the Board approved the original agreement for services with Mental Marketing Inc. and TJA Advertising to provide marketing services on behalf of the CBID. Amendment No.1 extended the Agreement term to June 30, 2016. The CBID Advisory Board at their May 27, 2015 and June 24, 2015 meetings discussed and approved the FY 2015-16 marketing plan and budget as proposed by Mental Marketing and TJA Advertising. The FY 2015-16 plan will focus on:

- Evolving and clarifying the Highway 1 Discovery Route brand;
- Increasing overnight stays, length of stays and repeat stays;
- Creating marketing efficiencies and shared assets throughout the constituency

For specific details, please refer to the marketing plan and scope attached.

OTHER AGENCY INVOLVEMENT/IMPACT

The CBID Advisory Board recommends that Mental Marketing Inc. and TJA Advertising continue to provide marketing agency services to the CBID. Administrative Office staff provides support and acts as the liaison between the County and the CBID. County Counsel reviewed the amendment for form and legal effect.

FINANCIAL CONSIDERATIONS

The CBID is funded by a 2% assessment of the rent charged per occupied room per night from lodging businesses (hotels, motels, bed and breakfasts, and vacation rentals) within the CBID. The agreement with Mental Marketing Inc. and TJA Advertising will be funded completely out of those assessments and no County General Fund dollars will be used. During the term of this amendment, Mental Marketing Inc. and TJA Advertising will be paid a total of \$679,000 for FY 2015-16 to provide the services as outlined in marketing plan and scope of work attached as Exhibit A of the agreement.

RESULTS

As a facilitator of a requested program, the County has not established performance criteria beyond the legal contractual obligations to expend the funds for identified purposes. The onus is on the designated contractors that are selected by the

CBID Advisory to meet the expectations of the lodging business owners paying the assessment. Results for FY 2014-15, as well as the CBID 2014-15 yearend report, are included as part of this staff report. The CBID Advisory Board will continue to track the performance of Mental Marketing Inc. and TJA Advertising during the term of this amendment.

ATTACHMENTS

1. Amendment No. 2 to the Agreement for Services
2. Exhibit A - Scope of Work
3. 2014 CBID yearend report
4. Dashboard for January - December 2014
5. Dashboard for July 1, 2015 to June 30, 2015
6. CBID Minutes May 27, 2015
7. CBID Minutes 6-24-15