

TO: City Council
FROM: James L. App, City Manager
SUBJECT: Visitor Promotion Services
DATE: October 17, 2006



NEEDS: For the City Council to consider a one-year extension of the agreement with the Paso Robles Chamber of Commerce/Visitor & Conference Bureau for visitor promotion services.

- FACTS:**
1. The City's 2003 General Plan established a vision for Paso Robles as a place where one could "live, work, and shop." The community's Economic Development Strategy identifies strategies to achieve that vision.
 2. The Economic Development Strategy includes tourism promotion.
 3. To that end, the City seeks continued assistance from Paso Robles Chamber of Commerce/Visitor & Conference Bureau to promote local tourism.
 4. Paso Robles Chamber of Commerce/Visitor & Conference Bureau (VCB) has provided visitor promotion services to the City for a number of years.
 5. During the term of their service, tourism has increased.
 6. Payments to the Chamber/VCB have included \$218,300 plus an incentive payment of \$19,606 for FY 2006 services.
 7. The Council appointed an ad hoc committee, Gary Nemeth & Fred Strong, to review the agreement with the Chamber/VCB against the objectives of the 2006 Economic Strategy.
 8. The Council Committee has met with Chamber/VCB staff and Board representatives. A one-year extension of the agreement is recommended.

ANALYSIS &

CONCLUSION: Current and earlier agreements with the Chamber/Visitor & Conference Bureau have provided payment for visitor and tourism promotion services. The proposed agreement extension includes provisions to continue these same services. Given the City's long-standing and successful contract relationship with the Chamber/VCB, assurance of continued service is central to ongoing efforts to continually improve and enhance visitor promotion and services. To that end, the Council ad hoc committee recommends continuation of their efforts, increase and consolidation of their fee, and adoption of the one-year extension of the agreement.

Paso Robles
c h a m b e r o f c o m m e r c e
and
visitors & conference bureau

Exhibit A

September 28, 2006

RECEIVED
CITY MANAGER

OCT 02 2006

Mr. Jim App
City Manager
Paso Robles, CA. 93446

CITY OF PASO ROBLES

Dear Jim,

Thank you for your comments regarding our important contribution to the City's effort to promote tourism. We look at this relationship and contract as an integral part of our relationship with the City of Paso Robles.

We appreciate the recommendation from the City Council's ad hoc committee to extend our contract through June 30, 2007. We will continue to maximize those dollars to get the best return on investment for the City. As we have seen an increasing result of our tourism activity in the bed tax to the City's general fund, we hope that consideration in our next negotiations will reflect an incentive to the Chamber.

The long-term economic development of our community is certainly a high priority for the Chamber of Commerce and we look forward to continuing our discussions into the spring.

Sincerely,



Michael D. Gibson
President, Paso Robles Chamber of Commerce

cc Nancy Haupt, Chairman of the Board

AGREEMENT BETWEEN THE CITY OF PASO ROBLES AND THE PASO ROBLES
CHAMBER OF COMMERCE INC., FOR THE PROVISION OF TOURISM PROMOTION
SERVICES

THIS AGREEMENT, effective July 1, 2005, is made and entered into this 25 day of July 2005, by and between the City of Paso Robles, hereafter referred to as the "CITY", and the Paso Robles Chamber of Commerce, Inc., hereinafter referred to as "Chamber," through its Visitors and Conference Bureau, hereinafter referred to as the "VCB".

WHEREAS, the VCB has special knowledge and experience together with available facilities to provide tourism promotion necessary to enhance the economic vitality of Paso Robles; and

WHEREAS, the CITY desires to have the VCB provide these services in order to facilitate economic development throughout the City; and

WHEREAS, the VCB is willing to provide services hereinafter set forth on behalf of the CITY in the manner and for the purpose hereinafter provided.

The City of Paso Robles hereby enters into an agreement for tourism marketing services to be provided by the Paso Robles Chamber of Commerce via its Visitors and Conference Bureau.

1. VCB RESPONSIBILITIES. The VCB's efforts under this agreement shall include, but are not limited to:
 - a. Visitors and Conference Bureau Marketing
 - Maintain and enlarge Paso Robles' market share of the California tourism market
 - Coordinate individuals, organizations, agencies and other tourism-related resources in the community
 - Increase mid-week and off-season tourism
 - Build group and conference business
 - Educate the public as to the importance of tourism in the local economy
 - b. Visitors and Conference Bureau Promotions
 - Coordinate advertising efforts and media relations
 - Develop promotional materials
 - Participate in tourist promotion trade shows
 - Staff and operate 2 visitor centers (downtown and train station) and establish a visitor information center at the Paso Robles Airport
 - Provide marketing support for special events, Barney Schwartz Park, and attracting a new air show
 - Provide research to track visitors and related economic impacts
 - c. Local Event Promotion
 - Support local events sponsored by the Mid-State Fair, Paso Robles Main Street, and Paso Robles Vintners and Growers Association
 - Identify and maintain board liaison to the Main Street Board and invite same from Main Street to the Chamber of Commerce/Visitors and Conference Bureau Board

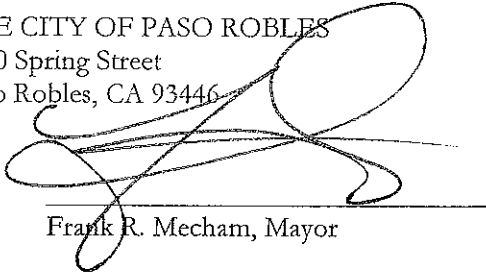
Exhibit C

7. **LIABILITY INSURANCE.** The Chamber and its VCB agrees to maintain in full force and effect during the term of the agreement public liability insurance in the sum of not less than Five Hundred Thousand Dollars (\$500,000) for death or injury of one or more persons in any one accident; property and products damage insurance in a sum of not less than Twenty-Five Thousand Dollars (\$25,000). All such insurance shall be carried with insurance companies satisfactory to the CITY and shall name the CITY, its officers, agents, and employees as additional insured. The Chamber and its VCB shall cause to be furnished to the CITY certificates of insurance stating that such insurance is in full force and effect; that the premiums thereon have been paid; and that the insurance carrier will give the CITY at least ten (10) days prior written notice of cancellation, termination or modification. The CITY is not liable for the payment of premiums or assessments on this policy.
8. **INDEPENDENT CONTRACTOR.** Notwithstanding any other representation, oral or written, between the parties, including any and all agents or representatives thereof, the Chamber and its VCB is at all times acting as a free and independent contractor, not as an agent of the CITY.
9. **REVERSION OF FUNDS AND PROPERTY.** During the term of this agreement should the VCB be dissolved, disbanded, or otherwise cease to function in a manner described in this agreement, all funds attributable to the CITY, and equipment purchased out of funds provided by the CITY, shall revert to ownership of the CITY. For the purpose of this provision, the VCB shall maintain a written record of, and include as part of each annual report, a listing of capital equipment that has been purchased with the funds provided by the CITY.
10. **TERM.** The term of this agreement shall be for a one-year period, expiring on June 30, 2006, unless terminated earlier in accordance with Section 11 below.
11. **NOTICE.** This agreement may be terminated in whole or in part at any time by either party hereto upon one year's written notice to the other as identified below, whereupon all rights and obligations of both parties hereto shall terminate, and the payments from the CITY to the Chamber hereunder shall be adjusted on a pro rata basis to the date of the termination.
12. **FULL AGREEMENT AND AMENDMENT.** This document represents the entire understanding between the parties and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may only be amended by a writing signed by both parties.

IN WITNESS WHEREOF, this agreement is hereby executed as of the day and year first hereinabove written.

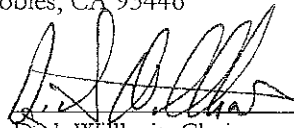
THE CITY OF PASO ROBLES
1000 Spring Street
Paso Robles, CA 93446

By

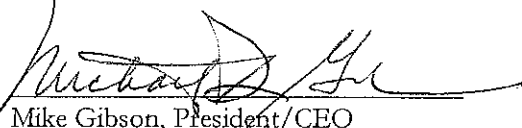

Frank R. Mecham, Mayor

PASO ROBLES CHAMBER OF COMMERCE, INC.
1225 Park Street
Paso Robles, CA 93446

By


Dick Willhoit, Chairman of the Board

By


Mike Gibson, President/CEO