



Still Finding Gold In El Dorado County

RECEIVED
BOARD OF SUPERVISORS
EL DORADO COUNTY
3:55 pm, Sep 14, 2010

September 13, 2010

El Dorado County Board of Supervisors
330 Fair Lane
Placerville, CA 95667

RE: Promotion Funds

The El Dorado County Chamber/ Visitor Authority/Film Commission, El Dorado Hills Chamber/California Welcome Center, Lake Tahoe South Shore Chamber, Lake Tahoe Visitor Authority and the El Dorado Arts Council are the organizations in El Dorado County that are responsible for promoting El Dorado as a tourism and visitor destination. These organizations have been successful in their efforts and have provided the County with an outstanding return on investment while facilitating countywide revenue generation.

In 2004 the Board of Supervisors made a commitment per the General Plan to dedicate the majority of the Hotel/Motel Tax dollars to promotions.

Reason for Recommendation:

The industries of Arts & Culture, Agri-Tourism, Film and Tourism are some of El Dorado County's strongest economic engines. In 2001 total travel spending in El Dorado County was \$723.8 million dollars, employing approximately 15,000 people.

*The goal of the Promotion Program is to create a self-sustaining, long-term **marketing and advertising** program for the County. On behalf of the Arts & Culture, Agri-Tourism, Film and Tourism industries, these guidelines encourage the use of innovative and comprehensive strategies developed and implemented by partnerships among private, public, and nonprofit entities throughout the County. Four key principles are recommended for these funds:*

- *Sustainable marketing of the County's tourism amenities,*
- *Promotion of County's culture and environment through the arts and film,*
- *Community-based partnerships that will leverage County revenues, thereby enhancing greater program outcomes; and*
- *Strategic vision for long-term promotional programming.*

The Visitors Authority, with representation from all county tourism sectors, provides a unique and successful approach to attracting visitors to El Dorado with identified outreach to target areas outside the county. The cooperation of the tourism/hospitality and agri-tourism industries is a model that is being copied throughout California and Nevada because of its proven track record of success. Unincorporated Transient Occupancy Tax receipts have increased by 39% and Direct Travel Spending has increased by 8.7% since the creation of the Visitors Authority in 2002. Total number of visitors, travel party size, and average length of stay has also increased. In addition the Visitors Authority has consistently reported a positive return on investment to El Dorado County. The first three quarters of the 2009/2010-budget year, the Visitors Authority has reported a \$34 return on each dollar El Dorado County has invested.

EL DORADO COUNTY CHAMBER OF COMMERCE

542 Main Street, Placerville, California 95667
(530) 621-5885 (800) 457-6279 Fax (530) 642-1624



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The El Dorado County Film Commission, formed 16 years ago, has proven to be one of the most successful revenue generating programs supported by the promotions program. Through an aggressive sales and marketing program, the film office attracts approximately 30 projects annually. Before the office was established, the annual number was one per year.

The office has been funded at approximately \$100 thousand per year and always returns at least \$1 million dollars to the community through employment, lodging (TOT), businesses and services. The county receives an annual return of more than ten times its initial investment.

In early 2010, the El Dorado Hills Chamber of Commerce began the work of creating and opening the California Welcome Center. California Welcome Centers are California's Official State Visitor Centers offering valuable information and services for today's traveler. The CWCs are here as your personal travel concierge to assist you in all aspects of your California trip.

Since it's opening in late May 2010, the California Welcome Center of El Dorado Hills has welcomed a total of 3,223 visitors through the end of August.

Local (includes State of CA)	1250
US	1622
International	351

Based on the formula developed by the CTTC, 3,223 guests generated \$88,595.00 in revenue resulting in their visit to the El Dorado Hills CWC.

It is well understood that Lake Tahoe is an asset that benefits all of El Dorado County, as visitors might otherwise not make the journey through our beautiful county. Approximately 60% of county TOT funds are directly accountable to the South Shore of Lake Tahoe without taking into account those visitors who stay on their way to or from and the sales tax generated at various restaurants, wineries, gas stations and convenience stores along the route. County promotional funds awarded to the Lake Tahoe South Shore Chamber of Commerce and their partner the Lake Tahoe Visitors Authority have been utilized to leverage other funding sources in order to promote tourism to our region. These funds have been used to create one-of-a-kind print materials and to enhance online marketing and social media efforts resulting in over 3 million impressions. Recently, efforts have also included an initiative to retain and expand existing businesses by building upon the National Geographic geo-tourism program whereby B2B purchasing relationships are being developed.

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The El Dorado Arts Council is the single organization with a countywide mission dedicated to arts development. Over the past six years, the organization has assumed the risk of producing high-profile arts events that draw thousands of visitors to the county. In late 2009, the Arts Council moved into a high-visibility address on historic Main Street, Placerville, giving physical presence to the county's creative sector. The move increased foot traffic more than 500%, membership donations increased 66%, artist participation increased 600%, art sales tripled, and arts programming on site went from zero to an average of five public offerings per month. This entrepreneurial spirit parallels the best of El Dorado County's small businesses and exemplifies the commercial and civic value of arts incubation. Established economic tools used to measure the impact of four El Dorado County **nonprofit** arts organizations and their audiences found that this small group generated \$1,600,000 in commerce last year; 46.2 FTE jobs in the county; and \$70,552 in *local government revenue*.

The travel and tourism industry represents \$1.3 trillion of the U.S. economy, supporting 8.2 million U.S. jobs and accounting for 8 percent of all U.S. exports. One out of every 16 Americans works, either directly or indirectly, in a travel and tourism related industry.

While we realize the current fiscal challenges the County is facing, it is important to recognize that the contracts awarded to these organizations are revenue generating. Tourism, Agri-tourism, Arts and Film are strong economic engines for El Dorado and without continued efforts in promotion and marketing the entire county will suffer. The tourism industry will see fewer visitors, generating fewer HMT dollars and fewer sales tax dollars. The consideration to eliminate this program would be short sighted. It would most certainly have a serious adverse affect on the industry that is keeping El Dorado going, with lost revenue and jobs to tourism related businesses.

We respectfully urge the Board of Supervisors to continue their commitment to the marketing and promotion of El Dorado County through the funding of the successful promotions program.

Sincerely,

Laurel Brent-Bumb, CEO
El Dorado County Chamber

On behalf of;

El Dorado County Chamber, El Dorado County Visitors Authority, El Dorado County Film Commission, El Dorado Hills Chamber, California Welcome Center of El Dorado Hills, Lake Tahoe South Shore Chamber, Lake Tahoe Visitors Authority, El Dorado County Arts Council

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