

TO: Thomas Frutchey, City Manager

FROM: Meg Williamson, Assistant City Manager

SUBJECT: Temporary Extension - Service Contracts for Tourism Services

DATE: June 7 2016

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NEEDS: For the City Council to consider a two-month extension of professional service contracts with Paso Robles Main Street, Chamber of Commerce, and the Paso Robles Wine Country Alliance for a variety of marketing and tourism-related services.

FACTS: 1. The City's adopted Marketing Plan includes the key elements of: a) Branding and Visitor attraction; b) Promotions/exposure that build on the platform of the Wine and Culinary industries; c) Hospitality and Visitor service support; and d) enhancement and promotion of the City's historic downtown core.

2. These marketing goals aim to expand the Paso Robles "brand" and attract additional visitors to Paso Robles who in turn spend money and contribute to the health of the local economy through hotel stays and patronizing local restaurants, wineries and retail establishments.

3. The City has historically maintained professional service contracts with local non-profit organizations whose missions align with the City's marketing strategy. These organizations and key services are as follows:

Paso Robles Main Street Association - to provide downtown promotion services that enhance the economic vitality of the City's historic downtown business area.

Paso Robles Chamber of Commerce - to operate a Visitor Center to fulfill the hospitality and visitor support aspect of the City's Marketing Plan.

Paso Robles Wine Country Alliance - to pursue public relations opportunities with third party writers (journalists and other media) who visit and publish travel related features/stories about Paso Robles.

4. These service contracts are each scheduled to expire June 30, 2016 unless extended. The extension process is underway.

5. Tourism and marketing efforts continue to evolve in Paso Robles. The Countywide Tourism Marketing District is now in place, there is new leadership at the Chamber of Commerce, and the Travel Paso Robles Alliance is looking for new ways to join forces with their tourism partners. With such changes in play, additional time for detailed negotiations would be prudent.
6. If the contracts are temporarily extended, each group would continue to provide uninterrupted tourism services as established by the scope of their current respective contracts.

#### ANALYSIS &

CONCLUSION: The City's tourism and marketing program has historically engaged supplementary (outsourced) assistance in achieving downtown promotions, public relations, and visitor support service goals. The need for assistance remains. However, as tourism efforts continue to evolve, it is crucial that the City thoroughly evaluate the scope of contract services in a coordinated fashion to ensure the greatest value for all parties.

To ensure enough time for negotiation discussions, it is recommended that the current contracts be extended for an additional two months, through August 31, 2016. Contract recommendations will be brought back to City Council prior to that date.

Each organization has been contacted and has welcomed the additional opportunity of time to discuss proposals for the extension of their respective contracts.

#### POLICY

REFERENCE: Economic Strategy; and 2007 Tourism Marketing Plan.

#### FISCAL

IMPACT: The fiscal impact of the current contracts for the two months of the extension is approximately \$21,000. As there is no intention of not renewing these contracts, however, this cost is already included in the proposed FY 2016-17 and FY 2017-18 budget, and is no higher than what will be the cost of the contracts, once renewed. There is no cost penalty for the extension, when compared with the anticipated renewal.

OPTIONS: For the City Council to:

- a) Approve the attached Resolution authorizing the City Manager to extend the professional service contracts for tourism related services with the Paso Robles Main Street, Chamber of Commerce,

and the Paso Robles Wine Country Alliance through August 31, 2016.

b. Amend, modify or reject above option.

Attachments:

- 1) Resolution authorizing two-month extension of tourism contracts

RESOLUTION NO. 16-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
AUTHORIZING THE CITY MANAGER TO EXTEND PROFESSIONAL SERVICE CONTRACTS  
WITH PASO ROBLES MAIN STREET, CHAMBER OF COMMERCE AND PASO ROBLES WINE  
ALLIANCE THROUGH AUGUST 31, 2016

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WHEREAS, the City's adopted Marketing Plan includes the key elements of: a) Hospitality Services and Visitor Event support; b) Branding and Visitor Website development; and c) Public Relations that build on the platform of the Wine and Culinary industries; and

WHEREAS, the City currently contracts with the Paso Robles Main Street, Paso Robles Chamber of Commerce and Paso Robles Wine Alliance for various marketing, visitor services, public relations and promotion activities per the City's Marketing Plan; and

WHEREAS, their current service contracts are scheduled to expire on June 30, 2016 and the contract extension process is underway with respective parties; and

WHEREAS, additional time for detailed negotiations would be prudent in light of evolving tourism efforts in Paso Robles and each organization has been contacted and has welcomed the additional opportunity of time to discuss proposals for the extension of their respective contracts; and

WHEREAS, during this two-month extension, each group will continue to provide uninterrupted tourism services as established by the scope of their current respective contracts.

THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles, that the City Manager is authorized to extend the professional service contracts for tourism related services with the Paso Robles Main Street, Chamber of Commerce, and the Paso Robles Wine Country Alliance through August 31, 2016 subject to their current terms, conditions, and payment schedules.

APPROVED by the City Council of the City of El Paso de Robles on the 7<sup>th</sup> day of June 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Steven W. Martin, Mayor

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Kristen L. Buxkemper, Deputy City Clerk