



## MEMORANDUM

**TO:** Arroyo Grande Tourism Business Improvement District Advisory Board (AGTBID)

**FROM:** Sheridan Bohlken, Recreation Services Director

**SUBJECT:** Review, Amend and Approve a Request for Proposals (RFP) for Marketing, Communications, Website Management, and Social Media Services and Identify an Ad-hoc Committee to Review Proposals

**DATE:** February 20, 2024

---

### **SUMMARY OF ACTION:**

Review, amend as appropriate, and approve a Request for Proposals (RFP) for marketing, communications, website management, and social media services and identify an Ad-hoc committee to review proposals and make recommendations to the Arroyo Grande Tourism Business Improvement District (AGTBID) Advisory Body.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

Based on the anticipated year-end results for 2023-24, the assessments expected to be collected total approximately \$309,000 for Fiscal Year 2023-24. As was the budget for the FY 2023-24, it is anticipated that the maximum amount for this agreement will be \$225,000.

### **RECOMMENDATION:**

1) Review, amend as needed, and approve an RFP for marketing, communication, website management, and social media services; and 2) Identify an Ad-hoc committee of no more than (2) two board members to meet and assist with reviewing proposals received and make a recommendation to the AGTBID Advisory Body.

### **BACKGROUND:**

In May 2013, the City Council adopted an Ordinance establishing the AGTBID. The AGTBID was formed under the Parking and Business Improvement Law of 1989, Sections 36500 et. seq. of the Streets and Highways Code and incorporated into the Arroyo Grande Municipal Code (AGMC) in Title 3, [Chapter 3.46](#). The purpose of forming the AGTBID was to provide revenue to defray the cost of services, activities, and programs promoting lodging businesses in the AGTBID through the promotion of scenic, recreational, cultural, and other attractions in the AGTBID as a tourist destination. An assessment is levied on all lodging businesses within the AGTBID boundaries and is based upon two percent of the rent charged by the operator per occupied room per night for all transient occupancies.

**Review, Amend and Approve a Request for Proposals (RFP) for Marketing, Communications, Website Management, and Social Media Services and Identify an Ad-hoc Committee to Review Proposals**

**February 20, 2024**

**Page 2**

The AGTBID budget allocates a certain amount of funding toward marketing activities, or the development of marketing activities. The City has contracted with a professional firm for print web, social media, and email marketing since the inception of the AGTBID.

In June of 2018, the Council approved an agreement with Verdin Marketing for tourism marketing services to provide a fresh perspective and innovative ideas given the needs of the Arroyo Grande's tourism market (Attachment 1). Since that time, a tourism website, rebranding of Visit Arroyo Grande, a monthly e-newsletter, advertising campaigns, a tourism strategic plan, and other marketing efforts have been developed and implemented. The term of the contract with Verdin Marketing will expire on June 30, 2024. The cost of the current contract is not to exceed \$225,000, the amount previously budgeted for tourism marketing services through the annual operating AGTBID budget.

**ANALYSIS OF ISSUES:**

The proposed RFP (Attachment 2) for tourism marketing services would be for a one-year period with the City's option to extend the agreement for a second and third year upon mutual consent of the parties. It is recommended that the AGTBID Advisory Board review the past RFP that has been used and make any modifications necessary to fit today's marketing needs to further promote Arroyo Grande as a tourism destination.

The proposed FY 2023-24 Budget uses a portion of fund balance to pay for the overall operating budget, it is possible that, in future years, the tourism marketing consultant services will be reduced to account for reductions in funding. Additionally, some tasks included in the proposals and approved budget will likely be completed and no longer necessitate the higher not-to-exceed amount. The consultant services agreement would include terms to address this possibility.

**ALTERNATIVES:**

The following alternatives have been provided for the AGTBID Advisory Board's consideration:

1. Review the most recent RFP and provide input on changes, updates, and amendments and select an Ad-hoc committee of (2) members to review proposals;
2. Keep the current RFP intact and issue accordingly and select an Ad-hoc committee of (2) members to review proposals; or
3. Provide other direction to staff.

**ADVANTAGES:**

Issuing an RFP for marketing services will allow the AGTBID to continue without pause. As the RFP will be issued sooner in the year than in the past, this will give the AGTBID Advisory Body the appropriate time necessary to select a marketing firm and recommend to City Council prior to the expiration of the current agreement on June 30, 2024.

**Review, Amend and Approve a Request for Proposals (RFP) for Marketing, Communications, Website Management, and Social Media Services and Identify an Ad-hoc Committee to Review Proposals**  
**February 20, 2024**  
**Page 3**

**DISADVANTAGES:**

No disadvantages with approving an RFP for marketing services or selecting an Ad-hoc committee to review proposals are known at this time.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Current Agreement with Verdin Marketing Ink Co. for Marketing Services
2. 2024 Draft RFP for Marketing Services