

**N A P A  
T O U R I S M  
I M P R O V E M E N T  
D I S T R I C T**

*Local Governing  
Committee*

**Reynaldo Zertuche**  
*Chairman*

**Sara Brooks**  
*Co-Chairman*

**Jamie Cherry**  
*Chair-Elect*

*Committee Members*

**(vacant)**  
**Craig Smith**  
**Michael Collins**  
**Robin Klingbeil**

**SPECIAL MEETING AGENDA**

Napa River Inn | 500 Main St, Napa, CA 94559  
Tuesday, March 27, 2018 | 10:00 a.m. – 11:00 a.m.

**Call to Order/ Introductions:**

**Public Comment:**

Public comment for all items on or not otherwise on the agenda.

**Action Items:**

1) Approval of Minutes.

The Committee will discuss and consider approval of the March 8, 2018 special meeting minutes.

2) Augustine Ideas Proposed Work Plan and Budget for FY 2018-2019.

The Committee will review Augustine Idea's proposed Work Plan and Budget and possibly act upon modifying and/or approving it.

3) Napa TID Work Plan and Budget for FY 2018-2019.

The Committee will review the proposed FY 2018-2019 Workplan and Budget and possibly act upon modifying and/or approving it.

4) Downtown Napa Association (DNA) Funding Request.

Craig Smith, Executive Director of the DNA will give a presentation on the DNA's request for funding the following events and activities in FY 2018-19:

- Ambassador Program: Request – Up to \$5,000
- Napa Live: inside and Out – Up to \$10,000
- Social Media Influencer Visits - Up to \$10,000

5) Operating Policy Amendment.

The Committee will discuss and possibly make modifications to their Operating Policy.

6) Set Next Meeting.

The Committee will determine whether to meet in April.

**Adjournment of Committee Meeting:**

THE AGENDA FOR THE ABOVE STATED MEETING WAS POSTED AT LOCATIONS FREELY ACCESSIBLE TO MEMBERS OF THE PUBLIC AT CITY OF NAPA CITY HALL, 955 SCHOOL STREET, AND AT THE COMMUNITY SERVICES BUILDING, 1600 FIRST STREET, NAPA, CA, 94559, ON **FRIDAY, MARCH 23, 2018.**

**PUBLIC COMMENT:** PUBLIC COMMENT PROVIDES AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO DIRECTLY ADDRESS THE COMMITTEE ON ITEMS OF INTEREST NOT OTHERWISE ON THE AGENDA. SPEAKERS WILL BE LIMITED TO THREE MINUTES AND WILL COMPLY WITH THE RULES OF ORDER FOR COMMITTEE MEETINGS. PLEASE TURN OFF CELL PHONES AND PAGERS.

**GOVERNING LAW:** NAPA TID LOCAL GOVERNING COMMITTEE CONDUCTS ALL MEETINGS IN ACCORDANCE WITH THE "RALPH M. BROWN ACT" (CALIFORNIA GOVERNMENT CODE SECTIONS 54950, ET SEQ.) AND PURSUANT TO THE CITY'S RULES OF ORDER FOR ESTABLISHED BOARDS, COMMISSIONS AND COMMITTEES (POLICY RESOLUTION 10).

**Napa TID Local Governing Committee Meeting Minutes**  
**March 8, 2018 – Special Meeting**  
**Archer Hotel (Patchett Salon) | 1230 1st St, Napa, CA 94559**

**Members Present:** Reynaldo Zertuche, Sara Brooks, Jamie Cherry, Robin Klingbeil, Craig Smith

**Members Absent:** Michael Collins

**Others in Attendance:** Shari Cooper, Robin Schabes, Stephanie Gaul, Evelyn Griffiths —City of Napa Economic Development  
Debbie Augustine, Lindsay Moore, Marta Ryan, and Claire Marcus—Augustine Agency  
Marc Lhormer, Brenda Lhormer—Napa Valley Film Festival  
Katrina Gregory, Pete Hangen –City of Napa Parks & Recreation Department  
Lisa Poppen, Visit Napa Valley

**Public Comment:**

None.

**Information Items:**

- 1) Napa Valley Film Festival (NVFF) Debrief Presentation.  
Brenda and Marc Lhormer made a presentation on the 2017 Napa Valley Film Festival. They ended their presentation with \$75,000 - \$100,000 request to the Committee to help the 2018 Film Festival.
- 2) Lighted Arts Festival Debrief Presentation.  
Katrina Gregory and Pete Hangen reviewed the 2017 Lighted Arts Festival. They also shared plans to improve the festival and expand it from 9 sites to 12 or 13 sites. Their request to the TID was \$100,000 to support a project \$280,000 total budget.
- 3) Monthly Update and Proposed Budget & Work Plan from Augustine Ideas.  
Augustine Ideas gave a presentation on their marketing activity and presented their proposed budget and work plan for the 2018-2019 fiscal year.
- 4) Revenue and Budget Report.  
Stephanie Gaul gave a report on the year-to-date revenue received and updated the Committee on the current budget.
- 5) 2018-2019 Fiscal Year Budget and Work Plan.  
Stephanie Gaul presented the newly proposed draft budget and work plan template for the fiscal year 2018-2019.
- 6) 2018-2019 Fiscal Year Potential Expenditures.  
The Committee reviewed possible funding items for FY 2018-2019 which included discussion about:
  - a) A “RAD District” mural art project (Vine Trail Organization, Shari Cooper summarized project);

**Napa TID Local Governing Committee Meeting Minutes  
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- b) Bridge Public Art Lighting Project in Downtown Napa (City, Shari Cooper summarized project);
- c) Further permanent improvements for the Napa Art Walk (City, Robin Klingbeil summarized project); and
- d) DoNapa Branding designed onto the Downtown Wayfinding Signage (Robin Klingbeil summarized project).

**Action Items:**

1) Approval of Minutes.

The Committee reviewed the January 2018 meeting minutes. Jamie Cherry motioned to approve, Reynaldo Zertuche seconded. The motion passed unanimously.

2) Budget Line Item: Funding Grants to Other Organizations.

The Committee discussed allocating funds from the line item “Funding Grants to Other Organizations” for the following events/activities:

- a) **2018 Lighted Art Festival** (City Parks & Recreation Dept.) \$100,000 contribution; Jamie Cherry motioned to approve, Craig Smith seconded. The motion passed unanimously.
- b) **2018 Napa Valley Film Festival** (a.k.a. Cinema Napa Valley) \$65,000 contribution based upon deliverables that would be detailed by Augustine Ideas. Sara Brooks motioned to approve, Reynaldo Zertuche seconded the motion. The motion passed unanimously.
- c) **Downtown Napa’s Public Art Bridge Lighting project – Artist Stipends** (City Planning Division) up to \$15,000. The Committee did not take any action on this item.
- d) **Downtown Ambassador Program** supplemental funding for salaries (Downtown Napa Association) \$15,000 contribution; Jamie Cherry motioned to approve, Sara Brooks seconded. The motion passed unanimously.

3) Banners.

Craig Smith and Robin Klingbeil reported on the research they had conducted for new DoNapa banners. They presented this information along with the option to take down the banners on June 30<sup>th</sup>, along with associated expenditures of up to \$5,000 to have the current DoNapa banners taken down on June 30<sup>th</sup> in conjunction with the PRIDE banner removal. Jamie Cherry motioned to approve and Craig Smith seconded. The motion passed unanimously.

**Adjournment.** With no further business, the meeting was adjourned at approximately 1:40 p.m.

### Napa TID Budget Outline: FY 18/19

Budget Line Item	Monthly Cost	Annual Cost
<b>Account Management &amp; Strategy</b>	\$4,000	\$48,000
<b>Content Marketing (PR/Social Media)</b>	\$6,500	\$78,000
<b>Digital Management, Strategy &amp; Optimization</b> Scope: Includes Display/SEM Management, SEO Management, CRM Management, eMarketing Management	\$4,500	\$54,000
<b>Culinary Crawls</b> (6 per year, \$3,500 per event) Scope: Coordinating, promoting, and hosting 6-bimonthly Culinary Crawls. Estimate includes F&B and promotional hard costs.	\$3,500/event	\$21,000
<b>BottleRock 2019 Awareness Campaign</b> Scope: Includes time and content management during festival, as well as event hard costs and social promotion. Budget requires two (2) festival passes be provided at no cost. A portion of the budget will be allocated to the cost of lodging for two (2) nights.		\$9,500
<b>Do Napa Video Series Campaign</b> Scope: Exact concept to be presented and approved by TID prior to project beginning. Estimate includes film crew and supporting hard costs, design, coordination and project time for the following deliverables: video post-production, sponsored social posts, and website content. Budget requires lodging be provided at no charge during shoot, as needed.		\$40,000
<b>Creative Production</b> Scope: Includes design of advertising creative included in paid media scope/budget, campaign landing pages, Culinary Crawl flyers as needed, branded social content as needed, and website design updates to support DoNapa.com refresh project.		\$66,650

<p><b>Social Influencer Campaign</b> Scope: Implement year-long social influencer campaign, hosting 1-2 influencers in-market per month. Lodging properties will provide compensated two-night stay accommodations. Costs include in-market activities and travel expenses which will be paid upon completion of the trip.</p>		\$30,000
<p><b>FAM Tour Coordination</b> Scope: Includes planning and coordination of one tour with 5-6 writers. Hard costs to be estimated separately and paid for by the Downtown Napa Association.</p>		\$9,000
<p><b>Paid Digital Media</b> Scope: Hard costs for paid social media (Facebook and Instagram with other tactics introduced as needed), paid search (including, but not limited to, weekly Google Adwords Search Management, Keyword Experiments, and Retargeting), and paid video advertising (including, but not limited to, ConnectedTV and similar platforms). All design work to be allocated to creative production budget.</p>		\$103,400
<p><b>Monthly eNewsletter</b> Scope: Includes creative design and management of email deployment/coordination for 1 email per month, distributed to DoNapa.com database.</p>	\$1,200	\$14,400
<p><b>Email Marketing Platform Fees (annual charge)</b></p>		\$1,300
<p><b>Website Refresh</b> Scope: Includes update to navigation, homepage, widgets, blog design, and filters; adding video and social content within page templates; optimizing high traffic page layouts; etc. Creative development to be allocated to creative production budget.</p>		\$8,000
<p><b>Content Delivery Network (CDN)</b> Scope: Hard Costs for implementing CDN to DoNapa.com website (one time charge)</p>		\$350
<p><b>Website Hosting Fee (annual charge)</b></p>		\$1,400

<p><b>Planning for FY19/20</b> Scope: Includes strategy, planning and development of work plan, timelines/budgets for the FY 19/20</p>		\$3,000
<b>SUBTOTAL:</b>		<b>\$488,000</b>
<p><b>Optional Responsive Marketing:</b> Scope and estimates to be outlined on a per project basis and approved by the TID prior to work beginning. Funds intended to support marketing opportunities, crisis management, etc.</p>		\$100,000

### FY 18/19 Paid Media Breakdown

Tactic	Fiscal Year Investment
Paid Social Media	\$30,000
Paid Search (SEM)	\$35,000
Video Advertising	\$24,000
Search Engine Optimization (SEO)	\$14,400
TOTAL	\$103,400

## Napa Tourism Improvement District (TID) Budget Fiscal Year 2017/2018

	<b>FY2017/2018</b>	<b>FY2017/2018</b>
	<b>Budget</b>	<b>Actuals through 3/20/18</b>
Beginning Unreserved Fund Balance	\$ 313,259	\$ 313,259
Beginning Reserved Fund Balance (per Contingency Reserve Fund Policy)	274,400	274,400
<b>Revenues</b>		
<i>TID Assessment</i>	908,000	414,314
<i>Interest Earnings</i>	2,500	5,768
<b>TOTAL REVENUE</b>	<b>910,500</b>	<b>420,082</b>
<b>Expenditures</b>		
<u>Administrative Support</u>		
<i>Salaries and Benefits</i>	34,840	27,898
<i>Banking Fees</i>	660	264
<i>General Overhead</i>	7,880	3,940
Subtotal Administrative Support	43,380	32,101
<u>Collateral Materials</u>		
<i>General Supplies</i>	30,000	-
<i>Other Purchased Services</i>	-	4,166
Subtotal Collateral Materials	30,000	4,166
<u>Advertising and Marketing</u>		
<i>Advertising</i>		
- Contract Marketing	408,938	334,607
- Other Paid Advertising	44,000	15,000
Subtotal Advertising and Marketing	452,938	349,607
<u>Funding Grants to Other Organizations</u>		
<i>Contributions/Donations</i>	15,000	
- Napa Valley Film Festival (November 2017)	50,000	50,000
- Lighted Art Festival (December 2017)	80,000	80,000
- Napa Live Inside and Out	15,000	
- ArtWalk Lighting Installation	10,000	
- Napa Valley Film Festival (November 2018)	65,000	
- Lighted Art Festival (December 2018/January 2019)	100,000	
- Downtown Ambassador	15,000	
Subtotal Funding Grants to Other Organizations	350,000	130,000
<u>Contingency</u>		
<i>Contingency</i>	254,402	-
Subtotal Contingency	254,402	-
<b>TOTAL OPERATING EXPENSES</b>	<b>1,130,720</b>	<b>515,874</b>
<b>Net Operating Position</b>	<b>(220,220)</b>	<b>(95,792)</b>
<i>Transfer to Reserves</i>	43,400	-
Ending Unreserved Fund Balance	49,639	217,467
Ending Reserved Fund Balance (per Contingency Reserve Fund Policy)	317,800	274,400



**Napa Tourism Improvement District (TID) Budget Fiscal Year 2018/2019**  
**DRAFT**

	<u>FY2018/2019</u>
	<u>Proposed</u>
	<u>Budget</u>
Estimated Beginning Unreserved Fund Balance	\$ 354,084
Estimated Beginning Reserved Fund Balance (per Contingency Reserve Fund Policy)	317,800
<b>Revenues</b>	
<i>TID Assessment</i>	1,046,000
<i>Interest Earnings</i>	2,500
<b>TOTAL REVENUE</b>	<b>1,048,500</b>
<b>Expenditures</b>	
<u>Administrative Support</u>	
<i>Salaries and Benefits</i>	36,640
<i>Banking Fees</i>	1,000
<i>General Overhead</i>	8,100
Subtotal Administrative Support	45,740
<u>Collateral Materials</u>	
<i>General Supplies</i>	15,000
<i>Other Purchased Services</i>	15,000
Subtotal Collateral Materials	30,000
<u>Advertising and Marketing</u>	
<i>Advertising</i>	
- Contract Marketing	588,000
- Other Paid Advertising	75,000
Subtotal Advertising and Marketing	663,000
<u>Funding Grants to Other Organizations</u>	
<i>Contributions/Donations</i>	375,000
Subtotal Funding Grants to Other Organizations	375,000
<b>TOTAL OPERATING EXPENSES</b>	<b>1,113,740</b>
<b><i>Net Operating Position</i></b>	<b><i>(65,240)</i></b>
<i>Transfer to Reserves</i>	200,000
Estimated Ending Unreserved Fund Balance	88,844
Estimated Ending Reserved Fund Balance (per Contingency Reserve Fund Policy)	517,800

Contingency Reserve Fund Policy states that the transfer to reserves will be adjusted based on the final net position of the prior year. The transfer to reserves in Fiscal Year 2018/2019 is proposed as a one time increase to the reserve.

\*The City and TID board shall have the authority to adjust budget allocations between the categories by no more than 20% of the category budget per year.