



Sitka VISIT

Annual Assembly Work Session

THE ¹ GREATER SITKA
chamber
OF COMMERCE

Presented by Greater Sitka Chamber of Commerce March 16, 2023

Sitka^{VISIT}

Sitka's Destination Marketing Organization

Destination marketing organization (DMO) is an organization that promotes a location as an attractive travel destination. DMOs primarily exist to provide information to leisure travelers and encourage event organizers to choose their location for meetings, conferences, and exhibitions.



Visitor Activities Enhancement Fund

The proceeds contained in the visitor activities enhancement fund may be appropriated by the assembly for any purpose related to the **enhancement of tourism and visitor-related activities** in the municipality, to include but not be limited to, contractual funding of a **convention and visitor's bureau**, **funding of travel of municipal officials to travel-related conventions and trade shows**, and **procurement of tourism-related advertising**.



Transient Lodging Tax Collections

Transient Lodging Tax
has recovered

FY22 - \$665,880

FY21 - \$407,024

FY19 - \$553,910.71



FY24 Funding Request

- Base \$300,000
- Supplemental \$376,000

Historical

- FY20 total request \$500,200, funded 500,200
 - FY21 total request \$500,200, funded 500,200
 - FY22 total request \$458,600, funded 458,600
 - FY23 total request \$575,000, funded 525,000
-
- With the growth seen in FY23, a robust visitor season planned for FY24 and return of the convention and meetings market the Visitor Enhancement Fund has seen a full recovery.
 - FY22 Ending balance \$164,617 carry forward

Visitor Industry Growth

Pandemic impacts continue

Sitka and Alaska as a whole has seen tremendous recovery of its visitor industry since the pandemic.



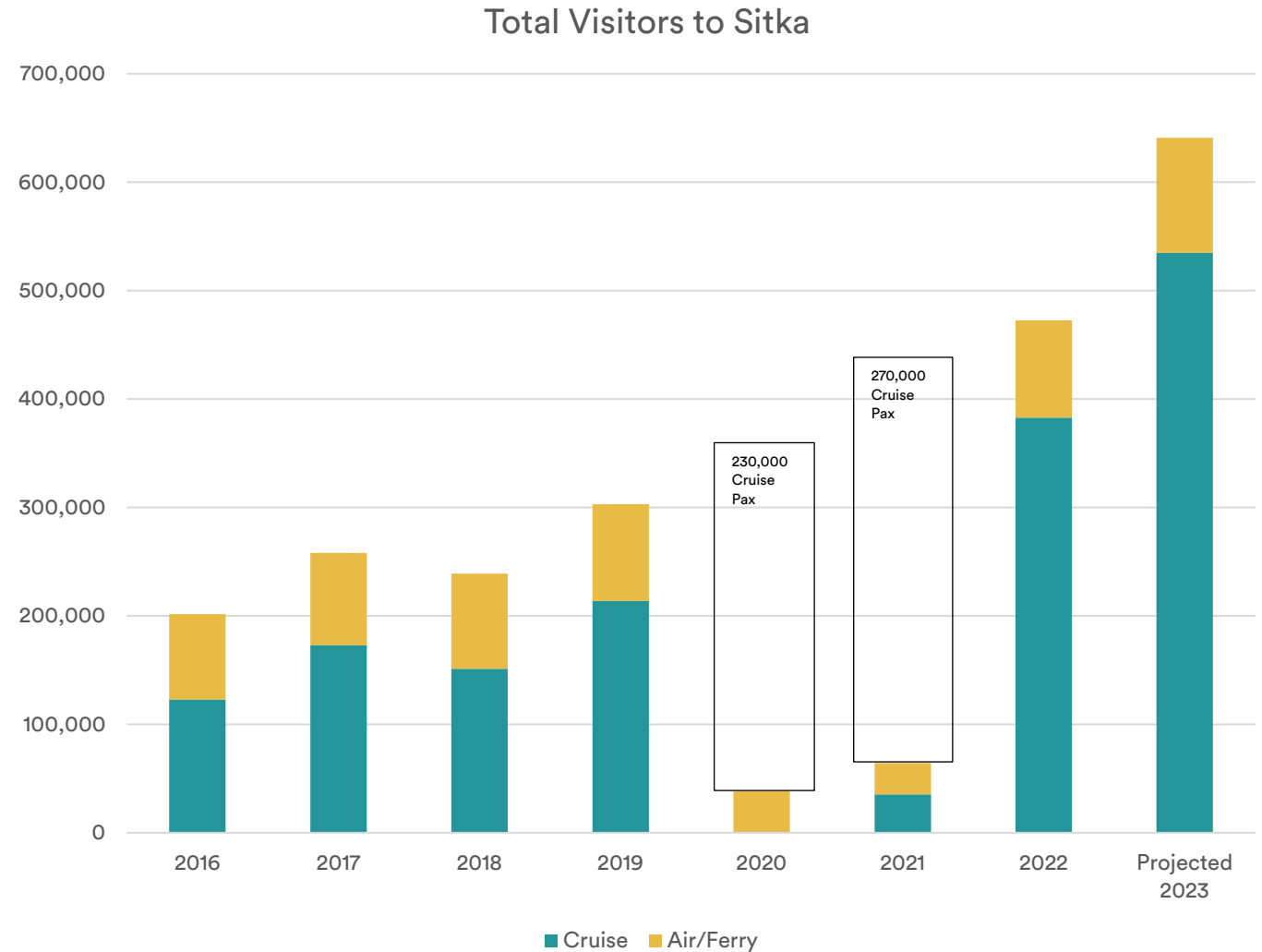
Visit Sitka Marketing Program Direct Impacts

- Increased costs
 - Printing and Paper
 - Airfare and travel expenses
 - Office and operations
- Workforce Challenges
 - Pay rate increases
 - Limited workforce to fill positions
 - Lack of housing for out-of-town recruitment



Cruise + Air/Ferry

- 90% of visitors to Southeast are cruisers, 8% arrive via air, & 2% arrive via ferry
- Upward trend in air passengers into Sitka since 2009. Sitka saw the highest air travelers in 2019 with 89,518 passengers. With the significant rise of visitors in 2023, we are projecting over 100,000 independent travelers to Sitka for the year.



2022 Highlights

- Sitka hosted the Alaska Travel Industry Association (500 attendees brought to Sitka)
- Sitka featured on Samantha Brown's "Places to Love" PBS travel show
- Roger Brooks brought to Sitka on bed tax funding for destination assessment
- Largest Visit Sitka Expo attendee turnout to date (~175 attendees)



2023 – Looking Ahead for Tourism

Visitor Marketing

- Consumer travel shows: LA, Denver, NYC, San Francisco
- ATIA Convention & Trade Show

Meetings & Conventions

- Hiring a staff member dedicated to the M&C market sales
- Website & collateral updates
- Pre-planning & onsite support services

Cruise & Yacht

- SeaTrade Cruise Global
- HAL consumer & travel agent shows



Printed Collateral

Attractions Map

- 82,000 distributed!
 - Up from 25,000 in 2019

Visitor Guide

- 20,000 distributed

NEW Trade Show Brochure

- Brand new collateral piece as of early 2023, designed to bring to trade shows to increase independent travel
- Fresh new illustrative design to capture visitors' eyes
- Estimated to distribute 2,500+ at trade shows per year



2023 – Looking Ahead for Media & Partnerships

Alaska Media Roadshow

- Face to face meeting with national media writers
- Up to 27 meetings in one day
- Opportunity to share Sitka story with highly qualified and vetted media



Kellee Set Go! Presents: Sitka, Alaska ...



Media Hosting

- Offer pre-trip planning support and onsite support for traveling media, travel writers and social media influencers
- Partner with Thompson & Co. to host national media influencers.



2023 – Looking Ahead for Meetings & Conventions

Heritage and Cultural Tourism Conference

April 11th – 13th

150 attendees

Southeast Conference

September 19th – 21st

325 attendees



©2022 Josh Knauer



2023 – Looking Ahead for Advertising

Digital

- Online ads
- Email marketing
- Updating website

Print

- Media to reach people ready to travel

Social Media

- Expanding FB & IG presence
- Grow TikTok & Pinterest
- Expanding blog library
- More "Take-overs"

Visitors Guide

- Continue growing the magazine format to tell more Sitka stories





Special Project

Sitka Destination Development

Planning and Scoping

Assessing the over 100 suggestions to create plans for implementing them in Sitka

Key areas include:

- Downtown beautification
- Visitor Information
- Developing an app for Sitka on-foot
- Assessing locations for public art





Special Project

Wayfinding Phase 2

Planning and Scoping

Assessing the over 100 suggestions to create plans for implementing them in Sitka

Key areas include:

- Research
- Public Meetings
- Engaging Stakeholders and property owners
- Pedestrian Wayfinding
 - Assess downtown business core
- Vehicular Wayfinding



Benefits of a vehicular wayfinding system

1. It creates a much **better** visitor **experience**
2. Visitors will **learn** what you have to offer and how to find it
3. It will **increase** visitor **spending**
4. It will keep visitors here **longer**
5. It will give them incentive to **come back** again
6. It will mitigate **traffic flow**



Special Project

Tourism Best Management Practices (TBMP)

Development & Implementation

Key areas include:

- Research
- Development of database for tracking community input and online submission forms
- Brand development and design
- Gathering Community input

2021 Tourism Best Management Practices



*Celebrating 25 Years
Making Tourism Work for Juneau
1997-2021*

downtown on Franklin/Front Street or on Shattuck Way unless transferring to a drop-off or pick-up destination in the immediate vicinity.

11. **FRANKLIN STREET:** Drivers who miss a loading space at the Alaska Steamship Wharf/Marine Park agree to use the roundabout intersection in front of the parking garage, turn around and return to the Steamship Wharf/Marine Park via a left turn into this staging area OR via Willoughby and Whittier Avenue. To avoid congestion, drivers agree not to use Franklin Street as a shortcut when returning to the Steamship Wharf.

12. **FRANKLIN/MAIN CORRIDOR:** As a phased in approach, operators of buses and mini-buses should avoid using Franklin Street north of the Red Dog for any tour activity. Companies that provide city tours that include the downtown core for 2021 may take a year to phase into compliance if absolutely necessary. Operators will minimize future congestion on Franklin Street through downtown and Main Street by not adding this routing to new tours or including in current tour descriptions.

13. **TRANSPORTATION OPERATORS** employing Driver-guides (those who drive vehicles and provide commentary simultaneously) will incorporate defensive driving and road environmental awareness into their training program curriculum in an effort to reduce any potential safety risks associated with this practice. Driver-guides will be encouraged to refrain from delivering tour commentary while transiting areas of increased congestion such as downtown loading areas and portions of South Franklin Street that may be congested during periods of the day.

14. **VEHICLE FLUIDS AND EMISSIONS:** Drivers of ALL VEHICLES agree to monitor any engine oil and/or fluid leaks and excess emissions when operating throughout the Juneau road system. This includes monitoring at all staging/loading zones and docks downtown, as well as venues such as, but not limited to the State Museum, Mendenhall Glacier, Statter Harbor, Mayor Bill Overstreet (Whale) Park, Brotherhood Bridge Photo Lookout, Homestead Park on Douglas Island, Shrine of St. Therese, and Juneau International Airport. Should any vehicle exhibit a leak of a substantial nature or visible emissions in excess, the operator should be prepared to immediately pull the vehicle from service until repaired.

15. **ENGINE IDLING:** Drivers of ALL VEHICLES agree to turn engines off at every reasonable opportunity when loading and unloading passengers and/or when staging in the various loading zones, staging areas and tour venues throughout the CBJ. This includes all passenger and crew shuttle operations and "quick drop-offs" accomplished at Marine Park and the Columbia (Tram) Lot. Vehicles should not sit with engines idling while actively loading, unloading, or waiting for passengers to arrive. Engines should be started only when the vehicle is ready to move, and thereafter, only when the vehicle is in motion or in traffic. Note that the State Museum, Juneau Ranger District, and all downtown docks require companies to turn off engines at these facilities as part of a company's permit to operate.

16. **TRANSITING RESIDENTIAL STREETS:** Drivers agree to avoid transiting residential streets within the City and Borough of Juneau unless conducting a specific pick-up or drop-off in the immediate vicinity. This includes, but is not limited to 1st Street in Douglas and Riverside Drive in the valley.

17. **WEST JUNEAU:** All drivers should avoid conducting tours on Blueberry Hill and Pioneer Avenue. This includes taxi companies.

18. **LEFT TURNS:** Drivers of motorcoaches and full size buses departing the Seadrome Building and Goldbelt Hotel agree not to make left turns onto Egan Drive.
When traveling northbound on Marine Way, and attempting to make a legal left turn into the Alaska Steamship Wharf loading/unloading zone (Marine Park Plaza), drivers of all vehicles



Special Project

Southeast Conference Community Reception

This event showcases Sitka to the over 325 attendees of the conference. The reception includes a unique local venue, entertainment, and refreshments.





Annual Assembly Work Session



Rachel Roy, Executive Director, director@sitkachamber.com

Laurie Booyse, Director of Visit Sitka, tourism@visitsitka.org



Annual Workplan & Budget Request

FY24

March 16, 2023

PRESENTED BY THE GREATER SITKA CHAMBER OF COMMERCE
104 Lake Street, Sitka, Ak 99835

Introduction

The Greater Sitka Chamber of Commerce is currently in contract with the City of Sitka to provide Convention & Visitor Services. The initial contract began Oct. 2015; current contract began Jan. 1, 2019, and we are in our first of five one-year renewals. The Sitka Chamber as Visit Sitka has prepared the 3-year Strategic Marketing Plan 2022-2024 and Annual Marketing Workplan FY24 for the Assembly in a work-session on March 16, 2023.

Exhibit B CVS Contract: "The annual contract amount shall be a minimum of \$300,000. Annual budget to be determined by the Sitka Assembly following an annual work session, with first payment in next fiscal year. If the contribution is increased by Assembly action, the annual contract amount will be adjusted accordingly. The Contractor is encouraged to request additional funding for specific projects above and beyond those included in this contract, pursuant to approval by the Assembly."

The Sitka Chamber has prepared a base budget and supplemental budget based on the needs of the marketing program to match previous years' service levels and continue to grow the independent visitor industry in Sitka. The supplemental budget is for the FY24 full fiscal year. Examples of investments have been detailed in the following narratives.

Highlights

In 2021 tourism accounted for 15% of SE AK's jobs, and in non-pandemic years tourists spent \$800 million in Alaska.

Sitka is anticipating the largest number of cruise ship passengers we have seen to date, with an estimated lower berth count of all ships to be 527,000.

Sitka's market share for cruise in 2022 was 25% with 383,000 of the 1.5M total cruise passengers.

90% of visitors to Southeast are cruisers, 8% arrive via air, & 2% arrive via ferry.

Sitka was selected to host the 2023 Southeast Conference annual meeting in September.

Transient Lodging Tax collected had a large rebound in FY22- \$665,800 up from \$407,024 for FY21. With the growth in FY22 with a robust summer season and return of the convention market the fund has seen a full recovery post pandemic.

FY24-Q1-Q4

Base \$300,000 Supplemental \$376,180

FY23 request \$575,000 | funding level \$525,000
FY22 request \$458,600 | funding level \$458,600
FY21 request \$500,200 | funding level \$500,200
FY20 funding level \$500,200 | \$500,200

Promotion

Tourism

- Travel and Adventure Shows x 4
- Southeast Conference
- Alaska Travel Industry Association Annual Convention & Trade Show
- Alaska Fellow Program & development of Tourism Task Force

It is important to continue marketing Sitka as a destination for fully independent travelers, sports fishers, international & domestic tour operators, airlines, other travel, friends, and family. Attendance at consumer travel shows continues to be a great way to increase consumer awareness of Sitka's uniqueness as a destination. Visit Sitka will attend at least four direct to consumer shows, focusing on locations with easy flight access to Sitka, including the Los Angeles, Chicago, New York City and one additional Adventure & Travel Shows. Attendance at a travel-tradeshows reaches ready-to-buy travelers for leisure and destination fishing, increasing overnight stays in Sitka. Travel agents/travel trade also attend these events and are eager for information about Sitka to sell to their clients.

Visit Sitka's participation in the Alaska Travel Industry Association annual conference gives the team access to hundreds of travel industry professionals, advocates, and vendors for Alaska's Tourism Industry. Networking with other Alaska tourism professionals creates a strong network of advocates for Sitka for referrals. Attending both meetings at Southeast Conference is an important tool for keeping abreast of economic issues in southeast Alaska and develops important partnerships for economic growth in Sitka and across the region.

In anticipation of the creation of the Sitka Tourism Task Force, Visit Sitka will be recruiting for a fellow through the Alaska Fellows Program to focus on tourism and community development. See below for more details.

Meetings & Conventions

- Southeast Conference
- Flash drives for toolkit, printed guide
- Branded Collateral & website updates

Relationship building and face-to-face interactions with decisionmakers is essential to building our Meeting & Convention business in Sitka. Visit Sitka has identified incentive travel and C-suite retreats as the best fit for Sitka's strengths and location along with in-state trade, government, and school travel. Projects to complement this strategy include advertising to business-to-business (B2B) meeting planners, maintaining a meeting planners are of the website to offer information and tools for planners.

Promotional items are especially important for our emphasis on enhancing visitor experience and taking advantage of word-of-mouth marketing which research still shows is the number one driver of travel. Event groups are supplied items to support their meetings including pens, note pads, maps and staff support to create successful events.

In fall of 2023 Southeast Conference (SEC) will be holding their annual meeting in Sitka at Harrigan Centennial Hall. Visit Sitka is already working with SEC staff in planning the event. During the event Visit Sitka staff will support SEC with their event needs including set-up, recruiting volunteers, and on-site activities. Included in hosting SEC is a community sponsored reception (special project). This event gives Sitka the opportunity to sponsor an important networking event as well as showcase the community to the attendees.

Cruise/Yacht

- 2024 Seatrade Cruise Global
- 480K passengers (total lower berth count)
- HAL Alaska in Seattle & Vancouver

Creating and supporting relationships with cruise line partners is key to maintaining cruise market share. With the vast distance between the cruise company home offices and Alaska it is key to attend events that give face to face contact with cruise line executives, and those who support and sell cruises. There are three key opportunities for 2024. At Seatrade Cruise Global in Miami, Florida, Visit Sitka attendees will schedule meetings with the marketing and shore excursion teams of cruise lines that call in Sitka. The goal of these meetings is to work with the staff professionals who create the content about Sitka, and who promote and sell Sitka excursions. Visit Sitka will assure that the information and expectations created by the cruise lines will be accurate and appropriately reflect Sitka as a community. A premium registration gives Visit Sitka access to network with the more than 70 cruise lines and 11,000 professionals who are anticipated to attend the cruise industry's premier promotion and networking event, and give staff one-on-one access to important cruise industry members.

At the Holland America Line Alaska Cruise & Travel Show in Seattle and Vancouver, Visit Sitka connects with the “triangle” of cruise line executives, cruise sellers and consumers. These two consumer shows encourage residents of the Pacific Northwest to vacation in their own “backyard” and cruise from these home ports. Visit Sitka attends to educate potential visitors about the specific ships that call on Sitka. Research shows that a large number of visitors who cruise SE Alaska return as independent travelers, and Visit Sitka also wants to encourage return visits.

Visit Sitka will continue to increase engagement with the yacht market including a membership with the US Superyacht Association. Visit Sitka will create a welcome packet to be distributed through the Yacht Services of Alaska and the Sitka Harbormasters office, and actively supply service information to encourage yacht staff to shop for their needs in Sitka.

Media & Partnerships

- Alaska Media Roadshow
- Media Hosting

Media outreach & Public Relations amplifies our message beyond our own fiscal constraints. Partnerships with media help us maintain control over the message of Sitka especially specific issues including ferry services, air travel, etc. Media relationships are built over time, so it is important to keep the message of Sitka in front of as many media outlets as possible. To accomplish this Visit Sitka will represent Sitka at the Alaska Media Roadshow at Las Vegas. The Roadshow is a day of face-to-face meetings with the most influential travel media in the United States to increase editorial coverage of Sitka. Visit Sitka also hosts visiting travel writers in Sitka throughout the year. Last year Visit Sitka hosted 5 journalists, which included hotel nights, guided tours, meals in local restaurants and logistical support. Many more media members were supported via telephone and email. Visit Sitka will continue to open its doors to all media and journalists to continue the message of Sitka as a unique destination.

Advertising

Digital

Digital marketing spans content creation, social media marketing (video & image creation, paid promotion, and ads) including online advertising with search & display ads plus email marketing. Precise targeting of sponsored content on the web gives Visit Sitka the ability to quickly respond to changes in market conditions and other data. This will also give us access to the mobile phone market where a multitude of leisure travelers continue to use their mobile phones to plan their adventures. 96% of leisure travelers own or still regularly use a mobile phone and the use of mobile phones in trip planning before leaving home has become consumers preferred method of research.

Print

In general print vs. digital is a more expensive buy and we plan to focus on partners who can help reach audiences that are ready to travel and in planning stages. Print presents ROI challenges, as it is often difficult to track the audience. Though print can have a long shelf life depending on the publication. Visit Sitka will continue to search out the best publications for our potential visitors and ensure that those ad buys also include a strong digital component. For trip planning we will continue to advertise in The Milepost and The Alaska Map.

Social Media

With 1.3 BILLION photos and videos shared every day on just Instagram we continue to see the tremendous growth in this segment. Social media allows us to continue to reach new audiences, improve customer service with real-time feedback, gain market share and increase brand

awareness for relatively low cost compared to traditional outlets. It also establishes Visit Sitka as the expert for both visitors and partners. Social media marketing includes video & image creation, paid promotion and ads and platform management. For increased engagement Visit Sitka will create a more programming including producing Instagram stories, short-form video, instructional videos- to enhance visitor experience, enhanced Pinterest boards, expansion on TikTok and “Insta-takeovers” with partners to share messages and audiences.



Current social media “wins”:

Instagram followers – 13,616

Facebook followers – 67,664

On 1/24/23 Visit Sitka posts went viral. The Facebook post had over 20k+ reactions and a reach of 428k+!

Branded Content

Branded content is content that does not involve traditional advertising. It can include articles, videos, podcasts, and even live elements that bring relevant value to the consumer. It is not advertising in the way most people think of advertising (commercials, banner ads, social media ads, etc....). Branded content can work better than traditional advertising because it feels organic and authentic rather than ads that are in our face. When a consumer watch branded content, their brand recall is up to 59% higher than it is with display ads. Visit Sitka will continue to connect with media influencers to share the message of Sitka through non-traditional channels. Here are two examples of this type of messaging:



Fly Brother Instagram Live



Valerie & Valise YouTube Live

Visit Sitka continues to need development support for branded collateral due to the recent investment in a new website and expansion into social media. Sitka needs the “message” of our community to be consistent. This includes expanding our video library and updating walking and hiking maps.

Branded Collateral/Infrastructure

Infrastructure projects help visitors and locals find the resources they need to fully experience Sitka. To continue to give excellent service Visit Sitka will maintain visitor information locations, and update signage, and to encourage visitation to local eateries with menu stands in high traffic areas. With the significant increase in visitors, additional branded collateral including larger quantities of attractions maps, hiking guides and downtown pocket guides will be needed. With the increase in visitors to Sitka, Visit Sitka reprinted the local attractions maps four times in the summer of 2022 with a total print of 82,000 copies. The local pocket guide and hiking guides were so popular that they were also reprinted in mid-summer. These necessary re-prints more than doubled the print budgets for these maps.

Visitors' Guide

2023-24 Magazine-style Visitors' Guide circulation will be 20,000 printed guides and will feature branded editorial content featuring full-page visuals and content segmented to reflect the interests of the high potential target audiences. This is the premier piece of collateral that assists with decision making for visiting Sitka and making local activity decisions. Visit Sitka is proud that our magazine design layout has inspired other DMO's across the state, and each year we receive compliments on our layout, stories, and content. In 2022 Element Agency, our partner in creating the guide, was awarded best in category and a gold award for our publication at the American Institute of Graphic Arts (AIGA) Big One design awards.

Visit Sitka sends a small percentage of magazines to visitor centers across the state, to increase awareness and interest in Sitka. These magazines will be directly shipped from the printer to save on shipping costs. The interactive digital, on-line version includes video inserts, scrolling photo galleries and direct to website links. With most of the magazines being shipped directly to consumers, and increased postage rates, we anticipate a significant increase in shipping costs.

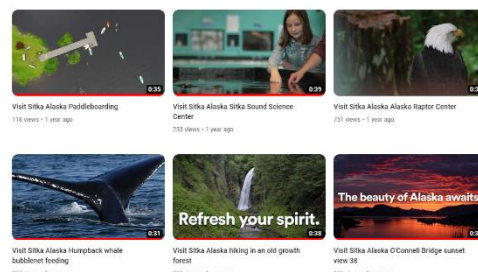
VisitSitka.org Website

Website Development

Visit Sitka engages visitors to inspire their travel choices and one of our most important platforms to accomplish this is our website. Destination Marketing Organization websites are trusted and value resources for travel planning. In 2022 Visitsitka.org had over 116,400 visitors with over 357,700 page views. To keep our website "live" and relevant for visitors, locals and search engines, fresh content and updating is critical. Frequently added content such as a blog, images, updated vendor descriptions or article postings mean more engagement, better rankings, lower bounce rate.

Continuing to supply website users with valuable content, projects include to building out a yacht services section, creating a travel trade section with a tools and resources to better sell Sitka, creating digital niche guides for specialty travel groups, expanding the Sitka blog, and updating our tourism business images with professional or targeted photography. We continue

to develop fresh content from professionals and through our annual photo contest. We are also developing more video assets to be used for social media, and promotions as well as being available on our YouTube channel and displayed at the Sitka airport baggage claim.



Website Maintenance

For the website to maintain functionality it is necessary to invest in maintenance which includes software updates and bug fixes, security scans, minor modifications, and maintaining overall site health. Included in this cost are annual costs such as domain hosting, database support, and online support services.

Tourism Business Training & Events

Visit Sitka is dedicated to not only the visitor experience but enhancing the overall tourism experience in Sitka. To reach this goal Visit Sitka continues to develop training and experiential events for locals and tourism businesses. This includes the Sitka Summer Expo, where locals are encouraged to learn about Sitka's tourism industry: Alaska Host trainings, visitor industry meetings and a monthly Visit Sitka monthly informational newsletter.

Special Projects

Sitka Destination Development Planning & Scoping

FY24: \$10,000

In 2022, Roger Brooks from completed a destination assessment for Sitka presenting us with suggestions to help improve experiences in the community. As a special project, Visit Sitka will work through the suggestions and create a plan for implantation keeping in mind the timeline and associated costs for each of the tracks of projects. Tracks include downtown beautification, visitor information distribution - grab and go locations, airport visitor information, application for getting around Sitka on-foot, and assessing locations for public art. The assessment worked to answer the question: "What can we do locally to become a stronger more successful destination for investment, as a place to live, and that will attract increased visitor spending?" This phase of the project will take it to the next step by assessing the feasibility of the recommendations and creating a plan for next steps. The full destination assessment can be viewed [here](#).

Wayfinding Phase 2

FY24: \$10,000

Planning & Scoping

In 2015-17, Sitka's Branding and Wayfinding programs were implemented which included the framework for the initial Visit Sitka brand, 36 wayfinding signs and one kiosk. During the planning process, the scope of the project was limited to the downtown core communicating with pedestrians walking distances to key points of interest and information. The destination assessment and community feedback has brought forward need for additional signs and scope to the pedestrian wayfinding as well as the need for vehicular wayfinding. Vehicular wayfinding not only will serve summer visitors but also help business travelers and new residents. This initial special project will be planning and scoping for Sitka's wayfinding needs. Activities will include research, public meetings, and meetings with property owners and stakeholders.

Tourism Best Management Practices (TBMP)

FY24: \$20,000

Development and Implementation

Tourism Best Management Practices is an industry driven program developed over 25 years ago in Juneau to minimize the impacts to the community made by large scale tourism activities. The program's framework has been shared and communities are encouraged to implement programs to allow the industry to hear and respond to the concerns of the local community.

Components of planning will be research, development of database for tracking community input, online submission forms, phone system for telephonic feedback, brand development and design. There will be opportunities for community input prior to the establishment of the first set of best practices and outreach to tourism industry businesses to get buy in and commitment to the program. Monitoring of the input and communication to businesses will ensure that concerns are relayed throughout the season and an end of season meeting will be held to discuss need for additional best practices to be implemented the following visitor season.

Southeast Conference Community Reception

FY24: \$5,000

As part of the commitment to host the Southeast Conference annual meeting, the host community must offer a community reception for attendees. This event showcases Sitka to the over 325 attendees of the conference. The reception includes a unique local venue, entertainment, and refreshments. Visit Sitka will be planning and hosting this important event and encourage the Assembly and key industry leaders to attend and engage with the conference attendees.

FY24 Visit Sitka Comprehensive Budget

	Total Budget Required for program	Base Contract	Supplemental Budget
Revenue			
Contract Revenue	\$575,000	\$300,000	\$365,680
(FY23 525,000FY22 458,600, FY21 500,200)			
Revenue Total	\$575,000	\$300,000	\$365,680
Operating Expenses			
Personnel	\$270,100	\$220,100	\$50,000
Market/Industry Promotion	\$46,400	-	\$46,400
Occupancy	\$42,650	\$39,900	\$2,750
Advertising	\$53,875		\$53,875
Website, internet services	\$34,610	\$10,000	\$24,610
Promotion	\$19,655	-	\$19,655
Contracted Services	\$77,600	-	\$77,600
Supplies, Printing & Postage	\$59,290	\$30,000	\$29,290
Professional Development	\$5,000	-	\$5,000
Media & Public Relations	\$11,500	-	\$11,500
Special Project: TBMP	\$20,000	-	\$20,000
SP: Destination Development	\$10,000	-	\$10,000
SP: Wayfinding P.2	\$10,000	-	\$10,000
SP: SE Conf. Comm. Reception	\$5,000	-	\$5,000
Operating Expenses	\$665,680	\$300,000	\$365,680
Revenue	\$665,680	\$300,000	\$365,680
Expense	\$665,680	\$300,000	\$365,680
Profit (Loss)	\$0	\$0	\$0
Total Profit (Loss)	\$0		

Visit Sitka Unrestricted Revenue \$112,500



Convention & Visitor Services Contract

Scope of Service

The Greater Sitka Chamber of Commerce (SCVB) will be responsible for providing all Convention and Visitor Bureau services for the municipality. SCVB's work under this contract will market and sell Sitka as a premier business and leisure destination, enriching Sitka's hospitality industry and the community's overall quality of life.

Current Contract period January 1, 2022 – December 31, 2022

Below report covers the period of January 1, 2022-July 15, 2022. View the below report and appendices for the contract period of January 1, 2019-December 31, 2021

[Scope of Service Report 2019-2021](#)

Appendix A [Promotional Samples](#)

Appendix B [COVID Safe Travel Grant](#)

Appendix C [Media Hosting](#)

Appendix D [Visitor Data and Metrics](#)

Appendix E [3-Year Strategic Marketing Plan](#)

Marketing and Promotion

a) Develop and implement 3-year plan

The Greater Sitka Chamber of Commerce, operating as Visit Sitka (VS) has developed and maintained a 3-year strategic marketing plan since the inception of the contract. The plan is created based on research on Sitka's current visitor audience and trending new audience potentials. The plan is developed by staff with the input from industry stakeholders at regular meetings of the Convention and Visitor Services Committee. This plan and its previous versions were presented to the Assembly during the annual public work sessions.

b) Tourism collaboration

VS maintains active membership in multiple tourism related entities including Alaska Travel Industry Association, Southeast Conference, Southeast Alaska Tourism Council, The Alaska Outdoor Alliance, The Foraker Group, Destination Development Association, and US Superyacht Association. VS staff regularly attend conventions, conferences and workshops that are not only educational but also offer the opportunity to network and collaborate with industry leaders, some of these events include the ATIA annual convention, Southeast Conference annual meeting and mid-session summit, and the annual Seatrade Cruise Global. VS regularly communicates with staff from destination marketing associations (DMOs) from across Alaska and the Pacific Northwest to collaborate on projects and stay informed on industry information and trends. When projects require the input from specialists, the VS staff reaches out

for support.

c) *Annual visitors guide & advertising*

VS publishes a new annual visitors guide in late winter of each year. VS has had great success and positive feedback with this format. This style allows VS to share Sitka's "stories" in a format that is engaging while being informational. The magazine shares the unique aspects of the community that are of interest to visitors. The printed visitors guide can be requested by a simple form on visitsitka.org and is distributed by a fulfillment company in Portland, Oregon. Printed copies are also available across the state at local DMO visitor centers, and on the Alaska Marine Highway Ferry System. Locally the guide is available at the Visit Sitka Visitor Information Center, Sitka Airport, Alaska Seaplanes, Westmark Hotel, Sitka Hotel, Aspen Suites Sitka, Super 8 Hotel, Totem Square Inn and Marina, LFS and AC Lakeside, as well as in B&B's, lodges, resorts and short-term rentals.

VS carefully considers all advertising placements and promotional decisions based on reaching existing visitor markets with high growth potential, as well as high-potential niche travelers searching for the experience offered by Sitka. VS has identified three key target audiences: cruise ship visitors, meetings and convention attendees, and niche travelers. Niche travelers can be broken down to subgroups of urban escapees, art and culture buffs, adventure explorers, outdoor enthusiasts, and luxury explorers. Customer journeys hold five key steps: dreaming/inspiration, planning, booking, experiencing, and sharing. VS develops strategies for each target audience at each these stages. To accomplish this the staff chooses a wide variety of projects, events, and promotion strategies the reach the target audience at their unique place in the customer journey.

Dreaming/inspiration – most advertising is developed to reach visitors in this stage. This stage of promotion includes all forms of promotion: print ads, sponsored content, digital advertising, trade show attendance, virtual trainings, email and postal mail campaigns, printed collateral and more. At this stage VS works to bring Sitka to the forefront of the visitor's attention and help them choose Sitka over other destinations. This also includes reaching travel planners such as travel agents, cruise line booking offices and meeting/group planners. This stage can be as short as days to as long as years before the visitor moves to the planning stage. For this stage VS engages visitors in various formats, which includes printed advertising, digital advertising, as well as face to face marketing in-person. VS chooses in-person events to maximize impact. During this contract period VS staff attended in-person the Travel & Adventure consumer show in Los Angeles, Denver and the San Francisco bay area, as well as the American Society of Travel Agents global conference. For samples of VS inspiration promotion see Appendix A.

Planning – in this stage visitors have chosen Alaska but may not have chosen their form of transportation and/or the locations they are visiting. At this stage visitors are looking for specific location and activity information. VS reaches out

through the visitors' guide, website, social media, printed collateral and advertising targeted to visitors ready to receive location specific information. For planning promotion samples see Appendix A. In this stage of planning VS focuses on consumer and travel trade shows that target visitors during their planning process, such as the Holland America Line consumer show in Seattle. And advertise in media used during travel planning such as The Milepost print publication, TravelAlaska.com, Alaska RV, and The Alaska Map.

Booking – VS assists in the booking stage by making suggestions to visitors for activities and businesses to contact in Sitka. VS does not offer any booking services, but the staff regularly works with visitors via phone, email, and in-person to connect them with the perfect vendor. See section 2) Visitor services below.

Experiencing – in this stage visitors are in Sitka and are looking for local knowledge and to choose their own unique experience. VS supports visitors with a variety of printed materials including guides, maps, and resources. VS staffs a year-round visitor information center and a remote kiosk at the Sitka Sound Cruise Terminal to connect with visitors in Sitka. For specific activities see section 2) Visitor services below.

Sharing – this stage can happen prior, during or after a Sitka visit. By offering visitors avenues for sharing their experience with others, they spread the message of visiting Sitka and positive organic promotion. Most sharing is done via social media (see Social Media below) but visitors can also share by requesting visitor guides for friends and family, share information and images via mail and email, and order products to be shipped from Sitka vendors. Visitsitka.org offers a host of sharing opportunities (see Website below). Visitors are encouraged to share their experiences by using #visitsitka to reach a wider audience with their sharing.

d) *Social media*

Statistically 4.66 billion people around the world use the internet, and more than half the world now uses social media (*Datareportal Global Overview report 1/27/21*). VS maintains social media accounts on Facebook, Instagram, YouTube, and Pinterest. To access a new younger adventurous audience VS launched a TikTok account in early 2022, and at this time is the only DMO in Alaska with a TikTok account. To best take advantage of the constantly changing social media trends VS contracts with the experts at Element Agency to manage the Facebook and Instagram accounts. On these two platforms VS posts multiple times per week, sharing the uniqueness of Sitka. As of the date of this report, the Visit Sitka Facebook page has 66,988 followers, and the Instagram account has over 12.8k followers, an increase of almost 3,000 followers since our last report.

VS has also purchased sponsored content on social media. Travel Alaska is the marketing program for the State of Alaska. In February 2022 VS sponsored a co-

branded Facebook post on AAA Washington. The post included 4 scrolling photos and a 60-word message that was sent to AAA's over 26,000 followers. In March of 2022 VS sponsored a "takeover" of the Instagram account, which included a post that linked to an Instagram "story". The advantage of this is that not only is the message of Sitka shared with Travel Alaska's 171,000 followers but the same is reflected on VS Instagram so followers of both accounts see the story.

e) Website

Visitsitka.org is a constantly evolving platform to share Sitka information, stories, and business information. Through a partnership with Element Agency, the website is updated and maintained by an IT professional who works directly with staff to continuously improve and expand the site.

This year VS has added three new expansions. The VS website now offers users a photo gallery with images in six categories: Scenic, Outdoor Recreation, Wildlife, People, Photo Contest Winners and Other. The newest section is Private Travel, this area of the website it targeted to independent travelers who arrive in Sitka by private transportation such as private planes, yachts, and sailboats. We are working to engage these travelers in the Sitka community but sharing inspiration and activities. The third new section is a travel requirement link to the Alaska Department of Health *COVID-19 in Alaska* website to give users direct and current travel information.

The site has been developed with sharing in mind. Not only does it share information about activities, attractions, and businesses, it offers visitors a chance to share with unlimited visitor guide requests (order for your friends and family too), downloadable maps and guides, a video library, and an annual photo contest with cash prizes.

f) Media/VIP/cruise relations

Hosting of media and VIP's is an integral part of promotion for any DMO. The time, effort and money spent on a well vetted media partner will return great rewards in recognition that cannot normally be afforded through usual budgetary restraints.

In 2022 VS has hosted or plans to host and provide research support for 6 media professionals. This number will increase as the summer season progresses and media outlets contact VS. In late June/early July VS staff acted as the on-location planning assistant for the production team from the PBS show "Samantha Brown's Places to Love". This included research, coordination, and on-site logistics for 13 crew on production day, and 2 crew on a pre-shoot scouting trip.

Late April 2022 two VS staff attended SeaTrade Cruise Global in Miami, Florida. During this event staff represented Sitka at the Alaska booth and met with cruise representatives from Royal Caribbean and Celebrity Cruise Lines, Princess Cruises, Hurtigruten Cruises and Atlas Ocean Voyages. VS also hosted 3 native dancers from Sitka who traveled to Miami to perform at a private Alaska reception and perform dance sets at the Alaska booth on day two of the convention.

In May 2022 VS escorted a group of executives from Royal Caribbean and Celebrity cruise lines. The visit, coordinated with the official opening of the Sitka Sound Cruise Terminal, included familiarization tours to the Sitka National Historical Park and a new tour product to visit a homestead location in Silver Bay. VS staff escorted RCCL executives to the new facility at the Fortress of the Bear.

During the seven port calls for the American Queen Voyage (AQV) ship Ocean Victory, VS staff is providing hospitality services for inbound guests at the Aspen Suites Hotel and the Westmark Hotel. This service is developing a relationship with a new cruise line to Alaska and will hopefully cement Sitka as a location for AQV future ship turn-around locations. On Monday, July 18 VS staff will be boarding the Seabourn Odyssey to offer four hours of hospitality staffing to encourage visitors to disembark the ship via the tender process and spend time experiencing Sitka's attractions, restaurants, and retail stores.

Visitor Services

VS responds daily to requests for information from visitors and residents via telephone, email and postal mail. The visitor information center is open year-round weekdays and adds weekend hours during the summer visitor season. The location of the visitor information center at 104 Lake Street offers an easily accessible location for all types of visitors. VS supplies Harrigan Centennial Hall with printed materials including visitor guides, attractions maps, downtown pocket guides, hiking guides and an informational binder that contains detailed information about Sitka. At the Sitka Sound Cruise Terminal VS staff distributes information to cruise ship passengers.

VS annually produces multiple printed collateral pieces, which are all available on visitsitka.org in digital formats available for downloading.

- Printed visitors guide
- Downtown area attractions map
- Downtown information pocket guide
- Hiking guide with trail map
- Closer than you think map (Southeast Alaska highlighting Sitka)

Each piece is designed to meet specific needs of visitors based on their area of interest. Printed visitor guides are available at eleven distribution locations across Sitka. Local businesses are encouraged to stock maps and guides for their customers.

Each year VS collects contact information for businesses to be included in a directory of tourism related businesses. This list is published on visitsitka.org in February and can be found at visitsitka.org/visitor-info.

Meeting/Convention Sales and Services

VS "Show Your Badge" program has been a success with attendees and business owners. Currently there are 18 participating businesses. This program gives attendees special discounts on shopping, dining, and activities when they show their conference badge to a

participating business. This program has also been extended to Alaska Airlines and Delta Air Lines visiting crew members, who are given an information packet at check-in at the hotel.

As we move out of the COVID-19 pandemic the meetings and convention market is seeing a rebound. VS has governmental and business meetings being held in Sitka with a virtual component.

Heritage and Cultural Tourism Conference, held the last week of March, brought 100 attendees with the focus of developing cultural tourism. This annual signature conference allows Sitka to host an “off-season” conference and showcase the significant infrastructure and attractions in town to attendees. VS supported the conference from its initial planning, registration, and logistics, and provided collateral and décor. Next year’s conference has been scheduled for March 28-30th, 2023.

The Yaaw (Herring) Koo.eex’ was held in mid-April drawing over 100 attendees from the region to the the Elks Convention brought in 100 people for its four-day convention in late April. The Alaska Humanities Forum, who had cancelled in both 2020 and 2021, held its board of director meeting with 24 people for two days in June.

Upcoming conferences include the Alaska Municipal League in August, the Alaska Independent Insurance Agents & Brokers in late September with anticipated attendance of 150. The summer has brought a few larger wedding groups and a family reunion group of over 60 people is set for August. VS will present a bid to Southeast Conference for their 2023 Annual Meeting in Ketchikan in September.

The Alaska Travel Industry Association (ATIA) Convention will draw approximately 450 visitor industry professionals to Sitka on October 10-13, 2022. The event will be held in various venues across Sitka, with primary activities being held on the Sitka Fine Arts Campus. VS staff have been working with the ATIA team since early 2021 to secure locations, accommodations, and Sitka service providers for the event.

Reporting

a) Quarterly reports and meetings

The VS team produces quarterly activity reports that are submitted to the City Administrator and included in the assembly work packets. The VS team meetings quarterly with the City Administrator to present their report and attends assembly meetings to give periodic updates as special reports or during persons to be heard.

b) Annual State of the Industry report

Annually the VS team schedules a work session with the assembly to present an annual program plan and accept feedback from the assembly members. In addition, special Reports are given to share program updates, industry trends, and collateral rollouts with the Assembly throughout the year.

Other Services

a) *Updated Promotional Collateral*

See visitor services section above.

b) *Regular Communications*

VS regularly produces digital communications with partners and community members through a periodic electronic newsletter and sends late breaking news via digital “e-blasts”. VS hosts quarterly meetings of the Convention and Visitor Services Committee. This meeting is open to the public to discuss VS marketing programs.

c) *Cruise Calendar*

VS produces and maintains a live google [cruise calendar](#). Included on this calendar are ship name, total lower berth capacity, and dock assignment. As soon as VS is aware of a change to the schedule or cancelation, the calendar is updated. Communications are deployed to key stakeholders, media, and VS partners to announce the changes.

d) *Additional contracts*

Appendix F Short Term Tourism Plan Communications Support

Appendix G Short Term Tourism Plan Operational Support and Coordination

End of Season Reports are due in October 2022.

e) *Additional projects*

On August 8 – 12, Roger Brooks from Destination Development Association will be in Sitka to perform a Destination Assessment Program. This five-day long program includes four days of “secret shopper” type on-site research that culminates in a public presentation with the association’s findings. The assessment helps a community become a stronger more successful destination for investment, as a place to live, and a place to visit. On August 12 at 9:30am Mr. Brooks will give a public presentation of his assessment at the Odess Theater on the Sitka Fine Arts Campus. At approximately 12:00pm Mr. Brooks will meet with a smaller group of community stakeholders to discuss next steps. VS staff is assisting Mr. Brooks with logistics for the visit.

Visitor Data and Metrics

In measuring performance of marketing efforts, there is no single statistic that can be utilized to determine the effectiveness, however looking at the trends of a wide range of metrics on an annual basis can provide information regarding marketing efforts and the effectiveness of those efforts. *The following metrics shall be tracked on an annual basis with FYI 7 being the baseline year.*

Metrics

a) *Convention Metrics*

Developing and growing Sitka’s conventions, meetings, and events market has been challenged by the COVID-19 pandemic. Historically, a visiting meeting or convention group can take up to 5 years from interest in a location to actual event execution. With the advent of the pandemic, it may take a long time before we see strong interest in holding remote location meetings, and we may never know if there are groups who had interest in Sitka as a meeting venue but are no longer planning due to world changes.

We are in the process of gathering data for metrics to include convention bookings, total number of convention attendees, number of room nights, and estimated direct attendee spending. It can be difficult to measure full impact because when convention attendees come to Sitka, they create economic activity that ripples throughout the community. They stay in local hotels, eat at the restaurants, shop at our stores and visit our tourist attractions. The forthcoming report will estimate the economic impact of this segment of our market

b) Visitor Inquiries

The goal of visitor marketing is to generate interest in Sitka. Effective marketing campaigns should generate additional inquiries. In addition, by tracking the number of inquiries as a ratio to marketing costs, it will provide an indicator of performance vs. cost.

Number of Unique Website Visits

<i>Year</i>	<i>All Visits</i>	<i>New Visitors</i>
2022 (to date)	86,184	70,326
2021	83,566	60,205
2020	42,023	33,526
2019	72,358	56,599
2018	52,109	40,261
2017 (sitka.org)	42,908	32,478

c) Economic Indicators & Impacts

Increased tourism will benefit the economy of Sitka. The key economic indicators will show the financial impact of increased tourism. However, global factors not relating to marketing performance can also affect the visitor industry.

Transient Lodging Tax Revenue

The Transient Lodging tax has also seen growth over the past several years except for 2020 and 2021 fiscal years, which were impacted by the pandemic. The Transient Lodging Tax Revenues are expected to have a full recovery in FY23 with the return of meetings and conventions and a strong independent traveler season.

<i>Fiscal Year</i>	<i>Transient Lodging Tax Revenue</i>
2021	458,600
2020	398,187
2019	557,048
2018	540,875
2017	503,439
2016	472,900
2015	411,916

Potential on Investment (POI)

Potential on Investment of a DMO's social media activities is one way to measure the effectiveness but should also keep in mind the economic factors that are outside the control of the DMO that can affect potential demand. Examples of these include the weather, economy, natural disasters, industry's ability to convert and pandemics (i.e. COVID-19). This metric is a rather new fluid concept and is still being explored by DMOs throughout the world. Below is a description of the equation and each of the factors that can be used in calculations.

The Formula:

$$POI = C_v \times C_i \times M_q$$

Legend:

POI = Potential on Investment of a DMO's social media activities, measured in a currency

C_v = the value of a consumer in a market, as measured by the total average spent during a visit to Sitka

This value is the direct and potential economic impact of a visitor in a destination. This value will differ market by market for individual DMOs and is unique for most DMOs.

Most DMOs will know the average value of a visitor from a specific market, use research from a larger DMO they're associated with, or can take an educated guess at economic impact of a visitor. Based on the Alaska Visitor Statistics Program (AVSP) conducted in 2017, the average visitor to Sitka spends \$917. This can include lodging, meals, activities, and purchases.

C_i = the channel impact – a fixed percentage, derived from research on the impact of each social channel on consumer purchasing

Visit Sitka primarily operates on Facebook and Instagram. The impact/influence of these specific social channels on traveler's ultimate travel decision within the United States is 4.51% for Facebook and 2.21% for Instagram

M_q = the maximum qualifier, a tally of all the qualifying interactions on a channel, sourced from DMO analytics

The maximum qualifier seeks to identify the best measurable proof that the social media activities of a DMO had a positive impact on the consumer. It is widely accepted that engagement is the key measure of success in social media. The maximum qualifier for Facebook is measured in Unique users who liked, commented, or shared. The maximum qualifier for Instagram is comments, likes and direct shares.

Calculation of POI

Instagram: $\$917 (Cv) \times 4.51\% (Ci) \times 12,800 \text{ followers } (Mq) = \$529,366$

Facebook: $\$917 (Cv) \times 2.21\% (Ci) \times 66,988 \text{ followers } (Mq) = \$1,357,559$

Net Promoter Score

Sitka has seen positive rating in customer satisfaction over the past several years. Sitka was chosen as a Top 5 Alaskan Cruise Destination by Cruise Critic for the four years prior to the COVID-19 pandemic (2016 through 2019). Sitka's satisfaction rating, based on the results of the 2017 AVSP, was 78% Very Satisfied, 20% Satisfied.

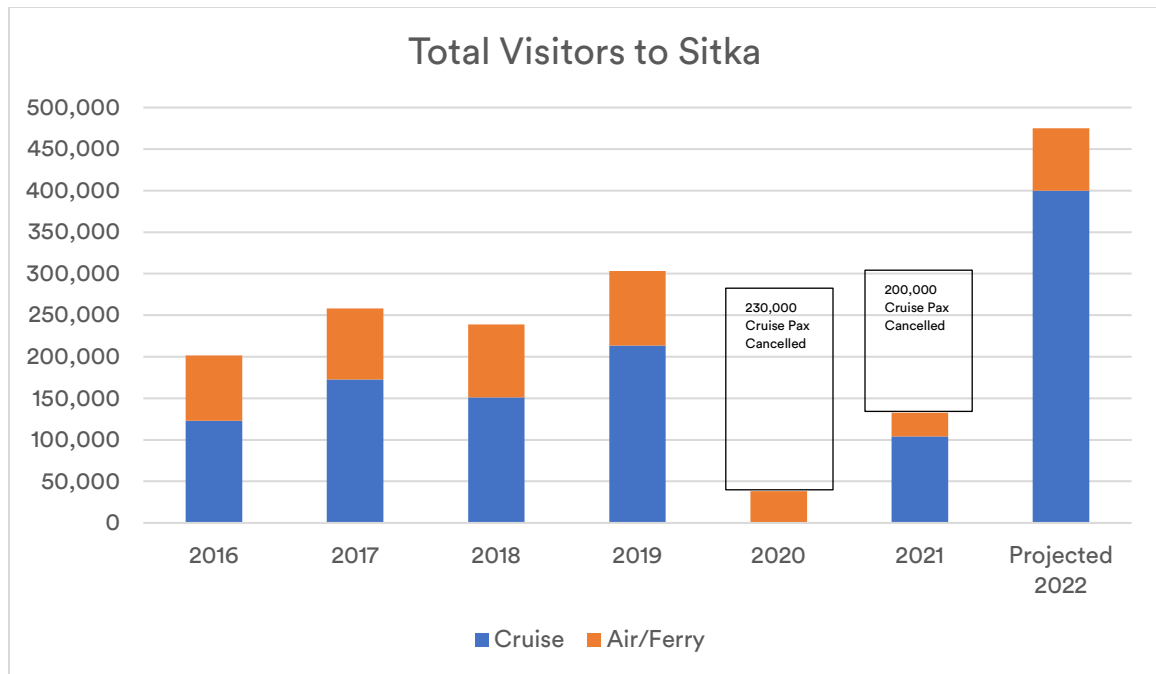
Net Promoter Score is calculated by: Subtracting the percentage of detractors from the percentage of promoters. (The percentage of passives is not used in the formula.) For example, if 10% of respondents are detractors, 20% are passives and 70% are promoters, your NPS score would be $70 - 10 = 60$.

78% satisfaction is the benchmark set by Alaska Visitor Statistics Program 7 (Summer 2016) – Alaska Dept. of Commerce, Community, and Economic Development (DCCE). This is the last year that AVSP was funded by the state of Alaska.

Visitors were asked how likely they were to recommend Alaska as a vacation destination. Virtually all visitors said they were likely or very likely to recommend Alaska to others, including 79 percent who said they were very likely, and 18 percent who said they were likely. Just 1 percent said they were unlikely to recommend Alaska. - AVSP 7 – Section 6: Visitor Profile - Satisfaction, Repeat Travel, and Trip Planning (2016).

Total Visitors to Sitka

The chart below total visitors to Sitka are estimated in the baseline year of 2017 as 251,000 visitors. In 2019, Sitka saw growth in total visitors reaching 300,000. In 2022 total visitors is projected to exceed all past years with over 400,000 cruise and 90,000 airline passengers.



Number of passengers to SIT Airport

<i>Year</i>	<i>Airport passengers</i>
2021	79,604
2020	38,235
2019	89,518
2018	87,782
2017	85,375

*69.6% of Domestic Air passengers are visitors

There has been an upward trend in air passengers into Sitka since 2009. Sitka saw the highest air travelers in 2019 with 89,518 passengers. The pandemic and reduction of leisure and business travel brought 38,235 passengers into Sitka in 2020. 2021 brought travelers back to Sitka with 15,000 passengers in July 2021 over the 13,000 seen in 2019. *Source:*

https://www.transtats.bts.gov/Data_Elements.aspx?Data=1

Number of passengers on Cruise Ships

<i>Year</i>	<i>Cruise passengers</i>
2022	450,000 (projected)
2021	35,421
2020	0
2019	213,610
2018	151,259
2017	172,678

*100% of cruise passengers are visitors

Number of passenger arrivals on Alaska Marine Highway Ferry

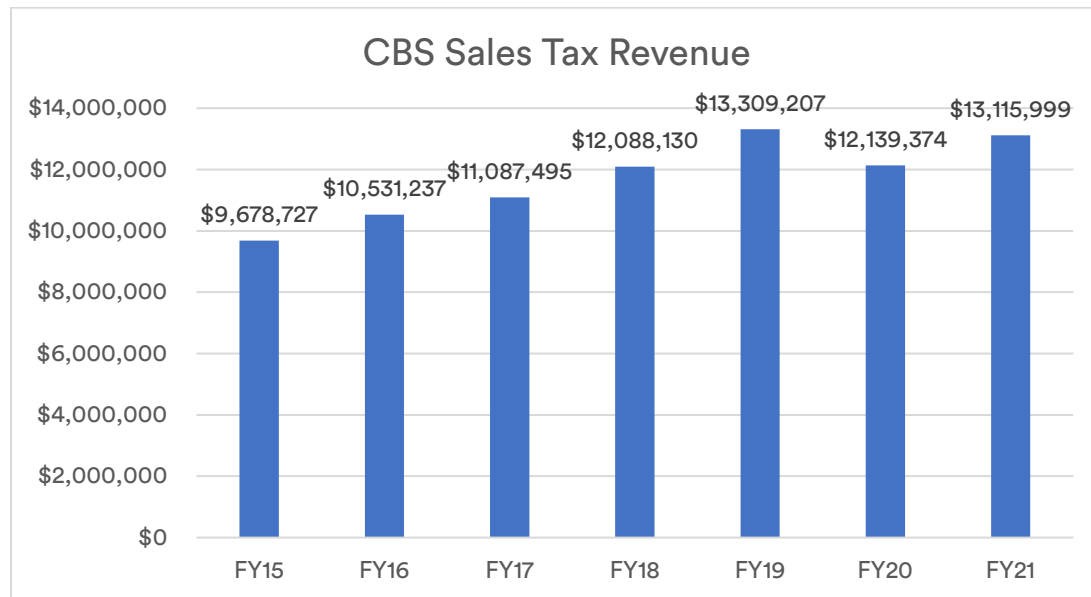
Year	Resident	Non-Resident	Total
2021 thru Aug	358	426	784
2020	190	195	385
2019	2,148	1,189	3,337
2018	3,035	2,341	5,376
2017	3,444	2,466	5,910

Non-resident pleasure boats (visiting Yachts)

2021 was the first year that Yacht Services of Alaska, operated by Cruiseline Agencies of Alaska, is tracking the number of non-resident pleasure boats, and their economic impact to Sitka. At this time the economic impact of larger non-resident pleasure boats is estimated at over \$300,000. VS is working with Yacht Services, and reaching out to the Sitka Harbor Department, to determine a better tracking of boat arrivals and their economic impact.

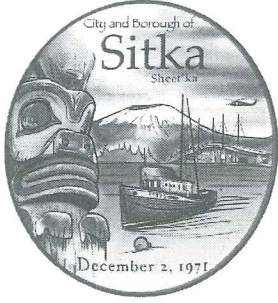
Sales Tax Revenue

The City and Borough of Sitka's sales tax revenues have seen consistent increases aligned with the growth in the visitor industry. In 2019, sales tax receipts were \$13.3 million which fell to \$12.1 million in 2020. The approximant \$1 million of reduction of revenue that was seen in FY20 was nearly fully recovered in FY21 with revenues of \$13.1 million.



Respectfully,

Rachel Roy
Executive Director
Greater Sitka Chamber of Commerce | Visit Sitka



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

ADMINISTRATION

100 Lincoln Street | Sitka, Alaska 99835

www.cityofsitka.com

administrator@cityofsitka.org

907-747-1812

July 29, 2022

[VIA EMAIL ONLY]

Greater Sitka Chamber of Commerce, Inc.
Attn: Board President
104 Lake Street
Sitka, AK 99835
director@sitkachamber.com

Re: Renewal Option for Contract to Provide Convention and Visitors Bureau Services

Dear Board President,

Pursuant to Section 5.A of the Contract (copy attached), the City and Borough of Sitka (CBS), as Owner under the Contract, hereby requests and agrees to a second one (1) year renewal option beginning January 1, 2023 and ending December 31, 2023. The first renewal option was enacted January 1, 2022 to December 31, 2022 (copy attached). As required by the Contract, within 10 days please indicate your mutual agreement to this second renewal option by signing below and returning the original of the signed letter to the CBS at the address stated in the header.

As this is the second renewal option, the Contract provides for three (3) additional one (1) year renewal options upon mutual consent and compliance with all terms and conditions of the Contract. If an additional renewal option is desired, CBS will request a third renewal prior to August 1, 2023.

Thank you,


John M. Leach
Municipal Administrator

Attachment

I agree to a one (1) year renewal of the Contract.

Date

8/2/2022

Karl Potts



Cc: Melissa Haley, Finance Director (via email only)
Melissa Henshaw, Public & Government Relations Director (via email only)
Tori Fleming, Compliance Officer (via email only)

**CONTRACT BETWEEN OWNER AND CONTRACTOR
TO PROVIDE CONVENTION AND VISITORS BUREAU SERVICES
TO THE CITY AND BOROUGH OF SITKA, ALASKA**

City and Borough of Sitka ("Owner" or "CBS") desires the GREATER SITKA CHAMBER OF COMMERCE, INC., ("Contractor") to Provide Convention and Visitors Bureau Services. This Contract to Provide Convention and Visitors Bureau Services (together with all exhibits and attachments hereto to and all amendments and modification to such contract or exhibits, collectively the "Contract") to the City and Borough of Sitka is made and entered into by and between Owner and Contractor in consideration of the mutual promises contained in this Contract. This Contract describes Sitka Convention and Visitors Bureau duties and obligations, which include effective marketing and promotion of Sitka's visitor attractions and tourism related services. The primary goal is to increase the level of visitor traffic to enhance the economy and maintain tourism related businesses in Sitka.

This Contract also consists of the following which are incorporated into and made a part of the Contract.

- Statement of Interest
- Exhibit A - Scope of Services (2 pages)
- Exhibit B - Compensation and Payment (1 page)

SECTION 1. DEFINITIONS

For the purpose of this Contract, the terms used in this Contract shall have the following meaning:

- A. "Owner" shall mean the CITY AND BOROUGH OF SITKA, Alaska.
- B. "Contractor" shall mean the GREATER SITKA CHAMBER OF COMMERCE, INC, an Alaska non-profit corporation, and any **partner, associate**, or any other person acting for and/or in behalf of the GREATER SITKA CHAMBER OF COMMERCE, INC.
- C. "Owner's authorized representative" shall mean the person set forth in Section 20 (B)(2) of this Contract.
- D. "Days" shall mean calendar days.

SECTION 2. CONTRACT TIME

- A. This Contract becomes effective when signed and dated by both Parties.
- B. Contractor shall commence performance of the work identified in Section 4 immediately following receipt of the Notice to Proceed.

- C. Except as expressly allowed under this Contract, Owner need not grant Contractor any extension in the time provided to complete the work under this Contract. If Contractor's progress falls behind the project schedule, Contractor shall commit additional resources to the prosecution of the work, or take such other additional steps as are reasonably necessary to assure the completion of the work on schedule, all at no additional cost to Owner.

SECTION 3. CONTRACTOR QUALIFICATIONS

- A. The Contractor expressly represents and warrants it is now and shall continue to be at all times during the performance of this Contract, the holder of all required or necessary professional, business or other licenses or permits and is qualified and capable of performing all of the work covered or called for by this Contract and is presently ready, able and willing to undertake and perform all of such work and services, and to supply all necessary materials and equipment at the times, and in a professional and workmanlike manner and pursuant to the terms, conditions and provisions, and for the compensation and payments as herein provided.
- B. All actions taken by Contractor under this Contract shall comply with all applicable statutes, ordinances, rules and regulations. Contractor shall timely pay all federal, state and local sales, excise or other taxes or assessments incurred by the Contractor.

SECTION 4. SCOPE OF SERVICE

- A. The services to be performed by Contractor shall include all services required to complete the tasks set forth and described on Exhibit A, and shall be in accordance with all applicable statutes, Sitka General Code provisions, ordinances, rules, and regulations.
- B. The Statement of Interest provided by the Contractor, and incorporated into this Contract, shall be treated as a broad general intent of Contractor as to how the Scope of Services under this Contract shall be performed, and, Contractor shall not be held to strict performance of elements of the Statement of Interest which are not specifically contained within Exhibit A. Both parties mutually agree, however, that a gross deviation by the Contractor from the intent set forth in the Statement of Interest, especially in regards to governance and management accountability, shall potentially form a reason for Termination for Cause as outlined in Section 6.

SECTION 5. CONTRACT TIME PERIOD

- A. The term of this Contract shall commence on **January 1, 2019** and end at the end of the business day **December 31, 2021**.

If the Contractor complies with all terms and conditions of this Contract at all times until December 31, 2021, Owner shall have the right (hereafter "Renewal Option") to renew this contract for the period Jan. 1, 2022 to December 31, 2022; and if Contractor complies

with all the terms and conditions of the Contract at all times thereafter, Contractor and Owner may agree to a Renewal Option for subsequent one-year periods up to 5 one-year periods subject to Owner's approval for each new Renewal Option. In order to exercise these Renewal Options, Owner shall give Contractor written notice on or before August 1, 2021, or on or before August 1st of any subsequent year, of its intent to renew this Contract whereupon Contractor will have 10 days to accept or reject Renewal Option. If the Owner fails to exercise a Renewal Option, this Contract shall terminate on December 31st of that year.

SECTION 6. TERMINATION

This Contract may be terminated:

- A. By mutual consent of the Parties.
- B. For the convenience of Owner or Contractor, provided that Owner or Contractor notifies the other of its intent to terminate under this paragraph at least 6 months prior to the effective date of the termination.
- C. For cause, by either Party where the other Party fails in any material way to perform its obligation under this Contract; provided, however, that as a condition of the exercise of its right of termination under this subsection the terminating Party shall notify the other Party of its intent to terminate this Contract and state with reasonable specificity the grounds, and the defaulting Party shall have failed, within 60 days of receiving the notice, to cure the default.
- D. Termination pursuant to this section shall not affect the Parties' continuing obligations under this Contract.

SECTION 7. DUTIES UPON TERMINATION

- A. If either Owner or Contractor terminates this Contract for convenience, either shall pay the other, the reasonable value of all expenses incurred and services rendered prior to actual termination date. Payment under this section shall never exceed the total compensation possible under Section 10. All finished and unfinished reports and materials prepared by Contractor shall become the property of Owner.
- B. If this Contract is terminated for cause, Owner shall pay Contractor reasonable value of the services satisfactorily rendered prior to termination less any damages suffered by Owner because of Contractor's failure to perform its contractual obligations. Any finished or unfinished documents or materials shall become the property of Owner at its option. Under no circumstances shall payment under this section exceed the percentage value of work completed as defined by Exhibit Band under Section 9. Under no circumstances shall payment under this section exceed the total compensation possible under Section 9.

- C. If Contractor has received payments prior to termination in excess of the amount to which it is entitled under Subsection A or B of this section, Contractor shall remit such excess to Owner within 60 days after receipt of notice to that effect.
- D. Contractor shall not be entitled to compensation under this section until Contractor has delivered to Owner all documents, records, work products, materials, and equipment owned by City and Borough of Sitka, related to this Contract and requested by Owner.
- E. If Contractor's services are terminated, for whatever reason, Contractor may not claim any compensation under this Contract other than allowed under this section.
- F. The Owner need not recognize any claim by Contractor for reimbursable expenses or costs incurred after the 60 day notice of termination period under section 7C.

SECTION 8. INDEMNIFICATION

- A. Each Party (the "Indemnitor Party") shall indemnify, defend, save, and hold the other Party (the "Indemnatee Party") harmless from any claims, lawsuits, or liability, including attorney's fees and costs, arising from any wrongful or negligent act, error or omission of the Indemnitor Party occurring during the course of or as a result of the Indemnitor Party's performance pursuant to this Contract.
- B. The Indemnitor Party shall is required to indemnify, defend, save, and hold the Indemnatee Party harmless from any claims, lawsuits, liability, or attorney's fees and costs, arising in wrongful or negligent acts, errors or omissions solely of the Indemnatee Party occurring during the course of or as a result of the performance of this Contract.
- C. Where claims, lawsuits, or liability, including attorney's fees and costs, arise from wrongful or negligent acts of both Parties, Contractor shall indemnify, defend, save and hold Owner harmless from only that portion of claims, lawsuits or liability, including attorney's fees and costs, which result from Contractor's wrongful or negligent acts occurring during the course of or as a result of Contractor's performance pursuant to this Contract.

SECTION 9. PAYMENT

- A. For Contractor's Contract Services and Expenses, as described in Section 4 of this Contract, compensation will be paid as set forth and described on Exhibit B, subject to Contractor's satisfactory performance, unless mutually agreed upon by both Parties prior to commencing additional work.
- B. Each year, the Assembly of the City and Borough of Sitka will have a worksession with the Contractor. During this worksession the contractor will include the marketing plan, budget, visitor statistics and plans for the future.
- C. Either party to this contract may request that the compensation to Contractor be

renegotiated. Any renegotiated contract amount must be approved by the Assembly of the City and Borough of Sitka. If a request for renegotiation is not initiated by either party, the existing contract compensation amount and payment schedule shall remain in place.

- D. Contractor shall submit invoice(s) to Owner's authorized representative, as set forth and described on Exhibit B.
- E. Owner shall make payment on invoices as set forth and described on Exhibit B with approval by Owner's authorized representative.
- F. Contractor shall be entitled to no compensation under this Contract beyond the amount of Owner's express obligation under subsection A above.
- G. The amount to be paid for additional services, at the option of Owner, shall be negotiated by the Parties prior to the execution of amendments to this Contract for this work.

SECTION 10. AUDIT: ACCESS TO RECORDS

- A. Contractor shall maintain records of performances, communications, documents, correspondence and costs pertinent to this Contract. The Owner's authorized representatives shall have the right to examine such records and accounting procedures and practices.
- B. The Owner's authorized representative shall have the right to examine all books, records, documents and other data of Contractor related to the pricing and performance of the Contract, and any change or modification for the purpose of evaluating the accuracy, completeness, and currency of the data submitted. The right of examination shall extend to all documents necessary to permit adequate evaluation of the data, computations, and projections used.
- C. The materials described in this section shall be made available at the business office of Contractor at all reasonable times for inspection, audit or reproduction, for a minimum of 3 years from the date of final payment under this Contract and for such longer period, if any, as may be required by applicable statute or other provisions of this Contract.
- D. Records which relate to claims or litigation or the settlement of claims arising out of the performance of this Contract shall be made available to Owner by Contractor until such claims or litigation have been concluded.

SECTION 11. INDEPENDENT CONTRACTOR

- A. The parties hereto expressly agree that the Contractor shall be and is an independent contractor and is not an employee or agent of the Owner and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise and no other benefits accorded to Owner's employees. No withholding, FICA or other taxes (whether income,

sales or otherwise) or other amounts will be withheld from the payments due to the Contractor, it being understood that the Contractor is solely responsible therefore, provided Owner shall be entitled to withhold such retainage or other amounts from any progress or other payments as have been provided for elsewhere in this Contract.

- B. Contractor shall perform its obligations under this Contract as an independent Contractor of Owner. Owner may administer the Contract and monitor Contractor's compliance with its obligations. Owner shall not supervise or direct Contractor as provided in this section.
- C. The parties hereto agree that the Contractor is not and shall not be construed to be a partner, joint venture, employee or agent of the Owner, and shall not and is not authorized to enter into or make any contracts, agreements to into any understanding with any other person, corporation, partnership, joint venture or other entity, in the name of or for the benefit of the Owner.

SECTION 12. CONTRACTOR RESPONSIBLE FOR PERSONNEL

The Contractor has or will secure, all personnel required to perform this Contract in a timely and proper manner. The parties hereto agree and understand that such personnel shall in no event be deemed to be and are not employees, agents, or representatives of the Owner, and the Owner shall have no responsibility or liability whatsoever to any of said persons or for the acts or omissions of any such persons.

SECTION 13. ASSIGNMENTS

Unless otherwise allowed by this Contract or in writing by Owner, any assignment by Contractor of its interest in any part of this Contract shall be void.

SECTION 14. CONFLICT OF INTEREST

The Contractor covenants, warrants and represents that the Contractor has no interest and shall not acquire any interest, direct or indirect which would conflict in any manner with the subject matter or the performance of this Contract. The Contractor further covenants, warrants and represents that in the performance of this Contract, no person having any such interest shall be employed.

SECTION 15. NONDISCRIMINATION

- A. Contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The Contractor shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.
- B. Contractor shall state, in all solicitations or advertisements for employees to work on jobs relating to this Contract, that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood.
- C. Contractor shall include the provisions of Subsection A in every subcontract or purchase order under this Contract, so as to be binding upon every such subcontractor or vendor of Contractor under this Contract.
- D. Contractor shall comply with all applicable Federal, State and City laws concerning the prohibition of discrimination.

SECTION 16. COPYRIGHTS AND RIGHTS IN DATA

- A. All documents produced under this Contract are the property of Owner, including notes, drawings, reports and other technical information referred to as work products, except items which have pre-existing copyrights. Payments to Contractor for services include full compensation for all work products produced by Contractor and its subcontractors.
- B. All such subject data furnished by Contractor pursuant to this Contract are instruments of its services in respect to this particular project. It is understood that Contractor does not represent such subject data to be suitable for reuse on any other project or for any other purpose. If Owner reuses the subject data without Contractor's specific written verification of adaption, such reuse will be at the risk of Owner, without liability to Contractor. Any such verification of adaption requested in writing by Owner at Owner's sole option will entitle Contractor to further compensation at rates agreed upon by the Parties.

SECTION 17. NOTICES

- A. Regular Communications. For communications between the Parties on personnel issues or on matters of a confidential nature the Parties' respective points of contact shall exclusively be the Municipal Administrator of CBS and the President of Contractor, or their respective designees. For all other regular or routine communications with respect to this Contract the Parties designate the following persons as their respective primary points of contact:

OWNER Point of Contact:

Name: Community Affairs Director

Telephone: 1.907.747.1824

Email: maegan.bosak@cityofsitka.org

CONTRACTOR Point of Contact:

Name: Executive Director

Telephone: 1.907.747.8604

Email: director@sitkachamber.com

- B. Formal Notices. Any notice required under this Contract shall be in writing and either personally delivered or mailed by prepaid, first class, registered or certified mail, return receipt requested, to the following addresses:

OWNER:

City and Borough of Sitka
Attn: Community Affairs Director
100 Lincoln Street
Sitka, AK 99835

CONTRACTOR:

Greater Sitka Chamber of Commerce Inc.
Attn: Board President
104 Lake Street
Sitka, AK 99835

SECTION 18. CLAIMS AND DISPUTES

If Contractor becomes aware, or reasonably should have become aware, of any act or occurrence which may form the basis of a Claim outside of this contract by a third party or outside entity, Contractor shall immediately notify in writing Owner's authorized representative. If the matter cannot be resolved within seven (7) days, Contractor shall, within the next fourteen (14) days, submit a written notice of the Claim. Contractor shall, in presenting the Claim, include the facts and circumstances surrounding the claim, the specific relief requested including any additional compensation claimed and the basis upon which it was calculated, and the provisions of this Contract under which the Claim is made.

SECTION 19. SUCCESSORS AND ASSIGN

The Parties bind themselves, partners, successors, assigns and legal representatives to the other Party to this Contract and to partners, affiliates, successors, assigns and legal representatives of such other Party with respect to all covenants of this Contract.

SECTION 20. AMENDMENT

- A. This Contract shall only be amended, modified or changed by a written amendment, executed by authorized representatives of the Parties, and such amendment shall be attached to this Contract as an appendix.
- B. For the purposes of any amendment, modifications or change to the terms and conditions of this Contract, the only authorized representatives of the Parties are:
 - 1. President of the Board - For Contractor
 - 2. Municipal Administrator - For Owner
- C. Any attempt to amend, modify or change this Contract by either an unauthorized representative or unauthorized means, shall be void.

SECTION 21. INSURANCE

A. Contractor shall at all times during the term of this Contract, maintain in good standing the insurance described in Subsection B. Before rendering any services under this Contract, Contractor shall furnish Owner with proof of insurance in accordance with Subsection B in a form acceptable to the Risk Manager for Owner; such proof of insurance shall be incorporated into this Contract.

B. Type of coverage:

1. Comprehensive General Liability

Occurrence Limit	\$1,000,000
Products and Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000

2. Workman's Compensation
Employers Liability

Alaska Statutory

3. Comprehensive Automobile Liability

\$1,000,000

Including all owned, hired and non-owned vehicles

C. Insurance Notes

1. Owner shall be named as an additional named insured on the required general liability and automobile insurance policies. The Owner shall also be granted a full waiver of any rights of subrogation by endorsement under all required policies with the exception of Professional Errors and Omissions. These requirements extend to all subcontractors.
2. Contractor is required to notify Owner if any policy is to be canceled, materially changed, or renewed, at least thirty days prior, by written notice sent by certified mail.

SECTION 22. CHANGES OR MODIFICATIONS

Any change in any regulations or requirements applicable to the work called for herein, made, caused or imposed by, or as a result of the action of any state, federal or other governmental agency that has or will provide all or any portion of any funds for payment for the work or project which is the subject of this agreement, shall automatically become a part of, and amendment to this agreement and the Contractor shall comply there with.

SECTION 23. NON-WAIVER

The failure of either Party at any time to enforce a provision of this Contract shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Contract or any part, or the right of such Party to enforce each and every provision.

SECTION 24. SEVERABILITY

Any provision of this Contract decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Contract.

SECTION 25. JURISDICTION - CHOICE OF LAW

Any civil action rising from this Contract shall be brought in the Alaska Superior Court at Sitka. The laws of the State of Alaska shall govern the rights and obligations of the Parties under this Contract.

SECTION 26. INTEGRATION

This instrument and all appendices and amendments embody the entire Contract of the Parties. There are no promises, terms, conditions or obligations other than those contained in this Contract. This Contract shall supersede all previous communications, representations, or Contracts, either oral or written, between the Parties.

IN WITNESS, the parties execute this agreement through their duly authorized representatives, and represent that their duly authorized representatives are authorized to sign this agreement between Owner and Contractor to provide Convention and Visitor Bureau Services to the City and Borough of Sitka, on behalf of the party they represent.

CITY AND BOROUGH OF SITKA


Municipal Administrator

Date: 12/26/18

GREATER SITKA CHAMBER OF COMMERCE, INC.


President of the Board

Date: 12-24-18

IRS TAX I.D. NO. 017-319

ATTEST:

Melissa Hinchshaw
Municipal Clerk, Acting

Date: 12-27-2018

LEGAL REVIEW:

Brian Edman
Municipal Attorney

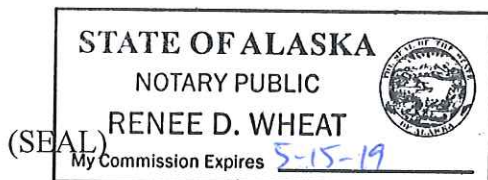
Date: 12/27/2018

ACKNOWLEDGMENTS

STATE OF ALASKA)
)ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 26th day of December 2018 by P. Keith Brady, **Municipal Administrator** of the City and Borough of Sitka, an Alaska municipal corporation, for the corporation on behalf of the corporation.

WITNESS my hand and official seal the day and year in this certificate above written.

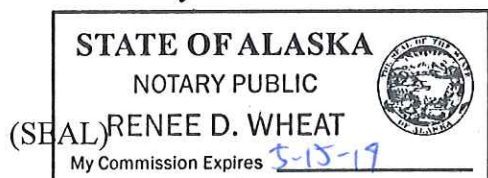


Renee D. Wheat
Notary Public for State of Alaska
My Commission Expires: 5-15-19

STATE OF ALASKA)
)ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 24th day of December 2018 by Chris McGraw, the (title of office) President of the Board of (name of organization) Greater Sitka Chamber of Commerce for and on behalf of the organization.

WITNESS my hand and official seal the day and year in this certificate above written.



Renee D. Wheat
Notary Public for State of Alaska
My Commission Expires: 5-15-19

Exhibit A

Scope of Service – Sitka Convention and Visitors Bureau

The Greater Sitka Chamber of Commerce (SCVB) will be responsible for providing all Convention and Visitor Bureau services for the municipality. SCVB's work under this contract will market and sell Sitka as a premier business and leisure destination, enriching Sitka's hospitality industry and the community's overall quality of life. This work includes:

1) Marketing and Promotion:

- a) Develop and implement a 3-year strategic marketing plan to be presented annually to the Assembly during a work session. During this work session the contractor will include the marketing plan, budget, stats and plans for the next year. The goals should be to effectively increase the number of revenue generating functions, increase the number of independent travelers visiting, increase the number of convention center reservations and support the growth of tourism in Sitka. Emphasis should be placed on targeted marketing to maximize the return on investment, to sell destination strengths and reach specific high-growth visitor audiences. The marketing plan shall be consistent with the policy that the primary role of the Convention and Visitors Services Contract is to promote travel to Sitka through marketing and development, focusing on convention sales, tourism marketing and services, with an emphasis on shoulder and winter seasons. The plan will be continually evaluated for success and updated and revised as necessary, and work to have visitor industry stakeholder input into the marketing plan.
- b) Collaborate with State and local tourism related groups, committee's, and commissions.
- c) Design and publish annual visitors guide, place ads in a variety of media based on best ROI research available.
- d) Maintain promotional social media pages.
- e) Develop and maintain a promotional website.
- f) Host media members and group tour operators, cruise line visits and public relations.

2) Visitor Services:

- a) Provide telephone and email contacts for information requests and inquiries by the public.
- b) Provide timely and accessible visitor bureau services which address the informational needs of visitors via first person assistance, telephone, and internet access. First person assistance to be limited to normal business hours at the central business district Visitor Information Center and on weekends during high traffic hours determined by the contractor.
- c) Provide an accessible and visible Visitor Information Center in Sitka's central business district and supply Harrigan Centennial Hall Visitor's Desk with visitor information materials as requested by City and Borough of Sitka staff.
- d) Staff seasonal visitor information desks at port facilities during cruise days utilizing the facility. Staffing will be 30 minutes after port arrival to two

hours prior to last tender. No seasonal visitor desk staffing required for hospitality suites.

- e) Create and distribute printed information pieces for use by visitors while in Sitka. Provide information and/or brochures about lodging, restaurants, excursion's, tours, fishing charters, wildlife tours, trips and other attractions in the Sitka area
- f) Provide knowledgeable information about local goods and services, as well as cultural and historical information about Sitka thru both internet based portals, as well as physical information rack(s) located at strategic locations within Sitka.
- g) Annually, the Contractor will put out notice to Sitka businesses to take part in a directory of tourism related businesses and services. During the 30 day period, responding businesses will provide contact information and descriptions of their services. This information will be compiled and made available on the promotional website and for viewing at the visitor desks or kiosks. Notice will go out January 1st and responses will be due January 31st. The list will be updated by the Contractor and made available by February 28th.

3) Convention Sales and Services:

- a) Market Sitka as a year-round meeting, conference, and convention destination. Highlight Sitka's marketable features and services in a variety of media, based on best return on investment research available.
- b) Collaborate and strategize with venue managers and the business community to attract conventions.
- c) Assist groups with conference planning (securing locales and assist with contracts, bids, printed collateral, etc.)
- d) Provide information on all support services offered in the community, create and distribute convention delegate welcome folders and welcome signs in downtown businesses.
- e) Follow up with groups, and venue and service providers to ensure customer satisfaction.

4) Reporting

- a) Meet with City and Borough staff quarterly, to provide a staff prepared summary describing activities from the quarter and financial reports including the statement of operations semi annually, and the profit and loss quarterly, prepared by an external bookkeeper. Reports should be submitted within 60 days of the quarter's completion. Meeting will also review operations as needed.
- b) Provide an annual State of the Sitka Convention and Visitor Industry report to the Assembly.

5) Other Services:

- a) Regularly update a marketing and promotional website and the annual visitor guide, as well as brochure displays.
- b) Develop and regularly communicate through a variety of media including newsletter formats, email blasts, push notifications, text, etc. to visitor industry businesses and providers in Sitka.

- c) Research cruise industry information and maintain an up-to-date summer cruise ship calendar on the promotional website.
- d) Manage additional contracts for the CBS as negotiated.

6) Metrics:

The performance of the contractor shall be based on its effectiveness to reach potential visitors, secure convention bookings, and increase tourism in Sitka. In measuring performance of marketing efforts, there is no single statistic that can be utilized to determine the effectiveness, however looking at the trends of a wide range of metrics on an annual basis can provide information regarding marketing efforts and the effectiveness of those efforts. The following metrics shall be tracked on an annual basis with FY17 being the baseline year.

- a) Convention Metrics – These metrics will track the contractor’s effectiveness at generating interest for conventions in Sitka and its ability to sell organizations on Sitka as a convention destination.
 - 1. Convention RFP Requests
 - 2. Convention Bookings
 - 3. Total Number of Convention Attendees
 - 4. Number of Room Nights
 - 5. Estimated direct attendee spending (Economic Impact)
- b) Visitor Inquiries – The goal of visitor marketing is to generate interest in Sitka. Effective marketing campaigns should generate additional inquiries. In addition, by tracking the number of inquiries as a ratio to marketing costs, it will provide an indicator of performance vs. cost.
 - 1. Number of E-mail Inquiries
 - 2. Number of visitors to the Visitor Information Center
 - 3. Number of Unique Website Visits
 - 4. Ratio of total number of inquiries to direct and indirect visitor services marketing costs
- c) Economic Indicators – Increased tourism will benefit the economy of Sitka. The key economic indicators will show the financial impact of increased tourism. However, global factors not relating to marketing performance can also affect the visitor industry.
 - 1. Transient Lodging Tax Revenue
 - 2. Potential on Investment (POI)
 - 3. Net Promoter Score
 - 4. Total Visitors to Sitka
 - 5. Sales Tax Revenue

Exhibit B

**Compensation and Payment – Sitka Convention and Visitors Bureau
Services Contract**

In consideration of Contractor's responsibilities under this agreement, Owner agrees to pay Contractor according to the payment schedule provided below:

The annual contract amount shall be a minimum of \$300,000. Annual budget to be determined by the Sitka Assembly following an annual work session, with first payment in next fiscal year. If the contribution is increased by Assembly action, the annual contract amount will be adjusted accordingly. The Contractor is encouraged to request additional funding for specific projects above and beyond those included in this contract, pursuant to approval by the Assembly.

For all contract years, twenty five percent of the contract amount will be paid at the start of each quarter.

Payment schedule:

- January 1 – 25% of the annual contract amount
- April 1 – 25% of the annual contract amount
- July 1 – 25% of the annual contract amount
- October 1 – 25% of the annual contract amount

The Owner agrees to allow Contractor use of all physical and intellectual property related to providing convention and visitor services and marketing for the term of the contract period.

Payment includes cost share on Contractor's building lease, utilities and improvements. Annual budget funds may be used to pay up to 75% percent of the associated expenses.

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