



Economic Development Set-Aside Program

Applicant: Salinas Valley Tourism & Visitors Bureau

Funding Request: \$70,000

Executive Summary - FY 14-15

Overview

Monterey County and the Salinas Valley have a unique opportunity to educate & promote healthy living through the region's nationally renowned agriculture and viticulture industries.

In recognition of this need, The Salinas Valley Tourism & Visitors Bureau, a non-profit, 501-C4 (SVTVB) was founded in 2008 to promote the region with a specific focus on building awareness of the agricultural, viticultural, recreational and cultural riches of the Salinas Valley. The overall mission of the SVTVB is to promote the exploration, discovery and experience of the natural riches that originate in the Salinas Valley and surrounding regions.

Accomplishments

California Welcome Center Salinas

The SVTVB set its sights on and accomplished a significant win with the securing of the California Welcome Center designation for Monterey County in January 2011. The SVTVB proceeded to launch and open the 19th California Welcome Center in Salinas on June 30, 2011.

2011 Public-Private Partnership Award

Through its partnership with the City of Salinas and Salinas Valley Enterprise Zone to secure the California Welcome Center, the SVTVB was recognized by the Monterey County Business Council with a 2011 Public-Private Partnership Award.

Alignment With Monterey County Economic Pillars

As demonstrated by its vision and activities to date, the SVTVB has already aligned itself to address the following short-term economic pillars identified in the SRI International Economic Opportunities report:

1. **Eco-recreation:** through the California Welcome Center, the SVTVB can act as a focal point for the promotion of natural landmarks and parkland such as Pinnacles National Monument, Elkhorn Slough and Lake San Antonio.
2. **Wine & Agri-tourism:** the SVTVB will create programs that will encompass agri-business tours of both large commercial grower/processors and vintners and small independent farmers and winemakers.
3. **Community Business Promotion:** the creation and promotion of agri-tourism programs will subsequently drive agri-tourists to local retailers and hospitality providers. "Third Street" is already being served through local business referrals provided by staff at the California Welcome Center.

Deliverables

Program Creation

The SVTVB is focused on creating programs that will build brand awareness of the Salinas Valley and the surrounding region and create a destination for agri-tourism. Proposed programs include tours of large agri-businesses, such as Salinas Valley processing plants or River Road wine tours, and visits to small independent growers, such as local organic farms. In addition to tours, SVTVB is also focusing on experiential activities, such as harvesting or "pick your own" on a working farm.

Program Promotion

The promotional vehicle for SVTVB programs is the California Welcome Center, through which program activities can be communicated via the website or printed brochures, and ticket sales can be facilitated.

Program Packages

SVTVB "day trip" programs will be bundled with other local tourist activities to generate additional overnight accommodations. The promotion of package tours and bundled activities will result in additional room revenue to our regional hospitality industry and increased TOT for the County.

Strategic Partnerships

The SVTVB will develop partnerships with local agri-businesses and independent growers for the mutual benefit of the Salinas Valley and for building loyalty for local brands.

To create synergy within the Monterey County tourism industry, the SVTVB will leverage its relationships with the MCCVB and MCVGA to channel the strengths and unique attributes of each organization to the common goal of realizing the region's economic opportunities.

The SVTVB is in the unique role of serving the interests of the MCCVB, MCVGA and local agribusinesses through programs that will generate additional room revenue throughout the County and tours that will generate visitors to local wineries.

Job Creation

With the monies provided by Monterey County, the SVTVB will create and execute programs with the sole purpose of promoting the Salinas Valley as a destination and increasing tourism, which will subsequently generate revenue and support the development of new jobs.

The California Welcome Center is already supporting job creation through the State of California's infusion of \$50 million¹ annually into the promotion of tourism for the state of California and through the Welcome Center network. Since every \$109,000 in visitor spending = 1 job², the installation of the California Welcome Center in Salinas greatly increases the area's capacity to create jobs.

Performance Measures

In order to track the results of the marketing efforts described above, web traffic analytics, ticket sales and program attendance records will be kept. In addition, guest attendance statistics from the California Welcome Center, Salinas will be supplied.

¹ Source: California Travel & Tourism Commission, 04.20.11

² Source: Dean Runyan Associates

Salinas Valley Tourism and Visitors Bureau
Economic Development Set-Aside Program
Fiscal Year 2014-2015
Funding Request: \$70,000



Operational

Part-Time Employee at CWC Salinas (20 hours per wk)	\$	14,000
Supplement to TID collections	\$	30,000

Marketing

Website Development	\$	14,000
Professional Services	\$	6,000

Brochures:

River Road Wine Tours	\$	1,400
Ag/Experiential Tours	\$	1,400

Branding / Promotions /Event Marketing:

National Salad Day	\$	1,600
Information Booth-Festivals, Bike Tours, etc	\$	1,600

TOTAL EXPENDITURES	\$	<u>70,000</u>
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Salinas Valley Tourism & Visitors Bureau

Operating Budget

January 1 - June 23, 2014

	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 1-23, 2014	Total
Income							
Certified Folder	342.52	288.00	343.11	327.26	305.23	363.70	1,969.82
City Sponsorships	3,000.00			3,000.00	3,000.00	3,000.00	12,000.00
City of Salinas		3,000.00	3,000.00				6,000.00
Total City Sponsorships	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 18,000.00
Consignment Sales	79.93	82.81	324.00	94.82	123.78	39.98	745.32
Consignment Payouts		-83.76	-135.00				-218.76
Total Consignment Sales	\$ 79.93	\$ 0.95	\$ 189.00	\$ 94.82	\$ 123.78	\$ 39.98	\$ 526.56
In-Store Sponsorships							693.00
Merchandising Sales	209.37	265.66	1,834.09	967.08	1,256.81	904.01	5,437.02
Tourism Improvement District	8,750.00	8,750.00	8,750.00	8,750.00	8,750.00	5,099.00	48,849.00
Uncategorized Income	1.08	0.85	9.36	1.42	14.71		27.42
Total Income	\$ 12,382.90	\$ 12,303.56	\$ 14,125.56	\$ 13,140.58	\$ 13,450.53	\$ 10,099.69	\$ 75,502.82
Cost of Goods Sold							
Cost of Goods Sold	120.80	176.63	2,308.34	602.71	767.11	368.60	4,344.19
Inventory Shrinkage			-305.50		1.10	0.25	-304.15
Total Cost of Goods Sold	\$ 120.80	\$ 176.63	\$ 2,002.84	\$ 602.71	\$ 768.21	\$ 368.85	\$ 4,040.04
Gross Profit	\$ 12,262.10	\$ 12,126.93	\$ 12,122.72	\$ 12,537.87	\$ 12,682.32	\$ 9,730.84	\$ 71,462.78
Expenses							
Advertising		150.00				50.00	200.00
Bank Charges	10.00				31.14	41.14	82.28
Merchant Fees	63.73	53.56	21.21	331.45	58.30		528.25
Total Bank Charges	\$ 73.73	\$ 53.56	\$ 21.21	\$ 331.45	\$ 89.44	\$ 0.00	\$ 569.39
Cleaning Supplies	9.45		10.75				20.20
Designation Fees		1,250.00		1,250.00			2,500.00
Dues & Subscriptions	39.95	39.95	274.95	314.95	39.95	39.95	749.70
Insurance		246.64	631.33				877.97
Janitorial Services		900.00	420.00	400.00	700.00		2,420.00
Legal & Professional Fees	400.00	400.00	400.00	400.00	400.00	400.00	2,400.00
Meals and Entertainment	9.25						9.25
Office Expenses	161.99	103.66				59.38	325.03
Payroll Expenses	43.50	43.50	43.50	43.50	43.50		217.50
Postage Expense	144.83						144.83
Promotional	14.18	241.89			15.00		271.07
Purchases			156.00				156.00
Rent or Lease	2,775.00	2,775.00	2,775.00	2,865.00	2,865.00	2,865.00	16,920.00
Repair & Maintenance			124.65	16.20	179.40		320.25

Salinas Valley Tourism & Visitors Bureau
Operating Budget
January - December 2013

	Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Total
Income													
Certified Folder	456.13	250.00	422.45		742.00	439.23	351.99	359.80	585.58	583.74	390.74	413.92	4,975.58
City Sponsorships					3,000.00				3,000.00		3,000.00	3,000.00	12,000.00
City of Salinas	3,000.00	3,000.00	6,000.00				3,000.00	3,000.00	3,000.00	3,000.00			21,000.00
Total City Sponsorships	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00	\$ 0.00	\$ 3,000.00	\$ 0.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 33,000.00
Consignment Sales	83.96	36.00	11.98	68.94	59.91	91.88	151.95	92.87	128.89	155.89	105.94	140.70	1,126.91
Consignment Payments								-222.50					-222.50
Total Consignment Sales	\$ 83.96	\$ 36.00	\$ 11.98	\$ 68.94	\$ 59.91	\$ 91.88	\$ 151.95	\$ 129.63	\$ 128.89	\$ 155.89	\$ 105.94	\$ 140.70	\$ 904.41
In-Store Sponsorships						150.00	3,287.00	495.00				50.00	3,982.00
Merchandising Sales	113.23	82.79	196.37	552.69	2,008.22	632.80	630.06	674.15	378.17	769.00	454.83	459.07	6,962.38
Reservation Commission								15.03					15.03
Tourism Improvement District	8,750.00	8,750.00	17,500.00		8,750.00	8,250.00	8,750.00	8,750.00	10,950.00	8,750.00	8,750.00	8,750.00	106,700.00
Uncategorized Income	-5.51		-0.13	15.61		42.46	15.76	5.34	5.14	2.05	-86.36	2.22	-3.42
Total Income	\$ 12,397.81	\$ 12,118.79	\$ 24,130.67	\$ 637.24	\$ 14,560.13	\$ 9,606.37	\$ 16,166.76	\$ 13,169.69	\$ 15,046.78	\$ 13,240.68	\$ 12,615.15	\$ 12,815.91	\$ 156,505.98
Cost of Goods Sold													
Cost of Goods Sold	163.21	160.19	491.19	372.14	1,181.56	4,955.27	386.14	329.51	227.86	475.07	287.74	375.44	9,385.32
Inventory Shrinkage	-20.00	-71.88	266.55	528.75	-2,714.75	-141.87		572.49	-132.04	-6.14		-918.01	-2,636.90
Total Cost of Goods Sold	\$ 143.21	\$ 88.31	\$ 757.74	\$ 900.89	\$ 1,533.19	\$ 4,813.40	\$ 366.14	\$ 902.00	\$ 95.82	\$ 468.93	\$ 287.74	\$ 542.57	\$ 6,748.42
Gross Profit	\$ 12,254.60	\$ 12,030.48	\$ 23,372.93	\$ 263.65	\$ 16,093.32	\$ 4,792.97	\$ 15,800.62	\$ 12,267.69	\$ 14,950.96	\$ 12,771.75	\$ 12,327.41	\$ 13,358.48	\$ 149,757.56
Expenses													
Advertising									901.80		50.00	33.65	985.45
Bank Charges							30.28						30.28
Merchant Fees	44.32	43.78	50.86	369.00	47.17	78.91	57.65	81.80	76.56	51.97	61.70	144.28	1,108.00
Total Bank Charges	\$ 44.32	\$ 43.78	\$ 50.86	\$ 369.00	\$ 47.17	\$ 78.91	\$ 87.93	\$ 81.80	\$ 76.56	\$ 51.97	\$ 61.70	\$ 144.28	\$ 1,138.28
Designation Fees	1,250.00			1,250.00					1,250.00		2,500.00		6,250.00
Dues & Subscriptions	84.95	39.95	301.95	39.95	194.95	39.95	159.95	39.95	64.95	111.94	39.95	39.95	1,168.39
Employee Gifts												124.58	124.58
Insurance	595.00	203.48			368.10	623.00	623.00	246.63			121.63	636.67	3,417.51
Janitorial Services	400.00	400.00	500.00	400.00	500.00	400.00	400.00	500.00	721.56	400.00	500.00	495.00	5,616.56
Legal & Professional Fees			1,200.00		300.00	300.00	300.00	300.00	300.00	7,280.00	1,817.50	525.00	12,322.50
Office Expenses	0.00				56.12								56.12
Payroll Expenses		45.00	90.00		45.00	45.00	45.00	45.00	45.00	45.00	87.00	87.00	402.00
Taxes					-859.51								-859.51
Total Payroll Expenses	\$ 0.00	\$ 45.00	\$ 90.00	\$ 0.00	\$ 814.51	\$ 0.00	\$ 45.00	\$ 45.00	\$ 0.00	\$ 45.00	\$ 0.00	\$ 87.00	\$ 457.51
Promotional	118.45		95.77	-31.25	50.00	98.81	372.00		1,075.50				1,779.28
Rent or Lease	2,700.00	2,700.00	2,700.00	2,700.00	2,700.00	2,700.00	3,000.00	2,775.00	2,775.00	2,775.00	2,775.00	2,775.00	33,075.00
Repair & Maintenance	32.95	337.95			415.98				165.12	605.67	282.00		1,849.67
Salaries/Wages													0.00
Payroll Taxes	626.04	588.83	665.99	490.82	494.15	474.96	477.33	462.61	408.14	432.80	462.39	437.61	6,021.67
Salaries/Wages-Assistant Manager	2,181.03	1,979.15	2,608.42	2,310.81	2,184.63	2,379.30	2,451.41	2,328.83	2,004.38	2,227.89		4,540.50	27,194.35
Salaries/Wages-Employee 1 (deleted)												-2,290.98	0.00
Salary/ Wages-Store Manager (deleted)												2,753.44	0.00
Salary/ Wages-Store Manager												2,470.88	2,470.88
Salary/Wages Exec Direc (deleted)											1,000.00	-1,000.00	0.00
Salary/Wages-Executive Director												2,000.00	2,000.00
Salary/Wages-Store Manager	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	2,000.00	2,753.44	27,441.60
Total Salaries/Wages	\$ 6,240.82	\$ 5,869.73	\$ 6,685.54	\$ 6,342.63	\$ 6,496.16	\$ 6,226.14	\$ 6,269.37	\$ 6,509.82	\$ 5,743.15	\$ 6,090.32	\$ 6,506.81	\$ 6,188.01	\$ 76,128.50
Security	20.00		195.00		195.00				195.00			195.00	800.00
Supplies													0.00
Office Supplies	90.40	17.27	75.17	82.05	178.14	152.87	109.38	67.35	92.26	6.79		44.76	916.44
Restroom Supplies	55.08		62.01		34.33	34.33	27.84		41.54		13.31	16.14	250.25
Total Supplies	\$ 145.48	\$ 17.27	\$ 137.18	\$ 82.05	\$ 178.14	\$ 187.20	\$ 137.22	\$ 67.35	\$ 92.26	\$ 48.33	\$ 13.31	\$ 60.90	\$ 1,166.69

RESOLUTION NO. 20365 (N.C.S.)

A RESOLUTION OF THE CITY OF SALINAS CITY COUNCIL AUTHORIZING THE MAYOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING AMONG THE CITY OF SALINAS and CITY OF MONTEREY and MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC and ^DSALINAS VALLEY TOURISM AND VISITORS BUREAU, INC.

WHEREAS, the City of Salinas supported the application for designation of a California Welcome Center that was located within the City of Salinas; and

WHEREAS, the City of Salinas requested that a funding source of \$0.50 per occupied room night be added to the Tourism Improvement District (TID) assessment for all Salinas lodging businesses for the purpose of providing funding toward the operation of the California Welcome Center located in Salinas; and

WHEREAS, the Monterey County Convention and Visitors Bureau (MCCVB) supported the City of Salinas request for the additional \$0.50 per occupied room night; and

WHEREAS, the City of Monterey approved an increase to the TID assessment which included the \$0.50 per occupied room night on October 4, 2011; and

WHEREAS, the City of Salinas, City of Monterey, MCCVB and the Salinas Valley Tourism and Visitors Bureau, which is the operator of the California Welcome Center located in Salinas, all desire to clarify the remittance of the TID assessments captured by the City of Salinas; and

WHEREAS, the attached MOU provides clarity for funding, governance and other important items that all parties have agreed to.

NOW, THEREFORE, BE IT RESOLVED THAT the Mayor is authorized to enter into the MOU among the City of Salinas, City of Monterey, and Monterey County Destination marketing Organization, Inc. and Salinas Valley Tourism and Visitors Bureau.

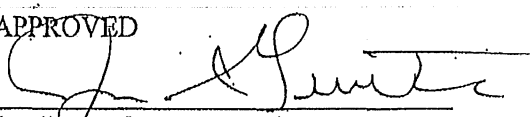
PASSED AND ADOPTED this 23rd day of April, 2013, by the following vote:

AYES: Councilmembers: Barrera, Castaneda, Craig, De La Rosa, Lutes, McShane and Mayor Gunter

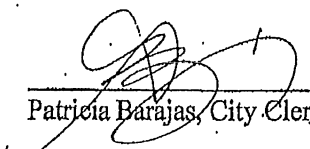
NOES: None

ABSENT: None

APPROVED


Joe Gunter, Mayor

ATTEST


Patricia Barajas, City Clerk

MEMORANDUM OF UNDERSTANDING

Among

CITY OF SALINAS and CITY OF MONTEREY and

MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC. And

SALINAS VALLEY TOURISM AND VISITORS BUREAU, INC.

I. DECLARATION

This agreement ("MOU") is entered into and effective as of _____ by and among the CITY OF SALINAS, hereinafter referred to as "Salinas," the City of Monterey (hereinafter referred to as "Monterey"), the MONTEREY COUNTY DESTINATION MARKETING ORGANIZATION, INC. (doing business as the Monterey County Convention and Visitors Bureau, hereinafter referred to as "MCCVB"), and the Salinas Valley Tourism and Visitors Bureau, Inc. (hereinafter referred to as "SVT&VB"). Each of the herein referenced entities may individually be referred to as a "Party" and may collectively be referred to as the "Parties".

II. PURPOSE

The purpose of this MOU is to describe the roles and responsibilities of Salinas, Monterey, MCCVB and SVT&VB with respect to the establishment, operation, and continuing support of a California Welcome Center located in Salinas (the "Welcome Center"). The Welcome Center is part of a statewide network of similar centers, with the closest other centers located in Pismo Beach, San Mateo and Merced. The State of California promotes the centers by maintaining a website at www.visitcwc.com and www.seecalifornia.com/california-welcome-centers.

III. FUNDING

(a) The Parties have determined that funding for the Welcome Center will be provided through the use of increased Tourism Improvement District ("TID") funds collected by Salinas. Salinas will establish a special account ("Account") for purposes of providing funding for the Welcome Center.

(b) The Salinas TID increase from \$0.50 to \$1.50 on limited service accommodations and from \$1.00 to \$2.50 for full service accommodations, if there are full service accommodations in Salinas (see (c) below), will fund the Welcome Center. \$.50 of the increased amount of TID funds will not be remitted to MCCVB along with other TID funds collected by Salinas; this \$.50 will be retained by Salinas and remitted to SVT&VB which shall use such funding to pay the expenses of the Welcome Center. Upon reasonable request, Salinas will prepare and provide a report showing the total TID funds collected by the City and the amount remitted to MCCVB and SVT&VB. The remaining \$1.00 or \$2.00 (if there are full service accommodations) of Salinas' TID funds, respectively, will be remitted directly to the MCCVB.

(c) It is acknowledged that as of the date of this MOU there are no full service accommodations in Salinas. If, in the future, such full service accommodations become available they shall be included in the TID. It is anticipated that the TID assessment on full service accommodations will then be increased an additional \$.50 (to \$2.50) and this additional \$.50 will also be used to fund the Welcome Center, as described in (b), above.

(d) Monterey, as the lead city in connection with approving and renewing the TID on an annual basis and for authorizing that all TID funds that are collected are to be channeled to MCCVB, hereby specifically consents to the use of the increased TID collected by Salinas for funding of the Welcome Center.

IV. PAYMENT OF EXPENSES; DAY-TO-DAY OPERATIONS

(a) The Welcome Center shall be managed by a separate governing board which shall have complete authority to manage the day-to-day operations of the Welcome Center.

(b) Salinas will collect the TID funds and pay the \$0.50 of the TID assessment directly to the SVT&VB for operation of the Welcome Center, and may make up any shortfall from Salinas' general funds or such other sources as Salinas may determine.

(c) MCCVB Board of Directors is the Monterey County TID Advisory Board and as such is required to report to the City of Monterey the use and plans for all TID monies.

(d) All expenses of the Welcome Center will be included in budget documents that will be submitted annually, or as more often as may be necessary or as may be reasonably requested, to the Director of Finance of MCCVB and to the Finance Director of the City of Salinas in advance of the annual TID renewal process. The Welcome Center will also provide financial statements to MCCVB quarterly, reflecting the operations of the Welcome Center, including a general ledger that itemizes all income and all expenses. These financial statements will be delivered to the Director of Finance of MCCVB within 30 days following the end of the quarter.

V. GOVERNANCE

(a) The Governing Board of the Welcome Center (the "Board") shall be responsible for the functioning and operations of the Welcome Center.

(b) At the present time the Board shall be completely independent of Monterey, Salinas and MCCVB; however, in the future, if any of the parties to this MOU has good reason to believe that the Welcome Center is failing to promote tourism to all of Monterey County, then each party to this MOU shall have the right to audit the finances of the Welcome Center to determine if TID funds are being administered in accordance with the intent of the TID and other laws.

VI. INSURANCE

The Welcome Center shall obtain and maintain, at all times during the term of this MOU, at its sole cost and expense, comprehensive general liability insurance covering the Welcome Center and its premises in the minimum amount of One Million Dollars (\$1,000,000) for each occurrence and Three Million Dollars (\$3,000,000) in the aggregate per year and shall name Monterey, Salinas, MCCVB, and SVT&VB as additional insureds on all such insurance. Upon request of Salinas, Monterey, MCCVB or SVT&VB, the Welcome Center shall make copies available of each insurance policy and shall direct each insurer to provide at least thirty (30) days prior written notice to Monterey, Salinas, MCCVB, and SVT&VB of any proposed cancellation of, or material change in, such insurance policy or coverages.

VII. RENEWAL

(a) The renewal of the funding for the Welcome Center shall be subject to annual review and shall be contingent upon the renewal by Monterey of the Tourism Improvement District each year and Salinas's continuation of the increased TID assessment of \$1.50 for non-full service accommodations and \$2.00 for full service accommodations, increased to \$2.50 if there are full service accommodations in Salinas. If such renewal of the TID is not approved, then the Board of the Welcome Center shall decide whether or not to continue operating the Welcome Center and shall have responsibility for providing funding for its continued operation.

(b) As the Monterey County TID Advisory Board, MCCVB shall receive quarterly performance reports from the Welcome Center and shall review the activity and performance to ensure that the TID funds are being utilized for tourism-related activities by the Welcome Center.

VIII. STAFFING, TRAINING AND PERSONNEL ISSUES

The Welcome Center will be staffed by persons directed and supervised by the Welcome Center management. All compensation and supervision will be the responsibility of the Welcome Center Board and management. All salaries, benefits and wage issues shall be the responsibility of the Welcome Center management who shall be responsible for complete compliance with all federal, state and local rules, regulations, ordinances and payroll-related issues

IX. SCOPE OF WELCOME CENTER ACTIVITIES

(a) The Welcome Center will be known as "The California Welcome Center – Salinas" and shall, consistent with its agreement with the State of California, operate to promote tourism in all of Monterey County, including the unincorporated areas.

(b) The Welcome Center will maintain adequate supplies of maps, brochures, advertising materials and similar tourism-related documents so as to support the activities and mission of MCCVB, as well as to meet the mission of the Welcome Center with respect to the promotion of tourism throughout the Salinas Valley and the Monterey Bay region.

X. RESPONSIBILITIES OF CITY OF SALINAS

(a) Salinas will collect the Monterey County Tourism Improvement District assessment including the increase and follow established procedure for the monthly distribution of the Monterey County Tourism Improvement District assessment to MCCVB excluding the \$0.50 that is to be used to fund the Welcome Center.

(b) Salinas shall be and remain in complete compliance and fully paid up on all its obligations to remit amounts, past due or currently due, to MCCVB.

(c) Salinas shall actively solicit support, each year, for the renewal of the proposed Tourism Improvement District increase by the Salinas hotel/motel/accommodation community.

XI. RESPONSIBILITIES OF MCCVB

MCCVB's only responsibilities in connection with the establishment and operation of the Welcome Center shall be in an advisory capacity and to review the financial statements and budgets provided to California Welcome Center

Memorandum of Understanding

MCCVB by the Welcome Center and to perform such other tasks as are appropriate for MCCVB in its capacity as the Monterey County TID Advisory Board.

XII. TERM AND TERMINATION

(a) The Welcome Center may be continued on an annual basis in conjunction with the annual approval process of the Monterey County Tourism Improvement District.

(b) MCCVB shall have the right to terminate its commitment to support continuation of the Welcome Center funding if the annual Monterey County Tourism Improvement District is not approved by the City Council of Monterey.

(c) Unless terminated by MCCVB as provided in Section VII, above, or in this Section XII, the term of this arrangement shall continue from year to year except that MCCVB shall have the right to terminate its support of the Welcome Center at any time that, after meeting and conferring with Salinas and the Welcome Center, MCCVB determines that the Welcome Center is not operating in accordance with the proposed plan for its operation, for example, is not promoting all of Monterey County, or in accordance with the ordinances governing the Tourism Improvement District.

XIII. GENERAL PROVISIONS

(a) Governing Law

This MOU has been executed in Monterey County, California and shall be governed in accordance with the laws of the State of California. In the event of any suit or other proceeding or action regarding this MOU, venue shall be in Monterey County, California or in the appropriate federal court with jurisdiction over the matter.

(b) Final Agreement

This MOU constitutes the entire and exclusive agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings, and agreements of any nature with respect to the subject matter of this MOU.

(c) Notices

Any notices to be given pursuant to this MOU shall be in writing and may be transmitted either by personal delivery or by first class mail, postage pre-paid, or by email or facsimile, with proof of actual delivery, or by overnight delivery via a reputable courier service (e.g. Federal Express). Notices shall be addressed to each party at the address set forth in the signature block below.

(d) Attorney's Fees

In the event of any suit or other proceeding or action to enforce the terms of this MOU, the non-prevailing party shall pay the prevailing party's reasonable attorney's fees and costs.

(e) Severability

Whenever possible, each provision of this MOU shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this MOU is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule, such invalidity, illegality or unenforceability shall not affect any other provision, but this MOU shall be reformed, construed and enforced as if such invalid, illegal or unenforceable provision had never been contained herein.

(f) Amendment/Modification

Any and all amendments to this MOU must be in writing and must be agreed to and executed by all parties before becoming effective.

(g) Indemnification

MCCVB and SVT&VB shall defend, indemnify, and hold harmless the City of Monterey and City of Salinas, their officers, agents and employees from and against any liability or costs of any type, including attorney's fees, arising out of or related to MCCVB's and SVT&VB's performance under this agreement, except for liability or costs arising out of the sole negligence of the City of Monterey or City of Salinas, their officers, agents, or employees.

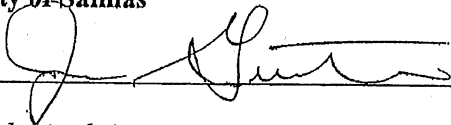
(h) Confidentiality

The parties acknowledges that they may have access to certain confidential or proprietary information relating to the other parties and their board, council, business plans and strategies and other similar information as a result of the responsibilities agreed upon pursuant to this MOU and each party agrees to maintain the confidentiality of any such information and to not use such information except in furtherance of the purposes of this MOU, except with the express written consent of the disclosing party.

27th IN WITNESS WHEREOF, the parties hereto have executed this MOU, effective as of the
day of March, 2013.

Signatures, dates and addresses:

City of Salinas



Authorized signature

Name/Title: Joe Gunter, Mayor

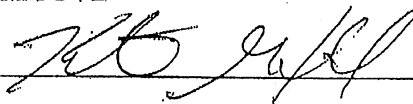
Address: 200 Lincoln Avenue
Salinas, California 93901

Fax: 831.758.7368

Email:

Date

MCCVB



Authorized signature

Name/Title: Kirk Gafill, Chair, Board of Directors

Address: 787 Munras St., Suite 110
Monterey, CA 93940

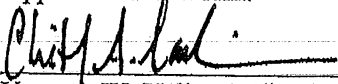
Fax: 831/548-5373

Email:

Date

Kgafill@nepenthebigsur.com
March 27, 2013

Approved as to Form:



Vanessa W. Vallarta, City Attorney

By

Christopher A. Callihan, Assistant City
Attorney

City of Monterey

Authorized signature

Name/Title

Address:

Fax:


Email:

Date

Approved as to Form:

M. Christine Davi, City Attorney

SVT&VB



Authorized signature

Name/Title: Craig Kaufman / Executive Director, Salinas Valley TVB, Inc

Address: 60 West Market Street, Salinas, CA 93901

Fax: Suite 150
831-757-7574

Email: craig@svtvb.org

Date 5/6/2013



City of Salinas

OFFICE OF THE CITY MANAGER

200 Lincoln Avenue Salinas, California 93901

(831) 758-7201 Fax (831) 758-7368

January 28, 2014

Craig Kaufman
The California Welcome Center Salinas
1213 North Davis Road
Salinas, California 93907

Re: Support for Welcome Center

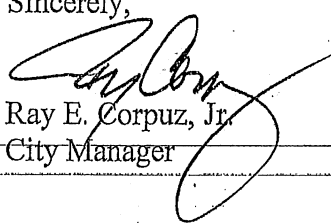
Dear Mr. Kaufman:

As you are aware, the City of Salinas collects and remits Tourism Improvement District funds to the Welcome Center to help fund its operations. In addition to the TID, the City has also been contributing \$3,000 each month in support to the Welcome Center. This monthly contribution has been included as an item in the City's annual operating budget. On Tuesday January 21, 2014, the City Council's Finance Committee confirmed the City's commitment to continue the City's additional monthly contribution.

The Welcome Center is an important asset in promoting tourism to all of Monterey County and we are hopeful that with the City of Salinas's continued support that the Welcome Center can remain successful.

If you have any questions, please let me know.

Sincerely,


Ray E. Corpuz, Jr.
City Manager

cc: Mayor and City Council
Finance Director