



**Pleasant Hill Tourism Improvement District
2024/2025 Annual Report**

Submitted to the City of Pleasant Hill pursuant to Streets and Highways Code section 36650, for the period from April 1, 2024 through March 31, 2025

April 1, 2024 – March 31, 2025

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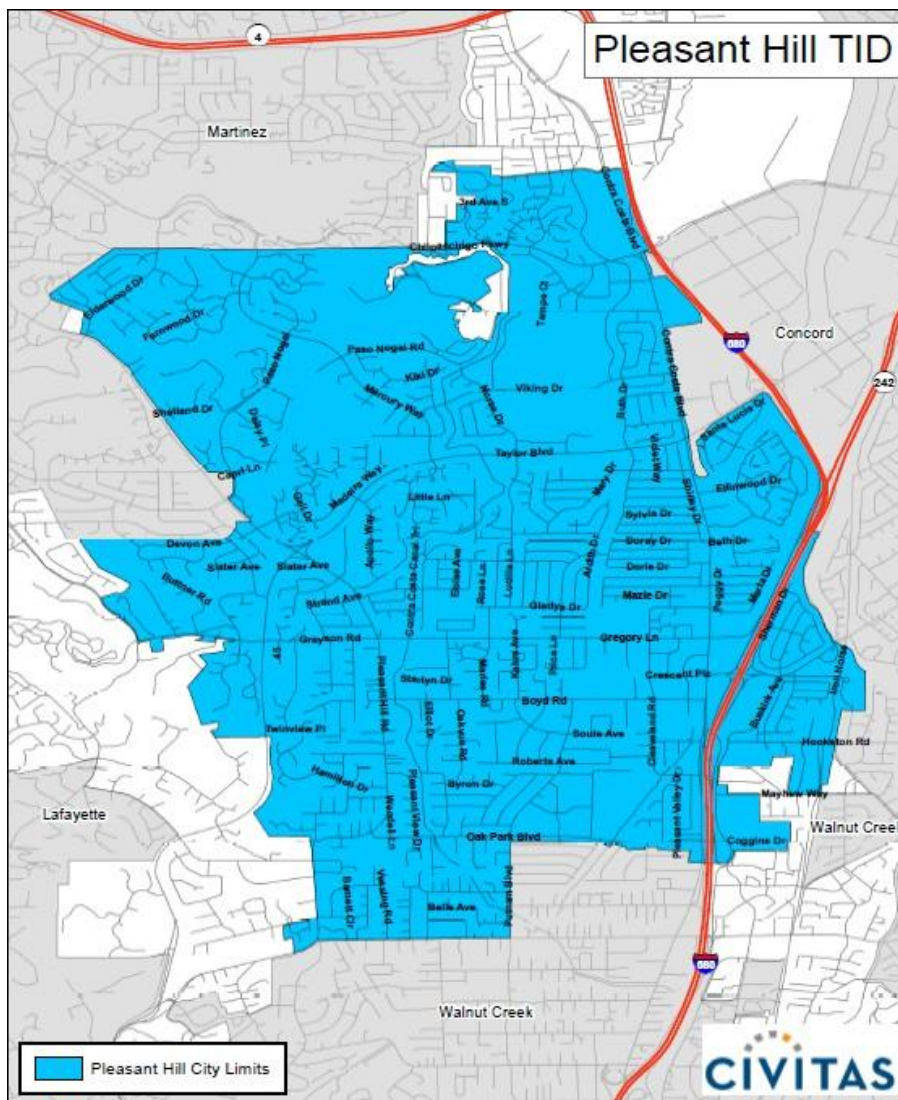
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Boundaries

There are no proposed changes to the boundaries and no changes to the assessed lodging businesses.

The Pleasant Hill Tourism Improvement District (PHTID) will continue to include all lodging businesses, existing and in the future, available for public occupancy located within the boundaries of the City of Pleasant Hill (City), as shown on the map below.

A list of lodging businesses currently assessed in the PHTID is listed in Appendix II.



2023/2024 Accomplishments

Pursuant to the provisions of the PHTID Plan, details of the accomplishments of the PHTID from fiscal year 2023/24 are summarized below.¹

- Pleasant Hill achieved the 2nd highest room occupancy rate in the Bay Area at 62.4%, and 3rd highest average room rate at \$139.76 among our eight (8) competitor cities in 2023, as shown below;

	Pleasant Hill	Walnut Creek	Concord	San Ramon	Pleasanton	Dublin	San Francisco	Oakland
Occupancy % (Occ.)	62.4%	66%	40.6%	57.8%	51.9%	55%	54%	51.1%
Average Room Rate (ADR)	\$139.76	\$151.54	\$108.98	\$134.86	\$136.45	\$117.03	\$208.16	\$119.78
Revenue Per Room (RevPar)	\$87.28	\$99.99	\$44.25	\$77.98	\$70.80	\$64.36	\$112.38	\$61.17

- Stay Pleasant Hill undertook a brand refresh initiative, transitioning to Visit Pleasant Hill, which includes a new website (visitpleasanthill.com) and updated brand guidelines, strategy and story that encompass key elements such as positioning and logos. These efforts enhanced the city’s visibility and appeal, driving more room nights to assessed businesses through improved marketing and user experience;
- Stay Pleasant Hill launched four new marketing campaigns:
 - “Always SF”: A partnership with SF Travel’s Bay Area campaign from February 2024 onwards, with a \$5,000 investment that generated \$184,000 in hotel revenue, benefiting assessed businesses;
 - “I Love PH”: An app-driven trail supporting Pleasant Hill businesses;
 - “It’s a Dog’s World”: A campaign promoting dog friendly local businesses, reaching 270,000 email subscribers and achieving a CTR of 6.95%; and
 - “I belong here..”: Launched in February 2024 and celebrating diverse cultural holidays and events on social media, this campaign enhanced Pleasant Hill’s visibility and won the DEI + California Travel Champion Award.
- Stay Pleasant Hill conducted over twenty-one (21) media pitches and hosted four (4) journalist visits and features, gaining exposure in local, regional, and national publications, driving visitation and increased overnight room nights at assessed businesses;
- Stay Pleasant Hill distributed updated marketing collateral including the Stay Pleasant Hill Visitor guide, Diablo Valley College (DVC) Sports Guide, DVC International Students Guide, Pup Guide, and a “10 Things to Do” list;
- New technology systems such as RIPE and Spontigo were implemented to drive revenue into the City and enhance the visitor experience, contributing to increased room nights at assessed businesses;

¹Data provided from the Pleasant Hill Economic Impact Report from Dean Runyon

- Stay Pleasant Hill held a total of 251 sales and 63 marketing meetings, generating opportunities to increase room night sales at assessed businesses;
- National partnerships with key organizations such as Visit California, DVC College, Live Nation – Toyota Pavilion @Concord, JSX Airlines, San Francisco Travel Association, National Tour Operators Association, American Bus Association, California Travel Association, Destinations International, and Mt Diablo DMO Alliance were fostered, expanding the reach of Pleasant Hill and drawing visitors to assessed businesses;
- Community partnerships with Off the Grid, Haunted Trail, PH Perks, Art, Wine & Music Festival, Blues & Brews Festival, Fourth of July Celebration, Light up the Night, Jewish Film Festival, and DVC Business Administration Department Advisory Board bolstered Pleasant Hill’s reputation, benefiting assessed businesses by attracting over-night visitors;
- Stay Pleasant Hill celebrated International Women’s Day and showcased eight (8) local women in social media;
- In collaboration with DVC, tours of Pleasant Hill for international students were organized, encouraging room nights at assessed businesses; and
- Stay Pleasant Hill participated in twelve (12) domestic travel tradeshow and eleven (11) conferences, meeting with tourism buyers, planners, and vendors, with the aim of driving overnight visitors to Pleasant Hill and generating increased room nights at assessed businesses.

2024/2025 Improvements and Activities

The improvements and activities to be provided for the fiscal year 2024/25 are consistent with the Management District Plan (Plan). Aligned with the activities and improvements outlined in the Plan, these are just a few highlights and areas of focus anticipated for the fiscal year 2024/25:

- Develop a new request for proposal for website redesign to increase visitor engagement and meetings, increasing room nights for assessed businesses;
- Redesign the Visit Pleasant Hill Visitor Guide for 2026 to increase room nights for assessed businesses;
- Host marketing best practice workshops for local businesses, including but not limited to topics such as branding, social media, website design and selling;
- Participate in branding and room night sales campaigns to increase room nights for assessed businesses:
 - Launch “I belong here...” Phase II;
 - Collaborate with Brand USA to implement the Visit Pleasant Hill strategy for attracting international travelers, contributed to increased room nights at assessed businesses;
 - Partner with Visit California to participate in the family Kidifornia Road Trips campaign; and
 - Engage in San Francisco’s domestic marketing campaign.
- Continue to invest in immersive tools that showcase visitor experiences staying in Pleasant Hill;
- Partner with Zartico, a marketing and economic impact organization, to measure the economic impact and marketing metrics;
- Pursue new partnerships to complement the visitor experience, such as Destination Marketing Company for group tours, incentive partnerships, corporate partnerships for local events activation sponsorships;
- Create new packages with existing partners such as Live Nation and DVC; and
- Partner directly with direct consumer channels such as Trip Advisor, Trip.com, Hotelbeds, Price Travel, Travel exchange Tourism and Hooper.

To accomplish the programs highlighted above, the following budget categories outlined in the Plan will continue into fiscal year 2024/25:

Sales, Marketing & Communications

A sales, marketing and communications program will continue to promote assessed businesses as tourist, meeting, and event destinations. The sales, marketing and communications program will continue to have a central theme of promoting Pleasant Hill as a desirable place for overnight visits. The program will continue to have the goal of increasing overnight visitation and room night sales at assessed businesses, and may include the following activities:

- Marketing efforts to increase awareness and optimize internet presence to drive overnight visitation and room sales to assessed businesses, including public relations, online and social media campaigns, updating and maintaining website, print, television, digital and radio advertising;
- Attendance of trade shows, professional industry conferences and affiliation events to promote assessed businesses;
- Sales blitzes for assessed businesses;
- Familiarization tours of assessed businesses;
- Development of a strategic plan to benefit assessed businesses, including branding and destination management;
- Preparation and production of collateral promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Lead generation activities designed to attract tourists and group events to assessed businesses;
- Director of Sales and General Manager meetings to plan and coordinate tourism promotion efforts for assessed businesses;
- Comprehensive and integrated way finding signage systems, including signage to parking lots and decks, designed to create a visitor experience that will bring repeat visits to assessed businesses;
- Transportation programs connecting assessed businesses and local music venues, sports venues, and other attractions, to increase overnight visitation and room sales at assessed businesses;
- Art and cultural projects to attract overnight visitors to assessed businesses;
- Local destination marketing programs designed to drive overnight visitation and room sales to assessed businesses;
- Destination product development programs and improvements designed to drive overnight visitation and room sales to assessed businesses; and
- Sports and outdoor recreation marketing programs designed to drive overnight visitation and room sales to assessed businesses.

Administration and Operations

The administration and operations portion of the budget shall continue to be utilized for administrative staffing costs, office costs, advocacy, and other general administrative costs such as insurance, legal, and accounting fees.

Contingency/Reserve

The budget shall continue to include a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may continue to be held in a reserve fund or utilized for other program, administration, or renewal costs at the discretion of Stay Pleasant Hill. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall continue to be set by the Stay Pleasant Hill Board. Contingency/reserve funds may continue to be spent on PHTID programs or administrative and renewal costs in such proportions as determined by the Stay Pleasant Hill Board. The reserve fund may continue to be used for the costs of renewing the PHTID.

City Collection Fee

The City shall continue to retain a fee equal to two percent (2%) of the amount of assessment collected, to cover its costs of collection and administration.

Cost

FY 2024/2025 Projections

The cost of providing improvements and activities for FY 2024/25 is consistent with the Plan. The total estimated assessment budget has increased from 2023/24 as a result of improved business conditions. The anticipated total budget for FY 2024/25 is \$878,493 in anticipated collections and \$248,348 in estimated carry over from previous years, for a total budget of \$1,126,841. The categorical breakdown is below. All budget category allocations are within the authorized fifteen percent (15%) adjustment of the total budget from the prior year.

Category	FY 2024/25 Estimated Assessment Revenue	FY 2024/25 Estimated Expenditures	% of Assessment Budget
Sales, Marketing & Communications	\$658,869	\$658,869	75%
Administration & Operations	\$158,129	\$158,129	18%
Contingency & Reserve	\$43,925	\$43,925	5%
City Fee	\$17,570	\$17,570	2%
Totals	\$878,493	\$878,493	100%

Note: the table above reflects assessment revenue only and does not include the surplus carried over from the previous PHTID Owner’s Association term that ended on March 31, 2023. The surplus balance is \$248,348 for FY 2024/25 and is explained in more detail on Page 13.

FY 2023/2024 Actuals

Pursuant to the PHTID Plan, below is an overview of the projected revenue versus actual expenditures for FY 2023/24. Estimated actual collections were \$660,026, less than the \$731,300 projection. The difference of \$71,274 was funded by the surplus carried over from the previous Owner’s Association, as explained on Page 13.

Category	FY 2023/24 Estimated Assessment Revenue		FY 2023/24 Actual Assessment Expenditures (cash basis)
	%	\$	\$ Spent
Sales, Marketing & Communications	75%	\$548,475	\$ 743,467
Administration & Operations	18%	\$131,634	\$ 133,898
Contingency & Reserve	5%	\$36,565	\$0
City Fee	2%	\$14,626	\$13,201
Totals	100%	\$731,300	\$890,565

Assessment

For fiscal year 2023/24, the assessment rate for the Pleasant Hill Tourism Improvement District was 3%. Effective April 1, 2024, the Stay Pleasant Hill Board voted to increase this rate to 4%. For fiscal year 2024/25, the assessment rate for the Pleasant Hill Tourism Improvement District will be 4%.

Assessment

The initial annual assessment rate is three percent (3%) of gross short-term room rental revenue for lodging businesses. Based on the benefit received, assessments will not be collected on: stays of more than twenty-nine (29) consecutive days; a person as to whom, or an occupancy as to which, it is beyond the power of the city to impose the tax; and by any state officer or employee of the federal government or a foreign government who is exempt by reason of express provision of federal law or international treaty.

In years 2024 through 2026, the assessment may be subject to an increase during the five (5) year term. At the discretion of the Stay Pleasant Hill Board, the assessment rate may be increased to a maximum rate of five percent (5%) of gross short-term room rental revenue for assessed lodging businesses. However, the increase in any year shall not exceed one percent (1%) of gross short-term room rental revenue. The assessment rate may also be decreased by the Stay Pleasant Hill Board by up to a maximum of one percent (1%) per year but shall not drop below the initial three percent (3%) of gross short-term room rental revenue. Any increase or decrease authorized by the Stay Pleasant Hill Board shall be included in the Annual Report described in Section V of the Management District Plan.

The term “gross room rental revenue” as used herein means the consideration charged, whether or not received, for the occupancy of space in a hotel, valued in money, whether to be received in money, goods, services, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

Time and Manner for Collecting Assessments

The PHTID assessment was implemented beginning April 1, 2022 or as soon as possible thereafter, and will end five (5) years from its start date. The City will continue to be responsible for collecting the assessment on a quarterly basis (including any delinquencies, penalties, and interest) from each lodging business. The City shall continue to take all reasonable efforts to collect the assessments from each lodging business. The City shall continue to forward the assessments collected, less the two percent (2%) collection fee, to the Owners’ Association.

Delinquencies

The PHTID shall reimburse the City for any costs and fees (including, but not limited to, both City staff time as reasonably calculated by the City, as well as any attorney's fees) associated with collecting unpaid assessments. If sums in excess of the delinquent PHTID assessment are sought to be recovered in the same collection action by the City, the PHTID shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. Original Delinquency: Any lodging business which fails to remit any assessment imposed within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.
2. Continued Delinquency: Any lodging business which fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.
3. Fraud: If the City determines in its sole reasonable discretion that the nonpayment of any remittance due under this section is due to fraud and/or intent to mislead the City, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the penalties stated in subsections 1 and 2 of this section.
4. Interest: In addition to the penalties imposed, any lodging business which fails to remit any assessment imposed shall pay interest at the rate of one-half of one percent (0.5%) per month or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
5. Penalties Merged with Assessment: Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the assessment required to be paid under this section.

Surplus and Other Funding

Surplus

The surplus carried over from FY 2023/24 assessment revenue is \$0. Separate from the annual assessment revenue, a surplus balance of \$478,887 was carried over from the previous PHTID Owner's Association term that ended on March 31, 2022. Of this amount, \$230,539 was spent in 2023/24, leaving a balance of \$248,348 for FY 2024/25. This surplus will be used in FY 2024/25 and in future years for one-time expenses, such as marketing campaigns, partnerships and sponsorships of local events, and trade shows.

Other Funding

There are anticipated contributions totaling \$1,138 to be made from partnerships.

APPENDIX I – Budgeted vs. Actual FY2023 - 2024

Visit Pleasant Hill
FY24 Budget vs. Actuals (Cash Basis)
 April 2023 - March 2024

	TOTAL			
	Actual	Budget	over Budget	% of Budget
Income				
5100 Program Sales & Fees	\$ -	\$ -	\$ -	
5110 Hotel Assessment	\$ 660,026.14	\$ 731,300.00	\$ (71,273.86)	90.25%
5120 Sponsorships	\$ 1,000.00	\$ -	\$ 1,000.00	
Total 5100 Program Sales & Fees	\$ 661,026.14	\$ 731,300.00	\$ (70,273.86)	90.39%
5300 Revenue From Investments	\$ -	\$ -	\$ -	
5310 Interest Income	\$ 137.99	\$ -	\$ 137.99	
Total 5300 Revenue From Investments	\$ 137.99	\$ -	\$ 137.99	
Carryover (for budget only)	\$ -	\$ 478,886.86	\$ (478,886.86)	0.00%
Total Income	\$ 661,164.13	\$ 1,210,186.86	\$ (549,022.73)	54.63%
Expenses				
7200 Salaries & Related Expenses	\$ -	\$ -	\$ -	
7210 Salaries & Wages	\$ 349,461.95	\$ 379,562.18	\$ (30,100.23)	92.07%
7220 401k/403b Contributions	\$ 5,275.00	\$ 9,500.00	\$ (4,225.00)	55.53%
7230 Employee Benefits	\$ 24,022.25	\$ 20,015.50	\$ 4,006.75	120.02%
7240 Payroll Taxes	\$ 27,450.23	\$ 32,088.63	\$ (4,638.40)	85.55%
7250 Payroll Service Fees	\$ 5,845.47	\$ 5,061.20	\$ 784.27	115.50%
7290 Workers Comp	\$ 1,498.05	\$ 1,381.00	\$ 117.05	108.48%
Total 7200 Salaries & Related Expenses	\$ 413,552.95	\$ 447,608.51	\$ (34,055.56)	92.39%
7500 Contract Service Expenses	\$ -	\$ -	\$ -	
7520 Accounting	\$ 27,043.99	\$ 28,440.00	\$ (1,396.01)	95.09%
7530 Attorney & Legal	\$ 3,205.00	\$ 5,000.00	\$ (1,795.00)	64.10%
7540 IT Consultant	\$ 15,099.96	\$ 15,000.00	\$ 99.96	100.67%
7550 Social Media Consultant	\$ 44,120.00	\$ 45,600.00	\$ (1,480.00)	96.75%
7560 Marketing Agency	\$ 80,000.00	\$ 102,000.00	\$ (22,000.00)	78.43%
7561 Creative Agency	\$ 24,800.00	\$ 35,000.00	\$ (10,200.00)	70.86%
7562 PR Agency	\$ 18,352.89	\$ 20,000.00	\$ (1,647.11)	91.76%
7570 Virtual Assistant	\$ 9,969.75	\$ 12,000.00	\$ (2,030.25)	83.08%
7580 Photographer	\$ 2,179.95	\$ 4,000.00	\$ (1,820.05)	54.50%
7585 Videographer	\$ 350.00	\$ 2,500.00	\$ (2,150.00)	14.00%
Total 7500 Contract Service Expenses	\$ 225,121.54	\$ 269,540.00	\$ (44,418.46)	83.52%
8100 Non-personnel Expenses	\$ -	\$ -	\$ -	
8110 Supplies	\$ 4,255.06	\$ 11,000.00	\$ (6,744.94)	38.68%
8120 Telephone & Internet	\$ 2,716.00	\$ -	\$ 2,716.00	
8130 Postage & Shipping	\$ 500.76	\$ 2,700.00	\$ (2,199.24)	18.55%

8150 Software & Hardware < \$1000	\$ 1,344.01	\$ 3,000.00	\$ (1,655.99)	44.80%
8160 Printing & Copying	\$ 18,952.55	\$ 30,600.00	\$ (11,647.45)	61.94%
8170 Subscriptions & Website	\$ 12,528.68	\$ 20,050.00	\$ (7,521.32)	62.49%
Total 8100 Non-personnel Expenses	\$ 40,297.06	\$ 67,350.00	\$ (27,052.94)	59.83%
8200 Facility Expenses	\$ -	\$ -	\$ -	
8210 Office & Storage Rent	\$ 7,780.75	\$ -	\$ 7,780.75	
8290 Depreciation & Amortization	\$ 365.50	\$ -	\$ 365.50	
Total 8200 Facility Expenses	\$ 8,146.25	\$ -	\$ 8,146.25	
8300 Travel & Conference Expenses	\$ -	\$ 40,000.00	\$ (40,000.00)	0.00%
8310 Transportation	\$ 6,066.82	\$ -	\$ 6,066.82	
8320 Airfare	\$ 9,303.01	\$ -	\$ 9,303.01	
8330 Meals	\$ 3,840.01	\$ -	\$ 3,840.01	
8340 Hotels & Lodging	\$ 13,137.32	\$ -	\$ 13,137.32	
8350 Conference Registration Fees	\$ 5,009.16	\$ 12,000.00	\$ (6,990.84)	41.74%
8355 Trade Show Attendance	\$ 25,967.00	\$ 30,000.00	\$ (4,033.00)	86.56%
8360 Incentives (Groups + Meetings)	\$ 99.21	\$ 3,000.00	\$ (2,900.79)	3.31%
8370 Client Entertainment	\$ 2,943.63	\$ 3,000.00	\$ (56.37)	98.12%
Total 8300 Travel & Conference Expenses	\$ 66,366.16	\$ 88,000.00	\$ (21,633.84)	75.42%
8400 Other Program Specific Expenses	\$ -	\$ -	\$ -	
8410 City Fee	\$ 13,200.51	\$ 14,626.00	\$ (1,425.49)	90.25%
8420 Co Campaigns	\$ 4,368.08	\$ 15,000.00	\$ (10,631.92)	29.12%
8421 SPH Advertising	\$ 16,791.66	\$ 15,000.00	\$ 1,791.66	111.94%
8422 Digital Marketing Activations	\$ 18,169.30	\$ 84,100.00	\$ (65,930.70)	21.60%
8430 Marketing Contingency	\$ -	\$ 30,000.00	\$ (30,000.00)	0.00%
8440 Memberships	\$ 23,447.85	\$ 38,570.00	\$ (15,122.15)	60.79%
8460 Merchandise	\$ 12,456.08	\$ 25,000.00	\$ (12,543.92)	49.82%
8470 Partnerships	\$ 7,290.00	\$ 27,000.00	\$ (19,710.00)	27.00%
8480 Community Sponsorships	\$ 11,676.72	\$ 10,000.00	\$ 1,676.72	116.77%
8490 Trade Fam Trips	\$ 1,715.68	\$ 4,000.00	\$ (2,284.32)	42.89%
Total 8400 Other Program Specific Expenses	\$ 109,115.88	\$ 263,296.00	\$ (154,180.12)	41.44%
8500 Other Expenses	\$ -	\$ -	\$ -	
8520 Insurance - Non-employee Related	\$ 1,076.92	\$ 1,500.00	\$ (423.08)	71.79%
8530 Membership Dues - Organization	\$ 5,000.00	\$ -	\$ 5,000.00	
8540 Staff Training and Development	\$ 2,097.00	\$ 4,500.00	\$ (2,403.00)	46.60%
8545 Board Training and Development	\$ 21,845.04	\$ 20,000.00	\$ 1,845.04	109.23%
8550 Bank Fees	\$ 295.00	\$ -	\$ 295.00	
8560 Merchant Fees	\$ 621.79	\$ -	\$ 621.79	
8590 Other Expense	\$ (2,970.30)	\$ -	\$ (2,970.30)	
Total 8500 Other Expenses	\$ 27,965.45	\$ 26,000.00	\$ 1,965.45	107.56%
Total Expenses	\$ 890,565.29	\$ 1,161,794.51	\$ (271,229.22)	76.65%
Net Income	\$ (229,401.16)	\$ 48,392.35	\$ (277,793.51)	-474.04%

APPENDIX II – Assessed Businesses

Business Name	Street Address	City
EXTENDED STAY AMERICA	3220 BUSKIRK AVE	PLEASANT HILL, CA 94523
HOMEWOOD SUITES BY HILTON	650 ELLINWOOD WAY	PLEASANT HILL, CA 94523
HYATT HOUSE	2611 CONTRA COSTA BLVD	PLEASANT HILL, CA 94523
SONESTA SELECT	2250 CONTRA COSTA BLVD	PLEASANT HILL, CA 94523
PLEASANT HILL INN	1432 CONTRA COSTA BLVD	PLEASANT HILL, CA 94523
RESIDENCE INN BY MARRIOTT	700 ELLINWOOD WY	PLEASANT HILL, CA 94523
SUN VALLEY INN	2045 CONTRA COSTA BLVD.	PLEASANT HILL, CA 94523