

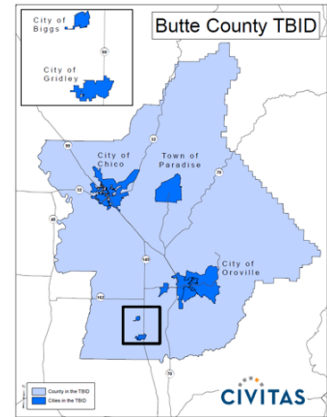
BUTTE COUNTY TOURISM BUSINESS IMPROVEMENT DISTRICT 2023 ANNUAL REPORT

Submitted by Explore Butte County, pursuant to Streets and Highways Code section 36650, for the period from January 1, 2023 through December 31, 2023.

BOUNDARIES

There were no changes to the boundaries.

The Butte County Tourism Business Improvement District (“BCTBID”) will continue to include all lodging businesses, existing and in the future, available for public occupancy located within the boundaries of unincorporated Butte County, and the cities of Chico, Biggs, Gridley, Oroville, and Paradise, as shown below.

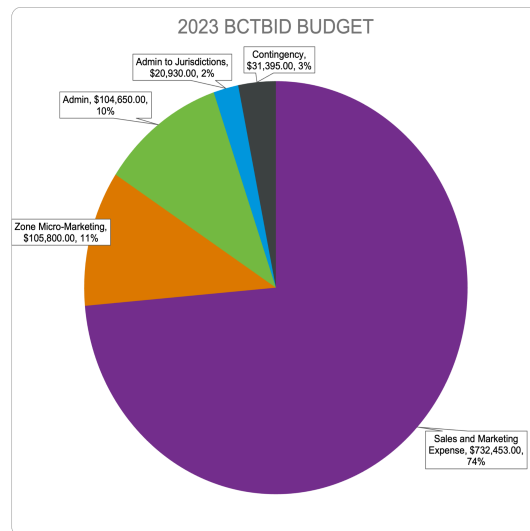
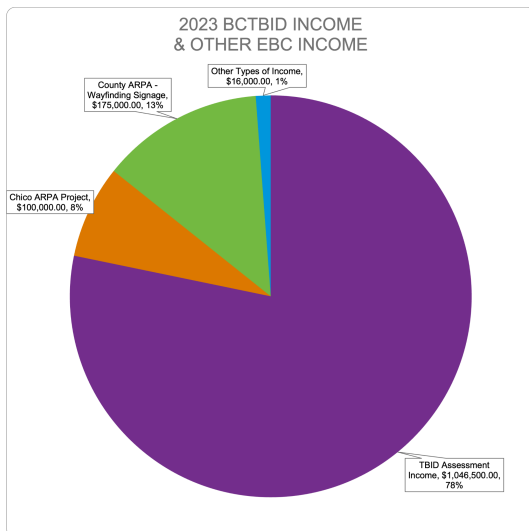


BUDGET

The following budget, for January 1, 2023, to December 31, 2023, is in compliance with the percentage threshold set forth in the BCTBID Management Plan approved by the Board of Supervisors in September 2020.

In 2023, Explore Butte County intends to run a deficit of no more than \$115,000. Funds will come from Contingency for website development and destination management programming within sales and marketing activity.

Micro-Zone Marketing Funding collected in 2022 is budgeted to be spent in 2023. The Micro-Zone Marketing Funding collected in 2023 will be budgeted in 2024.



ASSESSMENT RATE

There were no changes to the assessment methodology.

The annual assessment rate is two percent (2%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days, with the exception of Oroville, whereby assessments will not be collected on stays of more than sixty (60) consecutive days.

IMPROVEMENTS & ACTIVITIES

The BCTBID is designed to provide specific benefits directly to payors by increasing room night sales. Marketing, sales, destination product development, and visitor service enhancements will increase overnight tourism and market payors as tourist, meeting, and event destinations, thereby increasing room night sales.

DESTINATION MARKETING

In the second quarter of 2023, Explore Butte County will release a request for proposals to marketing agencies to help Explore Butte County increase demand for overnight visitation in Butte County from our ideal visitor. To help the organization define our ideal visitor, Explore Butte County will be transitioning our research and data provider to Zartico. Zartico will help Explore Butte County to better understand our ability to drive demand, the visitor distribution within Butte County, and the economic opportunities within the visitor economy, while allowing us to engage better and be more transparent with our lodging and jurisdiction stakeholders.

Explore Butte County will also:

- Launch a redesigned Explore Butte County website
- Print a new Adventure Guide for Butte County
- Expand marketing pillars beyond Outdoor Adventure
- Leverage new data to expand target markets and visitor profiles for increase brand exposure
- Increase social media impressions & engagement with the use of "influencers"
- Increase brand activation activity outside of Butte County
- Explore the idea of increasing brand exposure for Outdoor Adventure with an MTB Team
- Increase partnerships with local jurisdictions to support city brand development
- Continue development and acquisition of digital assets & content

DIGITAL MEDIA PLAN

Explore Butte County primary media spend is focused on digital and social media buys in our target markets for increased demand from visitors not located within Butte County. Explore Butte County targets potential visitors from Sacramento, the Bay Area, and the Los Angeles region. In partnership for the Museum and Restaurant Week promotion, Explore Butte County invests in TV and Radio media spend within the community.

DESTINATION MANAGEMENT

This year, Explore Butte County will release a request for proposals to develop a Destination Management Plan to help guide the organization for the next 10 years. The plan will create guidelines to support each jurisdiction in their efforts to: launch new travel brands; create visitor economy asset development plans and economic development plans; and to build a vision for the visitor economy in Butte County.

Explore Butte County will also:

- Work with our regional marketing committees to provide support for zone micro-marketing programs
- Continue to support the development of Travel Chico and the Butte County Wayfinding Project, both funded with ARPA dollars
- Continue its ongoing recognition of the visitor economy as an economic development resource

ORGANIZATION MANAGEMENT

With a new Executive Director, Explore Butte County will also focus on

- Developing an organization strategic plan for the next two years
- Increasing Board and Advisory engagement, feedback, and strategic support
- Exploring potential funding opportunities from non-lodging strategic partners