



## Humboldt County Visitors Bureau

May 14, 2024

Humboldt County Board of Supervisors:

Rex Bohn, Michelle Bushnell, Natalie Arroyo, Steve Madrone, Mike Wilson

Humboldt County CAO: Elishia Hayes

### **Agreement Between the Humboldt County Visitors Bureau and the County of Humboldt for Marketing Services:**

The current Agreement, signed in 2021, was for three years and will end on June 30<sup>th</sup>, 2024. As this date is six weeks hence, HCVB Board of Directors and Staff are rightfully concerned about future funding for the Bureau and Gateways, the long-term vision/plans for marketing Humboldt, and the Bureau's role.

1: The Bureau recognizes that the County is facing a \$12.4 Million budget shortfall and that, as stated in Section 5 of the Agreement (see below), the County can reduce the funding. However, the Agreement stipulates that the Contractor should be notified of any reduction by March 1<sup>st</sup>, prior to end of the Agreement. As the County failed to notify HCVB within the stipulated time, it states the compensation for the following year shall remain the same.

**5. Reduction in Compensation.** CONTRACTOR recognizes that the services provided under this Agreement represent a small fraction of the variety of services for which COUNTY is responsible, and that the Transient Occupancy Tax is a source of general revenue which may be allocated at the discretion of COUNTY's Board of Supervisors. Therefore, CONTRACTOR agrees that the compensation payable under Section 4, above, is subject to reduction by COUNTY in the event of financial conditions that result in reductions generally applicable to other General Fund budgets. **COUNTY agrees to notify CONTRACTOR, in writing, not later than the 1st day of March of any reduction to the compensation due under Section 4 for the succeeding fiscal year. In the event that the COUNTY fails to notify CONTRACTOR by March 1 of a reduction in compensation in accordance with this paragraph, CONTRACTOR's compensation for the following year shall be calculated in accordance with Section 4.**

**The TOT funds to be dispersed in FY 24/25 have already been collected by the County.**

#2: The Bureau acknowledges that the County is currently reviewing the existing contract and HCVB's performance. The County can terminate the contract at the end of the fiscal year (June 30, 2024), cease funding the Bureau, and identify another entity or entities to assume marketing duties for the County.

**18. Termination. COUNTY may terminate the Agreement on ninety (90) days written notice** to CONTRACTOR. Notice of termination shall be deemed effective two (2) days after the mailing of said notice or, if notice is given by special delivery, upon delivery of said notice to CONTRACTOR. In the event of termination, CONTRACTOR shall return to COUNTY any unexpended funds.

Comprehensive implementation of any of the above scenarios will take County and HCVB Staff time, which in turn will impact HCVB's ability to maintain effective marketing and future tourism revenue.

On behalf of the Board of Directors, we respectfully submit this proposal:  
In order to protect and maintain current marketing momentum and to ensure continuation of marketing endeavors, or the smooth transfer of knowledge and assets and dissolution of the Bureau, HCVB proposes that the County enter into **an interim, one-year Agreement**, during which time a new contract can be developed and negotiated, alternate funding secured, or HCVB dissolved.

We look forward to working in partnership with the County to reach agreement and resolve this situation before June 30<sup>th</sup> 2024.

Thank you for your support,

*Ken Hamik*

Ken Hamik  
President  
HCVB Board of Directors

*Julie Benbow*

Julie Benbow  
Executive Director  
HCVB

HCVB Board of Directors

Molly Blakemore  
Lowell Daniels  
Jenny Early  
Shannon Hughes  
Justin Legge  
Ara Pachmayer  
Carlton Nielsen  
Lisa Sundberg  
Sam Wedll

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**Humboldt  
County  
Visitors  
Bureau**

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