



NEWPORT BEACH RESTAURANT BUSINESS IMPROVEMENT DISTRICT FISCAL YEAR 2019-20 ANNUAL REPORT

As required by Section 36533 of the California Streets and Highways Code, the annual report of the Newport Beach Restaurant Business Improvement District (NBRA BID) contains the required information as follows:

1. PROPOSED CHANGES TO THE DISTRICT BOUNDARY

There are no changes proposed to the district boundaries.

2. IMPROVEMENT AND ACTIVITIES FOR THE FISCAL YEAR OF JULY 1, 2020 TO JUNE 30, 2021

MISSION, VISION, VALUES & GOALS

Pursuant to its current Strategic Business Plan, the NBRA BID will continue its mission through adherence to defined values and guiding principles with the following priority initiatives from the strategic business plan:

MARKETING | PROMOTION

- New marketing and media partnerships investigation
- Enhanced website/social media engagement through video content
- Targeted and measurable annual marketing strategy

COMMUNICATION | EDUCATION

- Engaging stakeholder outreach strategy and program execution
- Relevant educational program development based on stakeholder needs
- Ongoing calendar of events development

COMMUNITY & STAKEHOLDER RELATIONS

- Top Foodservice issues identification
- Clearinghouse set-up for diner charitable causes donations through Restaurant Week event
- Targeted and measurable annual communications plan with appropriate messaging

FINANCIAL RESOURCES & ADMINISTRATION

- Updated rolling year strategic plan review
- Aligned program of work and budget allocations

NBRA BID VISION 2021

The NBRA BID is a strong investor and community partner-marketing group extolling the city's quality foodservice and brand experience.

- Ensure a vibrant and financially healthy restaurant association and restaurant stakeholders through successful re-opening, recovery and economic prosperity campaigns, promotions and marketing.
- Enhanced foodservice sector brand marketing
- Increased communications of BID stakeholder benefits
- Strengthened community partnerships with higher leveraged results
- Stronger selective communitywide foodservices event involvement and promotion

FY 2020-21 OBJECTIVES

1. Develop a COVID-19 Marketing Recovery Plan to promote Newport Beach restaurants and assist with reopening, economic and financial recovery efforts.
2. Promote Newport Beach stakeholder restaurants and showcase the local culinary community to increase diner frequency and generate stakeholder sales.
3. Grow awareness of the Dine Newport Beach brand and Newport Beach as a top culinary destination.
4. Foster the Newport Beach culinary community to increase stakeholder engagement, which will include new safety and health communications to restaurants as a response to the COVID-19 pandemic.
5. Leverage the Dine Newport Beach brand and assets to generate incremental revenue for increased program marketing and promotion.

FY 2020-21 PRIORITY INITIATIVES

The NBRA BID has identified and will work in Fiscal Year (FY) 2020-21 to implement and exceed current and long-term NBRA BID goals and objectives through key activities to realize its vision over the next year.

Due to the effects of the COVID-19 pandemic on the restaurant community, much of the focus and strategy of the NBRA BID will be to assist restaurants and local dining businesses with comprehensive marketing campaigns, promotions and efforts to encourage dining in or take-out. The NBRA BID, through its work this next year, will be all about recovery, revenue and driving business for its member stakeholders via the following marketing, digital, media relations, advertising, event marketing and other channels:

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PRIORITY A: RESTAURANT MARKETING, PROMOTION & RECOVERY

- **Branding | Recovery Marketing Campaigns::** NBRA BID will deploy integrated online, print, radio, public relations and social media campaigns throughout the year during restaurant need periods to assist with recovery efforts.
- **Website:** The NBRA BID website, DineNB.com, will add relevant content, improved imagery, video, additional dining guides, curated dining experiences and user-friendly navigation. Blog content will be provided by staff and also by food and lifestyle bloggers and influencers.
- **Mobile-Friendly Website:** As the majority of diners use mobile devices to explore culinary offerings and events, the NBRA BID will create an enhanced mobile experience for diners to easily search restaurants by neighborhood, cuisine, price point and location.

- **Digital Marketing:** The Newport Beach dining destination, culinary promotions and events will be advertised with targeted paid-search ads on the major search engines and social networks.
- **Email Marketing:** The Dine Newport Beach weekly newsletter will deliver relevant information to diners in a timely manner. The newsletter will provide motivating content including culinary round-ups, dining trends, restaurant offers and promotions, and dining events.
- **Social Media:** Trending culinary topics, images and video content on the existing social channels will drive followers and build online engagement.
- **Media Relations:** The NBRA BID will generate media coverage in print, digital and broadcast media to generate earned-media exposure for NBRA, DineNB and all stakeholders.
- **Advertising:** Marketing campaigns with new creative messaging will generate consumer awareness and drive incremental diners to restaurants and culinary businesses.
- **Signature Events:** The NBRA BID will produce annual Restaurant Week and new promotional events such as Restaurant Month to assist with recovery efforts.
- **Promotional Materials:** Marketing collateral will be created to promote DineNB.com and its comprehensive online dining guide.
- **Video Content:** Produce video content in partnership with Newport Beach TV as well as Visit Newport Beach lifestyle digital channel to promote Newport Beach culinary experiences and all stakeholders.

PRIORITY B: INDUSTRY & COMMUNITY RELATIONS

- **Industry & Community Relations:** The NBRA BID will support organizations and events that assist in promoting the local restaurant and culinary community.
- **Concierge Service:** The Visit Newport Beach, Inc. Visitors Center and Concierge Team, when re-opened, will assist with visitor culinary questions and guidance.
- **Stakeholder Communications:** The NBRA BID will engage NBRA restaurants, partners and local stakeholders with email and occasional print communications.
- **Civic Event Participation:** The NBRA BID will participate and contribute to a variety of local civic events.
- **Professional Relationships:** The NBRA BID will maintain a variety of industry relationships and memberships with, but not limited to, Newport Beach & Company, California Restaurant Association and the Newport Beach Chamber of Commerce.
- **Annual Meeting:** The NBRA BID will hold its Annual Meeting in March 2021, where it will provide a review of the financial standing of the NBRA BID, review marketing and promotion results, discuss goals, objectives and programs for the upcoming fiscal year, and obtain feedback from the general membership.

PRIORITY C: BID ADMINISTRATION & FINANCE

- **BID Marketing, Administration & Accounting:** The NBRA BID will contract with an appropriate, full-service vendor to handle all marketing, communications, public relations, website management, administrative and accounting services.
- **BID Operational Costs:** The NBRA BID will continue to pay for all its operational costs including approved contracts, postal mailings, bank fees and other administrative expenses.

3. THE COST OF THESE ACTIVITIES IS PROJECTED AS FOLLOWS:

EXPENSES	TOTAL
Office Supplies	\$950
Postage	\$850
Bank/Merchant Fees	\$2,500
Membership Dues	\$300
Governance Meeting Expenses	\$500
Independent Contractors	\$17,000
Bloggers	\$8,000
Marketing Consultant Fees	\$30,000
BID Administration Fees	\$15,000
BID Accounting Services Fees	\$9,000
Advertising – Consumer	\$30,000
Community Partner Events	\$3,000
Event Marketing Expenses	\$20,000
Event Operating Expenses	\$1,000
Research	\$5,500
Collateral Production Expenses	\$2,000
Social Media	\$1,400
Website Maintenance	\$1,000
Media Relations	\$2,000
Total Expenses	\$150,000

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4. THE METHOD AND BASIS OF LEVYING THE ASSESSMENT SHALL BE AS FOLLOWS:

The benefit assessments will be collected by the City or its designee in one installment at the beginning of the fiscal year, and shall be pro-rated for new businesses that open during the year. The benefit assessment will be levied upon persons conducting business within the Restaurant Association Business Improvement District as follows:

Category	Annual Assessment
Full-Service Restaurant (e.g., with wait service)	\$600
Fast Casual Eatery (e.g., order at the counter)	\$500
Grocery or Market	\$500
Coffee, Tea or Specialty Shop	\$150
Dessert, Bakery or Treat Shop	\$150
Juice Bar or Smoothie Shop	\$150
Catering Company	\$150

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The penalty for delinquent payments shall be equal to that established for delinquent business license fees pursuant to Chapter 5.04 of the Newport Beach Municipal Code, providing that the penalty amount added shall in no event exceed fifty percent (50%) of the annual assessment amount due.

5. SURPLUS REVENUE TO BE CARRIED OVER

It is estimated that \$7,122 will be carried over from the NBRA BID's FY 2019-20 budget. Additionally, the NBRA BID will utilize \$XXXXX from the NBRA BID Reserve Account fund, accumulated carry-over from prior years, to provide economic relief to the restaurant stakeholders during the COVID-19 pandemic. The reserve money will be used to cover a portion of the restaurant stakeholders assessments, in addition to any budget shortfalls that may occur in the short-term, due to a decrease in the amount of stakeholders, and in the long-term, a potential decrease in special event revenue.

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6. SOURCES OF CONTRIBUTIONS OTHER THAN LEVIED ASSESSMENTS

In addition to the anticipated income from the levied assessments, late fees and carry-over, the NBRA BID's FY 2020-21 budget estimates receiving \$25,000 in special event fees, \$9,000 City of Newport Beach special event grant, plus the City's COVID-19 Marketing Recovery Support Contribution.

INCOME	TOTAL
Stakeholder Assessments	\$170,000
Bad Debt from Assessment Deferrals & Restaurant Closures due to COVID-19 Impact (Reducing Anticipated Income 60%)	-\$102,000
Carry-Over Funds from FY 2019-20	\$7,122
Funds from NBRA BID Reserve Account (carry-over from prior years)	TBD
City COVID-19 Marketing Recovery Support Contribution	XXXXXX
Special Event Fees & Income (Restaurant Week)	\$25,000
City of Newport Beach Special Event Grant Funds	\$9,000
Total Income	\$184,122

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7. ACCOMPLISHMENTS IN FISCAL YEAR 2019-20

FY 2019-20 was a successful year for the NBRA BID as it completed the following projects and initiatives:

FY 2019-20 YEAR-ROUND RESULTS

- In partnership with Newport Beach & Company, the NBRA BID continued to evolve the consumer-facing Dine Newport Beach brand with new brand creative to market restaurants, foodservice establishments and the local culinary community to diners.
- NBRA BID continued the development and ongoing maintenance of the NBRA BID website, DineNB.com, with stakeholder listing information, photos, menus, reviews and online booking capabilities.
- The website was updated throughout the year with robust content and videos on the Newport Beach culinary community, dining guides, stakeholder offers and events, restaurant industry news and NBRA BID information. New video content series was created for social and the web:
 - Season 2 “Weekly Bites”
 - Season 3 “Culinary Journeys”
- NBRA BID executed three promotional campaigns throughout the year for destination and brand awareness to communicate the unique dining options available in the city.
 - 2019 Summer Campaign – 52 Weeks of Dining
 - 2020 Restaurant Week Campaign – Dine to Make A Difference
 - 2020 Early Spring Campaign – Curbside/ Take out Delivery
- Print advertising appeared throughout the year in a variety of media outlets with in-market distribution through subscribers and in local retail stores and markets, regional hotels and concierges, visitor centers, airports, timeshare and vacation rentals and luxury apartments.
 - Newport Beach Visitor Guide
 - OC Guestbook
 - Newport Beach Magazine
 - OC Weekly
 - LA Times
 - The Daily Pilot
 - NB Indy
- Digital advertising throughout the year helped to boost brand and destination awareness, as well as increased website visits. Online advertising and promotions appeared in the following media outlets
 - Google Display Network
 - Google AdWords
 - TripAdvisor
 - Facebook
 - Digital Display for both Mobile & Desktop viewing
- The consumer eNewsletter boosted distribution weekly to its diner subscriber base in order to keep the Newport Beach dining destination and NBRA BID stakeholders top of mind in a competitive Orange County culinary marketplace. The newsletter includes blogs, videos and stories from respected local food and lifestyle bloggers, as well as timely information on stakeholder offers and local culinary events.

- The NBRA BID conducted ongoing outreach throughout the year to food and travel writers, lifestyle bloggers and key media in local and regional drive markets to generate awareness for Dine Newport Beach the Newport Beach culinary community. The PR team hosted 55 members of the media at a reception to kick-off Newport Beach Restaurant Week in January at Lincoln Experience Center.
- The NBRA BID hosted a consumer event at the Lincoln Experience Center “Dine to Make a Difference” which followed the media event. This event included 160 paid guests enjoying bites from eight NBRA restaurants.
- Through consistent and strategic social media outreach on Facebook, Twitter and Instagram, the NBRA BID experienced tremendous growth in the social channels, as well as increased online engagement with consumers and stakeholders.
- The NBRA BID outreached to key culinary and dining influencers in order to engage with these personalities to broadcast to the larger social population and expand the network.
- The NBRA BID conducted messaging and promotion through its social channels on restaurant offers, culinary events, dining trends and restaurant information on a weekly basis
- The NBRA BID and Dine Newport Beach provided promotional support to local culinary events including:
 - Golden Foodie Awards
 - Newport Beach Wine & Food Festival
 - Newport Beach Film Festival
 - Christmas Boat Parade
 - Pacific Food & Wine Classic

FY 2019-20 RESTAURANT WEEK RESULTS

- NBRA BID produced the 2020 Newport Beach Restaurant Week with a record-breaking 72 participating restaurants. The event celebrated the 14th anniversary of Restaurant Week marking “Dine to Make a Difference.” The marketing and promotional efforts included:
 - Advertising – Print ads appeared in LOCALE OC. Digital ads appeared online through the Google Ad Network, Facebook, Instagram, Visit California, Los Angeles Times Digital Media, OC Greer, VisitNewportBeach.com, DineNB.com, YelpOC and OpenTable. Paid and in-kind advertising generated over 4.5 million impressions.
 - PR Campaign – Editorial content, blogger coverage, calendar listings and a reception to promote the event generated 75 articles, 60 digital/print placements; 15 broadcast media placements in Orange County, Los Angeles, Long Beach, Inland Empire, Palm Springs and San Diego.
 - Promotions – Over 100,000 promotional cards and posters were distributed throughout the local area in hotels, visitor centers, airport, apartment communities, at local events, participating restaurants and in City of Newport Beach municipal statements in December and January. Outdoor promotional signage and banners appeared throughout Newport Beach.

- Email Blasts – Email communications went out through Dine Newport Beach, Visit Newport Beach, OpenTable, YELP, Lido Marina Village and The Irvine Company email database reaching over 2 million consumers throughout the Los Angeles and Orange County regions.
- 14th Annual Newport Beach Restaurant Week launched its first year with a charity partner, Second Harvest Food Bank in Orange County. Diners during Restaurant Week donated \$4,090 Second Harvest—all through voluntary donations and media kick-off event ticket sales.
- Results – OpenTable reported 90-percent of NBRW consumers would recommend to a friend; and restaurants reported sales growth of 15 percent during Restaurant Week. There were over 226 million advertising and media impressions generated for the event. The overall event resulted in an estimated consumer spend of \$3.9 million, which is an increase of three percent year over year.

FY 2019-20 COMMUNITY RELATIONS, FINANCE & ADMIN RESULTS

- Through the partnership with Newport Beach & Company, the NBRA BID continued providing a toll-free phone number and live concierge assistance to diners seeking information on Newport Beach restaurants through the on-site concierge desk located at Fashion Island.
- The NBRA BID participated and/or contributed to the following community programs and events: Newport Beach Mayor's Dinner, California Restaurant Association Orange County Chapter, Newport Beach & Company Annual Marketing Outlook Dinner, Newport Beach Police Appreciation Breakfast and other community events.
- The NBRA BID continued to maintain relationships with Newport Beach & Company, Orange County Visitors Association, California Restaurant Association and the Newport Beach Chamber of Commerce.
- The NBRA BID contracted (through the City) with Newport Beach & Company to handle all marketing, public relations, communications, website management, BID administrative services, and bookkeeping services.
- The NBRA BID continued to offer online credit card processing services for members to pay their assessment and event participation fees.
- The NBRA BID conducted a survey of its stakeholders and a planning session to develop an updated three-year strategic plan for the organization.
- The NBRA BID conducted outreach and recruited new stakeholders to serve on the NBRA BID's Board of Directors.
- The NBRA BID held its Annual Meeting via Webex Video Conference in April (per the NBRA BID Bylaws), where they provided a review of the BID's financial standing: reviewed marketing and promotion results: discussed goals and objectives and programs for the upcoming fiscal year and obtained feedback from the general membership.

FISCAL YEAR (FY) 2019-20 OPERATING RESULTS

During FY 2019-20, the NBRA BID collected approximately \$175,013 in stakeholder assessments. The NBRA BID received \$39,299 in participation fees for 2020 Newport Beach Restaurant Week, and a grant of \$9,000 from the City in support of Newport Beach Restaurant Week. The total income for FY 2019-20 is expected to be approximately \$224,086.

By the end of FY 2019-20, the NBRA BID will have spent approximately \$216,964 for approved activities, funded by the FY 2020-21 revenue.

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CONCLUSION

The stakeholders of the Newport Beach Restaurant Association BID wish to thank the Newport Beach City Council for its continued financial support and efforts on behalf of the NBRA.



**Newport Beach Restaurant Business Improvement District
Operating Budget
July 1, 2020 – June 30, 2021**

INCOME	TOTAL
Stakeholder Assessments	\$170,000
Bad Debt from Assessment Deferrals & Restaurant Closures due to COVID-19 Impact (Reducing Anticipated Income 60%)	-\$102,000
Carry-Over Funds from FY 2019-20	\$7,122
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COVID-19 Marketing Recovery Support Contribution	\$XXXXXX
Special Event Fees & Income (Restaurant Week)	\$25,000
City of Newport Beach Special Event Grant Funds	\$9,000
Total Income	\$109,122

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EXPENSES	TOTAL
Office Supplies	\$950
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