



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-603

Agenda Date: 2/19/2025

Agenda #: 17.

DATE: February 19, 2025

TO: Honorable Mayor and City Councilmembers

FROM: City Manager's Office

TITLE: **VISIT OCEANSIDE 2024 ANNUAL REPORT**

RECOMMENDATION

Staff recommends that the City Council receive and file Visit Oceanside's annual report for 2024.

BACKGROUND AND ANALYSIS

In April 2010, the Oceanside Tourism Marketing District (OTMD) was established for a period of five years, and in April 2015 the OTMD was renewed for a period of 10 years.

On February 28, 2024, the City Council adopted an Ordinance to renew the OTMD beginning on April 1, 2025 and ending nine years and three months from its start date.

As the OTMD Owner's Association, Visit Oceanside is required to submit an annual report to the City of Oceanside. Since 2010, Visit Oceanside had been informally submitting the report directly to staff and City Council. The recommended action would serve to formalize the report submittal process, which will be done on an annual basis going forward.

Incorporated in 2010, Visit Oceanside is a 501 (c)(6) corporation that is governed by a 13-member Board of Directors along with ten advisors/liaisons. The board is comprised of industry stakeholders and non-industry representatives. The board's priorities comprise the four strategic pillars of the organization and include Marketing, Group Sales, Advocacy and Education.

Visit Oceanside is the sales and marketing engine for Oceanside's tourism industry. Its program of work is designed to increase local business by stimulating demand for travel to Oceanside. Visit Oceanside's goal is to manage and implement the Oceanside brand as a preferred visitor destination for group and leisure business.

The attached Annual Report provides an overview of activities implemented by Visit Oceanside and related performance measures. Visit Oceanside met its fiscal year 2024 goal of maintaining market share in the peak summer season while increasing demand between peak and off-peak seasons. Overall lodging occupancy outpaced fiscal year 2023 and was up 5 percent annually with February showing the largest year-over-year growth of 18 percent. Room night demand also outpaced the

previous year with the largest growth among groups. Despite the increases in tourism, the industry is expected to face headwinds going forward due to factors such as inflation, environmental impacts, and changing consumer travel behaviors. The year ahead is expected to bring an anticipated market softening and flat visitor economy.

In addition to the information provided in the Annual Report, Visit Oceanside continues to keep the industry apprised of market conditions at monthly board meetings and through regular updates to City staff.

FISCAL IMPACT

None.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Michelle Geller, Economic Development Manager

Reviewed by: Michael Gossman, Assistant City Manager

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. VO Annual Report 2024