

Frequently Asked Questions about Visit Huntington Beach

Who is Visit Huntington Beach (VHB)?

VHB, formed in 1989, is the official destination marketing organization (commonly referred to as a DMO) for Huntington Beach, California. It is a private, non-profit 501(c)(6) organization.

VHB is an economic development organization that reinvests visitor-generated assessments from Huntington Beach lodging properties to create more local jobs, increase visitor spending at local businesses and increase overnight visitor stays in our local hotels. All these results lead to an increase in tax revenues for local government.

Visit Huntington Beach consists of a team of dedicated staff members and board members working toward a more successful Huntington Beach. A non-membership organization, its partners consist of the [City of Huntington Beach](#), all Huntington Beach lodging properties and visitor-serving businesses, and visitor-serving organizations in Huntington Beach. For questions regarding partnership, please view our [Partner Benefits](#) section or contact a staff member.

Visit Huntington Beach works collaboratively with many organizations within the community, but is not involved in their operations or decision-making processes. For more information on those organizations and their work, please visit their organization websites below:

[City of Huntington Beach](#)

- Government services; parking permits; City Council meetings; policies; public safety & law enforcement.

[Downtown Huntington Beach Business Improvement District](#)

- Represents over 250 downtown businesses that provide visitors with dining, shopping, and retail experiences
- Surf City Nights (the only certified farmers' market in HB)
- Surf City Artisan Fair

[Huntington Beach Chamber of Commerce](#)

- With a membership of more than 600 Huntington Beach businesses, the Chamber works to build a stronger Huntington Beach business community.

What is VHB's Mission?

VHB supports and advocates for the economic vitality and quality of life for our Huntington Beach community through inspirational destination marketing and brand management.

What is VHB's legal organizational designation?

VHB is a private, non-profit 501(c)(6) organization. It is not a department of the City of Huntington Beach.

Why does VHB use the trademark Surf City USA®?

In 2004, Visit Huntington Beach registered the trademark Surf City USA® with the USPTO, and was officially approved in 2007. Inspired by the nickname that was popularized by the 1963 song "Surf City" by Jan and Dean, Surf City USA® embodies the Huntington Beach brand as the quintessential Southern California beach-town, with more than a century of surf culture and history, 10 miles of wide-open beaches, consistent waves throughout the year, and the iconic Huntington Beach Pier.

For those interested in licensing the Surf City USA® trademark, please contact VHB at (714) 969-3492 or info@surfcityusa.com.

Why is a strong local tourism economy important?

A strong local tourism economy generates tax revenue for the City. These come in the form of hotel occupancy taxes (TOT), sales taxes on goods and services purchased by tourists, and taxes on attractions and events. Visitor spending also increases the effective tax base of a community.

With these tax revenues, it goes into the City's general fund, allowing local governments to provide a higher quality of services without increasing taxes for its residents. This can be reinvested into essential public services and amenities that benefit residents, such as parks, beaches, road maintenance, and emergency services.

Revenue from tourism taxes also drives local economic growth, creating jobs and increasing residents' income. This stimulates spending within the community, fostering further revenue generation and potentially alleviating the need for higher taxes.

If Huntington Beach loses its tourism market share to other SoCal destinations, it would weaken the local tourism economy, which would in turn reduce revenue for the city's general fund that supports various essential city services, e.g. public safety, roads and infrastructure. It is therefore essential to modify the self-assessed TBID to a higher percentage, as it will sustain a strong local tourism economy and its efforts to drive economic vitality in Huntington Beach.

What is Transient Occupancy Tax (TOT) and how is it used?

Huntington Beach's overnight lodging guests pay a 10% TOT per room per night. The City of Huntington Beach retains 100% of all TOT revenues as of February 1, 2019. (Previously, VHB had received 10% of TOT visitor tax revenues for destination marketing). These revenues support the City's general fund and help to pay for City services including police, fire, marine safety, beach maintenance, parks, and libraries. Note: City governments around the country retain an average of 50% of TOT revenues, with the remainder invested in destination marketing with the city's DMO. The City of HB retains 100%.

How much TOT revenue is generated each year?

In FY 2022-2023, total TOT revenue collections were approximately \$16 million. Since 1996, over \$200 million in TOT revenues have been collected by the City.

What is the benefit of tourism to Huntington Beach residents?

Combined state and local tax revenues, excluding Transient Occupancy Tax revenue, generated by visitors helped to offset the average Huntington Beach resident's tax burden by \$565 per household in 2017. Tourism also supports local businesses and attracts signature events to the destination, allowing residents to enjoy a wider range of restaurants, retail, and activities close to home.

Do local residents pay taxes that fund Visit Huntington Beach?

No.

How much TOT revenue is dedicated to VHB?

0%. As of February 1, 2019, VHB does not receive any TOT funds.

How is VHB funded?

VHB's funding does *not* come from taxes paid by local residents. Funding is derived through a Tourism Business Improvement District (TBID) self-assessment paid by Huntington Beach lodging properties who collect the assessment from overnight hotel guests choosing to stay in one of Huntington Beach's 21 hotels (2,300 total available rooms).

What is the Tourism Business Improvement District (TBID)?

The TBID was originally formed in 2002 by Huntington Beach hotel properties and approved by City Council. All lodging properties within the TBID's boundaries (the city limits of Huntington Beach) agreed to place a self-assessment on overnight stays to help fund VHB's efforts to market and sell the destination to visitors. Currently, the TBID consists of 21 local hoteliers and 218* licensed vacation rentals. The TBID assessment is paid by visitors who stay in Huntington Beach lodging properties. TBID assessment revenues provide a more dependable, long-term, sustainable revenue source to market Surf City USA® globally without any tax burden on local residents. Huntington Beach's overnight hotel guests pay a 4% assessment fee for each occupied room/vacation rental per night during their stay. (*total count fluctuates)

How much TBID assessment revenue is dedicated to VHB?

The current TBID management district plan went into effect on February 1, 2019 with a 4% self-assessment rate for all Huntington Beach lodging properties that would be used to fund VHB's program of work. Guests staying at these properties pay this rate upon checkout. In 2019, this plan was expected to result in annual TBID revenues of \$5.2 million. It also allowed the City of Huntington Beach to receive over \$1 million in revenues for the general fund that were previously allocated to Visit Huntington Beach through Transient Occupancy Taxes (TOT).

How much is VHB's annual revenue?

In FY 2022-2023, VHB's annual revenue was approximately \$7 million dollars, all paid by Huntington Beach's overnight hotel visitors.

What does VHB do with TBID assessment dollars?

TBID assessments fund vital, important VHB program of work areas, which greatly benefit our community and overall visitor experience:

All metrics below is a reflection of the 2022-2023 fiscal year (July 1st - June 30th).

- Overall brand marketing for Huntington Beach, Surf City USA.
- Traditional advertising in key visitor markets with over 1 billion advertising impressions.
- Digital and social media programs, including ownership and management of [surfcityusa.com](https://www.surfcityusa.com) (relaunched website with new design in July 2022), with over 1.3 million annual website sessions, 2.1 million pages viewed, 109,550 Instagram followers; 84,342 Facebook fans; 15,950 Twitter followers, and 3,007 LinkedIn followers; 2,052 Pinterest followers; and 914 followers to the recently created TikTok account.
- Public relations, which generated 1,900 Barcelona Principles score.
 - *The **Barcelona Principles** refers to the **Barcelona Declaration of Research Principles**, a set of seven voluntary guidelines established by the public relations (PR) industry to measure the efficiency of PR campaigns. They were the first overreaching framework for effective public relations and communications measurement.*
- Destination sales (conventions, meetings, groups), which last year was responsible for sourcing over 900 leads, of which over 50,000 hotel room nights were booked into local hotels.
- High demand publications such as HB's official Visitors Guide, Visitor Map and Historical Walking Tour brochures.
- International and domestic travel trade programs targeting leisure travelers via trade shows generating 15 in-destination familiarization tour visitors, and sales outreach to 733 tour operators and travel agents in 3 target countries.
- HB Film Commission that works closely with the City's Economic Development office to help generate 111 film permits.
- Surf City USA's Nighttime Ambassador Program that serves visitors and businesses on weekends and during special events year-round.
- Visitor Information Kiosk at the Pier, which is open seven days a week, served over 53,000 walk-up visitors.
- Welcome Center at the Huntington Beach International Surfing Museum, which is open six day a week.
- Free monthly partner information meetings designed to provide HB's businesses with actionable steps to increase visitor generated expenditures for local businesses.

What do vacation rentals get out of paying into the TBID self-assessment?

Under the direction of Visit Huntington Beach's Board of Directors, one of VHB's main

responsibilities is to ensure the largest well of visitors flow into Huntington Beach to stay, shop, and play. Regardless of lodging choices, destination marketing is the number one deciding factor on travel decisions and it is crucial to keep the destination top of mind when travelers decide where to spend their travel budget. Visit Huntington Beach plans and deploys year-round sales & marketing programs to boost visitor numbers, room bookings and tourism spending for all lodging properties. By promoting Huntington Beach as a fun, desirable tourism destination, we entice more visitors to come and stay in the destination, whether at a hotel, short-term rental or with friends and family. A TBID modification increase would allow for bespoke vacation rental campaigns, influencer campaigns, website promotion, and “Live Like a Local” materials designed specifically to benefit STVR owners and their guests.

Why is the Visit Huntington Beach Board of Directors asking City Council to affirm its TBID assessment increase from 4% to 6%?

Visit Huntington Beach’s tourism marketing budget is falling behind other competitive southern California destinations’ budgets. This significantly limits Visit Huntington Beach’s (VHB) ability to market and sell the Surf City USA® brand experience around the world. Investing in our destination marketing efforts through an increased assessment will directly translate into enhanced promotion and visibility for Huntington Beach, ultimately attracting more visitors and driving economic growth.

Over the last several years, costs have risen in areas such as advertising, creative designs, strategic partnerships for group business, and labor, making it difficult for VHB’s budget to keep pace with the increased cost of doing business.

Many OC and SoCal destinations also have new travel and hotel experiences that are poised to draw visitors to them and away from Huntington Beach, making it increasingly imperative to maintain our competitive position.

Without an increase to VHB’s sales and marketing budget, Huntington Beach will have a less visible presence compared to other tourism destinations, leading to tourists choosing to visit other destinations instead of Huntington Beach. As a result, Huntington Beach hotel occupancy and room rates will drop, impacting the hotel industry, which will also lead to drastically diminished TOT, sales tax and parking revenues to the City.

Why should City Council affirm a TBID assessment increase instead of a TOT increase?

Studies have demonstrated that the economic impact of the TBID assessment is greater than solely increasing the TOT. By raising the assessment, we not only diversify our revenue streams but also bolster the City's budget by further increasing TOT and sales tax revenue.

In 2019, [Tourism Economics researched the impact](#) of TIDs on destination performance, revealing that destinations with TIDs consistently outperform others. On average, TIDs yield a significant boost of 2.1% in hotel room demand and 4.5% in hotel room revenue compared to those without TIDs. This translates to a notable increase of 150,000 room nights and \$51 million in hotel revenue for the average destination in 2019.

Specifically in Colorado, the Denver Tourism Improvement District (DTID) was established in 2016 to bolster revenue for tourism-related services and enhance overnight visitation, funding vital capital improvement projects. Tourism Economics analyzed the DTID's impact in 2019 and found that Visit Denver's \$36 million budget generated an impressive \$73 million in local tax revenue, effectively doubling the initial investment. This demonstrates that the benefits of TIDs extend beyond merely boosting hotel sales- they serve as a pivotal catalyst for driving overall economic growth.

What approach does the VHB Board of Directors recommend to the City for any future initiatives to increase TOT that would have hotel industry support?

The VHB Board of Directors understands that the tourism industry is part of the local economy tapestry and remains open to future City initiatives to increase its overall general fund budget.

How do you track and determine the success of VHB's programs?

The Visit Huntington Beach Board of Directors' strategy includes comprehensive, full-funnel sales & marketing initiatives designed to drive a steady flow of leisure and group business throughout the year. Throughout the entire run of various programs, Visit Huntington Beach uses several data sources as well as over 50 Key Performance Indicators (KPIs) to monitor and determine the Return on Investment (ROI) performance of its Paid, Owned, Earned, and Shared channels.

Why does VHB support large signature events?

Research data shows that large events typically bring an increase in visitation and visitor spending to a destination during the events. By hosting special events, the tourism industry benefits from increased visitors, but also generates substantial revenue for the City as visitors spend more on accommodations, parking, dining, shopping, and entertainment during an event. This influx of spending not only supports local businesses but also fuels economic growth in the community.

In addition, VHB strategically partners with world-class special events that align with the destination's brand and image (for example, the US Open of Surfing) to help drive business year-round, especially during non-peak periods. Additionally, special events provide an opportunity for Huntington Beach to showcase our unique attractions, culture, and hospitality to a wider audience, spotlighting Huntington Beach to new audiences around the world that will attract future or repeat visitors.

Is VHB an accredited destination marketing organization (DMO)?

VHB has been fully accredited by [Destinations International](#) (DI), the world's leading trade association for DMOs, since 2012. VHB renewed its accreditation in 2022 and received the highest possible recognition for a destination organization – "Accreditation with Distinction," indicating that the organization exceeded the minimum requirements for accreditation with over 100 mandatory and voluntary standards that span a variety of performance areas. With over 200 destination organizations who have obtained DMAP recognition, fewer than 10% earn "Accreditation with Distinction".

How did VHB get accredited?

To become accredited, a DMO must demonstrate compliance with more than 100 performance standards in the areas of governance, strategic planning, stakeholder engagement/advocacy, finance, human resources, management and operations, technology, research and marketing intelligence, brand management, marketing, communications, sales and services, membership/partnership, visitor services, and destination development. Accreditation standards are set by an independent panel of industry veterans representing a diverse selection of destination organizations. Standards are regularly revisited and revised to reflect the evolution of best practices in the industry and accredited organizations are required to re-apply every five years. Completing the renewal process typically takes 9-12 months.

What are VHB's Core Values?

VHB embodies a community-focused spirit of service that is proactive and strategic.

How many full-time employees does VHB currently employ?

VHB currently has 17 full-time employees.

Is VHB's current staffing level high or low when compared to other DMOs and industry standards?

The average number of full-time employees for DMOs in VHB's annual budget category (\$5 – \$9.9 million) is 24 FTEs (Destination Organization Performance Reporting, DI). VHB's 17.6 FTE's is 27% less than DMOs in the same budget category.

Have any of VHB staff achieved higher professional certification?

There are less than 400 Certified Destination Marketing Executives (CDME) in the world. Two of VHB's 17 full-time team members are CDMEs, with one additional team member who is in progress. DI's highly respected 2-3 year educational CDME program offered through Purdue University is the accounting world's equivalent of earning a C.P.A., but for DMO professionals.

How many total annual visitors experience Huntington Beach?

The definition of a "visitor" to any destination can vary. The sometimes-quoted annual number of between 11-15 million HB visitors is loosely based on the number of estimated cars parking at HB's beach parking lots. *This number includes local residents.* For example, a local HB resident who has a beach pass and parks at the beach 20 times a year to catch some morning waves is included in this informal tally as 20 visitors.

VHB commissions a more robust visitor research study every several years, designed to provide a deeper and more scientifically significant analysis of HB visitors. In these studies, HB visitors are defined as "anyone who lives outside of Orange County and who has visited Huntington Beach for the day or stayed there overnight."

Non-Orange County resident visitors to Huntington Beach:

- 2022: 2.26M

- 2021: 2.11M
- 2020: 1.69M
- 2019: 2.78M
- 2018: 2.61M
- 2017: 3.5M
- 2016: 3.34M
- 2015: 3.22M
- 2014: 3.18M

Source: Lauren Schlau Consulting, Inc.; CIC Research, Inc.; Tourism Economics. May 2023.

Which visitors are being targeted by VHB's integrated sales and marketing plan?

Non-Orange County residents who desire overnight hotel accommodations in Huntington Beach (including Sunset Beach and all other non-resort hotel property locations) are the primary target audience of VHB's very detailed and measurable sales and marketing efforts. VHB secondarily promotes in destination shopping, dining, tour and attraction experiences to help extend length of stay, repeat visitation and day visitation.

Who are these visitors?

Here are some highlights from the most recent comprehensive visitor profile study:

- Median age is 39 years
- Household income is \$105,000
- Average number of nights stayed in Orange County is 3.77
- Average size of visitor group is 3 people
- About three out of four visitors (75%) are day visitors
- Nearly 25% have overnight accommodations in HB, with 17.5% reporting overnight hotel stays, 2.4% other paid lodging, and 5% reporting private home accommodations and a very small percentage staying in campgrounds
- 69% of visitors drove to HB, 9% used ride share (Uber/Lyft), while about 21% traveled by air
- On average, HB visitors spent \$395 per group (or \$133 per capita), per trip in Orange County

Where are these visitors from?

93% are domestic US visitors with top geo markets of:

- Southern California
- San Francisco and the Bay area
- Phoenix/ Scottsdale in Arizona
- Dallas/ Houston/ Austin in Texas
- Seattle/Portland/ Vancouver in the Pacific Northwest
- Utah
- Las Vegas in Nevada

- Denver in Colorado
- Chicago in Illinois

7% are international visitors with top geo markets of:

- Canada
- UK
- Mexico
- China/ Japan/ South Korea
- Middle East
- Australia

What is the economic impact on the local Huntington Beach economy by non-Orange County resident visitor spending?

The last economic impact study of non-Orange County residents visiting HB was completed in 2022, assessing the economic impact of 2022 visitors:

- Visitor spending: \$506.3 million in direct spending, averaging \$1.38 million a day.
- Estimated 4,146 jobs supported by visitor spending, or 1-in-25 jobs in the City.
- Over \$17.3 million in total projected tax revenue from visitor spending contributed to the City of Huntington Beach's general fund.

Source: Lauren Schlau Consulting, Inc.; CIC Research, Inc. May 2023.

How can I view a copy of VHB's FY22-23 2 Annual Highlights?

For more information, see VHB's [FY22-23 Annual Highlights](#).