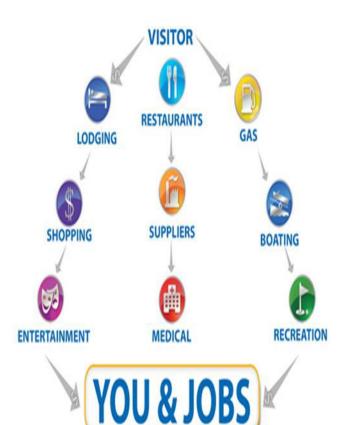
Proposed 1% Transient Occupancy Tax Increase (aka Bed Tax) will generate approximately \$220,000.

These dollars will be utilized by the Lake Havasu City Convention & Visitors Bureau, with the guidance of the Hospitality Association, on the following:

- \$150,000—television advertising in So. California, Arizona and Nevada
- \$50,000—Internet advertising for visitors in So. California, Arizona, Nevada, Utah, Oregon and Colorado
- \$20,000—additional sales calls to travel agents, tour groups, meeting and event planners in So. California, Arizona and Nevada

Where do visitor dollars









VOTE YES ON TOURISM

The economic impact of tourism in Lake Havasu City helps our local community enjoy a unique quality of life unparalleled in other areas.

WHY VOTE YES ON A HOTEL BED TAX INCREASE?

IT IS ONLY PAID BY VISITORS TO BENEFIT OUR COMMUNITY & LOCAL ECONOMY

AND

THE LAKE HAVASU CITY ECONOMY DEPENDS ON VISITOR SPENDING

- Fewer visitors dramatically impact our economy
- They are looking for less expensive vacations with more options
- Hotels & restaurants must offer lower rates and prices in order to compete
- Lower rates & prices mean less visitor taxes collected
- Lower visitor taxes collected means less money to advertise Lake Havasu City as a destination point
- Competition for visitor dollars is stronger than ever because of all of these factors
- By benefiting our community we create a better place for our visitors to come to—it is a win-win for everyone

The lodging industry understands the importance of taxing an additional 1% (paid by visitors) in order to ensure effective advertising campaigns to continue to attract visitors to Lake Havasu City.

THIS IS NOT A TAX ON LOCAL RESIDENTS

WHAT DID THE CVB DO FOR THE LAKE HAVASU CITY COMMUNITY IN 2008-2009?

- Developed a new dynamic website increased visitor traffic to the new site by approximately 41%, increased page views by 66%
- Produced electronic and print editorial stories about Lake Havasu City generating \$4.7 million worth of advertising dollars
- Placed \$125,707 in print advertising generating over 10 million impressions
- CVB staff participated in trade shows and sales missions generating more interest in Lake Havasu City
- The CVB has over 5,000 fans on Facebook, almost 500 followers on Twitter and hundreds of Lake Havasu photos on Flickr
- Partnered with the State Film Office to bring Piranha 3D to Lake Havasu City for 4 months of filming—the production company spent in excess of \$18 million locally & created hundreds of short-terms jobs for residents
- Sponsored 21 events with over 7,000 participants in addition to more than 123,000 spectators
- Sent 28,298 emails to our opt-in email list resulting in 37% of the recipients reading the information
- Generated 14 meeting planner leads representing approximately 1,500 room nights and potential lodging revenue of \$211,559
- Painted the inside & outside of the Visitor Information Center creating a welcoming first impression for our visitors

- Provided information to over 70,000 visitors coming through our Visitor Information Center
- Responded to almost 10,000 email & phone requests for additional information from potential visitors
- Implemented performance indicators and performance measurements for CVB marketing programs

This was done with a 20% reduction in funds & staff

Funds for 2009-2010 are projected to be even less because of the market conditions outlined previously.

An increase of 1% in Transient Occupancy Tax (PAID ONLY BY VISITORS) will generate enough revenue (approximately \$220,000) for the CVB to have an aggressive advertising campaign online, on television, in print and in person. This additional revenue will only be used for promoting Lake Havasu City as a prime destination point for visitors.