



CITY OF LONG BEACH

C-3

OFFICE OF THE CITY MANAGER

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6711 FAX (562) 570-7650

September 9, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution of Intention approving the Annual Assessment Report for October 1, 2014 to September 30, 2015, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for October 14, 2014. (Districts 1, 2, 4 and 5)

DISCUSSION

The Long Beach Area Convention and Visitor Bureau (LBCVB) promotes and markets the City of Long Beach as a tourism destination using funds generated through the assessment of hotel properties located in the Long Beach Tourism Business Improvement Area (LBTBIA). State law governing Parking and Business Improvement Areas require the submission of an annual assessment report by the Advisory Commission designated for this Assessment District.

At its August 21, 2014 meeting, the LBCVB Board voted to adopt the Fiscal Year 2015 (FY 15) LBTBIA Assessment Report (attached). The Assessment Report describes boundaries, proposed activities and budgetary information, as well as the method and basis for continuation of the assessment. The report proposes no change in the basis and method of levying the assessment and no significant change in proposed activities.

The recommended Resolution of Intention grants approval of the Assessment Report, declares the intention of the City Council to levy the assessment for proposed activities, and sets the date of the public hearing for October 14, 2014.

This matter was reviewed by Deputy City Attorney Amy Webber on August 13, 2014 and by Budget Management Officer Victoria Bell on 19, 2014.

TIMING CONSIDERATIONS

City Council action is requested on September 9, 2014 to set the date for the public hearing for October 14, 2014. The new contract year begins on October 1, 2014.

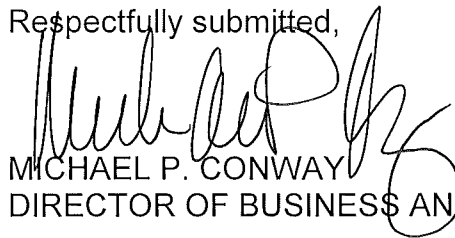
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$4,240,950 in FY 15 through the proposed continuation of the assessment. Short-term room rental-assessment funds are collected from hotels and passed directly through to the LBCVB for implementation of tourism programs. Due to an anticipated increase in short-term room rental revenue within the LBTBIA boundaries, assessment revenue is estimated to increase by \$378,000 from FY 14. Of the total estimated pass-through, \$3,863,000 is included in the FY 15 Budget in the Parking and Business Area Improvement Fund (SR 132) in the Public Works Department (PW). If necessary, an appropriation increase for the balance may be requested during FY 15. There is no local job impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF BUSINESS AND PROPERTY DEVELOPMENT

MPC:VSG:jsh
09.09.14 FY 15 LBTBIA ROI v3.doc

Attachments: Long Beach Tourism Business Improvement Area FY 2014 Annual Report
Resolution

APPROVED:



PATRICK H. WEST
CITY MANAGER

LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA ANNUAL REPORT

October 1, 2014—September 30, 2015

EXECUTIVE SUMMARY

- Long Beach has experienced continued growth in year to date RevPar (Revenue Per Available Room; occupancy x average room rate) with a 3% increase over prior year. We expect to see continued growth with Conventions up 15% over prior year from August through December of 2014.
- The CVB Sales staff participated in 29 national tradeshows in several markets across the country.
- The CVB Sales staff participated in 4 major Sales Missions in key feeder markets with General Manager's and Directors of Sales from the Long Beach Convention Center and hotel community.
- The CVB Sales staff conducted 5 Client Familiarizations Trips to increase Long Beach exposure to new and existing customers.
- The CVB placed 52 advertisements in the 13 top meeting trade publications with a print circulation of 370,000 professional meeting planners and over 2 million total media impressions.
- The CVB embarked on a "first-ever" joint partnership with our major attractions for a social media marketing campaign to raise awareness of Long Beach as a tourism destination and to boost overnight leisure travel vacations, resulting in more than 7.6 million social media impressions.

SALES OVERVIEW:

LBTBIA funding has also assisted the CVB's Sales Department in their efforts to bring quality meeting and convention groups to Long Beach. During the 2013/2014 fiscal year, the CVB sales team participated in the following events aimed at professional Meeting Planners & Executive Directors:

- **29 Trade Shows**
- **4 Sales Missions (CVB joined by Convention Center & hotel leadership and sales staff)**
- **5 Long Beach Familiarization Trips**

Sales Missions:

- **Washington DC Sales Mission:** CVB Sales staff led a contingent of 12 Long Beach Hospitality Partners which included General Managers and Directors of Sales from the

Convention Center & Hotel's. The mission was 5 days and during that time we conducted 24 individual sales calls, hosted 7 customer events and had over 300 total customer contacts. As a result, we have booked 3 citywide conventions thus far, worth a combined estimate of \$5.3 M and over 15,000 room nights in our hotels for Long Beach.

- **Chicago Sales Mission:** This mission will take place over 3 days in November 2014, where CVB staff will be joined by Convention Center & Hotel Sales Representatives. We have confirmed 12 individual sales calls and will be hosting 5 customer events.

Client Familiarization Trips:

“FAM Trips” are a primary tool in selling meeting planners on the features and benefits of booking their conventions in our city. In 2013/2014, we hosted 5 Client FAM trips for the Toyota Grand Prix, National Red Bull Flugtag, the Asics World Series of Beach Volleyball, the Pacific Ballroom Sky Transformation event, and the Health Professionals Network in September. Of these events, the Grand Prix is our most important client FAM.

- **Grand Prix FAM:** The CVB hosted over 60 clients and guests representing a combined potential of 56,000 room nights and \$52 million overall economic impact. As of June 2014, we have generated 6 specific leads for a total of 42,710 room nights and approximately \$40 million in EEI. Over the past two years, the Grand Prix FAM has helped bring 7 new events to Long Beach, bringing the city approximately \$500,000 in TOT to the city.

MARKETING/ADVERTISING OVERVIEW:

Meeting Trade Advertising

(Readers are primarily professional meeting planners)

In the Meetings Trade Market the CVB was able to continue its advertising and promotional efforts to include a wide range of publications to improve reader awareness of Long Beach, although with five fewer publications and less ad frequency.

Trade Publication Synopsis:

- **12 Top Trade Publications**
- **370,000 Total Circulation**
- **52 Advertisements**
- **Over 2,000,000 Total Minimum Impressions**

Trade Publications for 2013/2014:

Meeting & Conventions: Circulation: 50,000

Successful Meetings: Circulation: 50,000

Corporate Incentive Travel: Circulation: 40,002

Convene: Circulation: 35,000

Black Meetings & Tourism: Circulation: 28,000

Association Meetings: Circulation 20,302
Association Convention Facilities: Circulation 20,000
Corporate Meetings & Incentives: Circulation 32,287
Long Beach Business Journal: Circulation: 35,000
USAE: Circulation: 7,000
HSMAI: Circulation: 7,000
BizBash Magazine: Circulation: 65,000

Consumer Advertising:
(Readers are primarily pleasure and business travelers)

California Visitors Guide: Circulation: 500,000

DIGITAL MARKETING OVERVIEW

The CVB coordinated a “first-of-its-kind” social marketing campaign, bringing together dozens of our Long Beach hospitality partners in a combined social media outreach. Titled “Beach With Benefits,” this is the first time all of the major tourism entities in Long Beach have combined their marketing efforts in a collective campaign.

Major partners included:

- LBCVB
- Queen Mary
- Aquarium of the Pacific
- Long Beach Airport
- JetBlue.

Additional partners included our hotels, restaurants, museums and attractions.

Collectively, this marketing partnership had a social media reach of:

- 1 million Facebook users
- 34,550 Twitter followers
- 1.2 million email contacts.

Six major online sweepstakes contests targeted JetBlue’s major cities with direct flights to Long Beach:

- Anchorage
- Seattle/Portland
- San Francisco/Oakland
- Las Vegas
- Salt Lake City
- Austin

A seventh contest was open to anyone, including local residents. Each contest featured a VIP 3-night stay in Long Beach, including round trip airfare for two, first-class accommodations in one of our participating hotels, attraction tickets that included one-of-a-kind behind the scenes opportunities and fine dining in our top restaurants.

Currently at its midway point, the campaign has been resoundingly successful. Phase 1 results:

- 7,651,894 total media impressions
 - 4,600,000 LBCVB social (Facebook & Twitter)
 - 1,690,894 partner social (Facebook, Twitter & Instagram)
 - 1,361,000 Google impressions
 - 6,535 total sweepstakes entries
 - 3,156 new LBCVB fans/followers

Phase two, which uses weekly contests and social media outreach has resulted in:

- 1058 new LBCVB fans/followers
- 5,200 media interactons
- 3,000 unique visitors

Weekly contest results:

- 54,424 people reached
- 6% engagement
- 715 participants
- 1.5 million social media impressions

NATIONAL AWARDS WON BY THE LONG BEACH CVB 2013/2014

- Pinnacle Award
Successful Meetings Magazine (10 consecutive wins)
- Gold Service Award & Elite Hall of Fame Member
M & C Magazine (18th consecutive win—inducted Elite Hall of Fame 2007)
- Distinctive Achievement Award
Association Conventions & Facilities Magazine (7th consecutive win)
- Award of Excellence
Corporate and Incentive Travel Magazine (8th consecutive win)
- World Class Award
Insurance & Financial Meetings Magazine (7th consecutive win)
- Ops & Tech Award (Pacific Ballroom at the Long Beach Arena)
Venues Today Magazine (1st win)

LBTBIA

	2013/2014 Budget	2013/2014 Forecast	2014/2015 Budget
Revenue			
PBIA	3,863,000	4,157,786	4,240,950
Total Revenues	3,863,000	4,157,786	4,240,950
Expenses			
Personnel	2,165,451	2,139,522	2,080,772
Fam Tours	20,000	24,766	25,000
Trade Shows	12,000	9,750	9,750
Media /Advertising	833,000	853,346	778,132
Special Projects	75,000	199,174	512,000
Travel & Entertainment Out of Town	273,549	203,189	260,296
Travel & Entertainment In Town	109,000	96,917	108,000
Support Marketing	375,000	387,000	427,000
Allocated Reserves			40,000
Total Expenses	3,863,000	3,913,664	4,240,950
Net Change to Assets	-	244,122	0

FISCAL YEAR 2014/2015 BUDGET

For 2014/2015, the Long Beach Convention & Visitors Bureau Sales and Marketing staff will continue our proven successful programs—exploring sales, marketing and advertising opportunities in the meetings and conventions marketplace. We will continue to expand and increase the reach of our social media marketing efforts to increase the online presence of Long Beach

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING AN ANNUAL REPORT
5 FOR OCTOBER 1, 2014 TO SEPTEMBER 30, 2015 FOR
6 THE LONG BEACH TOURISM BUSINESS IMPROVEMENT
7 AREA ("LBTBIA") AND DECLARING ITS INTENTION TO
8 LEVY THE ANNUAL ASSESSMENT FOR THAT FISCAL
9 YEAR
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11 WHEREAS, pursuant to Section 36533 of the California Streets and
12 Highways Code, the Board of Directors of the Long Beach Area Convention and Visitors
13 Bureau has caused a Report to be prepared for October 1, 2014 to September 30, 2015
14 relating to the Long Beach Tourism Business Improvement Area ("LBTBIA") which is
15 located generally in the Airport District and the Downtown District, which is specifically
16 described in the Report; and

17 WHEREAS, said Report contains, among other things, with respect to
18 October 1, 2014 to September 30, 2015 all matters required to be included by the above
19 cited Section 36533; and

20 WHEREAS, having approved such Report, the City Council hereby
21 declares its intention to:

22 A. Confirm levy of and direct collecting within the Area, assessments for
23 the LBTBIA for October 1, 2014 to September 30, 2015. Said assessments are proposed
24 to be levied on such classifications and at such rates as are set forth in Exhibit "A"
25 attached hereto and incorporated herein;

26 B. Provide that each business shall pay the assessment monthly, at the
27 same time the transient occupancy tax is due; and

28 WHEREAS, to this end, the proposed activities and improvements

1 undertaken by the Area include those generally specified in the establishing Ordinance
2 No. ORD-05-0018, as adopted by the City Council on July 5, 2005; and

3 WHEREAS, a copy of the Report is on file with the City Clerk and includes
4 a full description of the activities and improvements to be provided from October 1, 2014
5 to September 30, 2015, the boundaries of the area, and the proposed assessments to be
6 levied on the businesses that fiscal year and all other information required by law; and

7 WHEREAS, it is the desire of this City Council to fix a time and place for a
8 public hearing to be held in the City Council Chamber of the City of Long Beach on
9 October 14, 2014 at 5:00 p.m., regarding the Report, the levy and the proposed program
10 for October 1, 2014 to September 30, 2015;

11 NOW THEREFORE, the City Council of the City of Long Beach resolves as
12 follows:

13 Section 1. That certain Report entitled "Long Beach Tourism Business
14 Improvement Area Annual Report" for October 1, 2014 to September 30, 2015, as filed
15 with the City Clerk is hereby approved.

16 Section 2. On October 14, 2014 at 5:00 p.m., in City Council Chamber,
17 City Hall, 333 West Ocean Boulevard, Long Beach, California 90802, the City Council of
18 the City of Long Beach will conduct a public hearing on the levy of proposed
19 assessments for October 1, 2014 to September 30, 2015 for the LBTBIA. All concerned
20 persons are invited to attend and be heard, and oral or written protests may be made, in
21 accordance with the following procedures:

22 A. At the public hearing, the City Council shall hear and consider all
23 protests. A protest may be made orally or in writing by any interested person. Any
24 protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and
25 shall clearly set forth the irregularity or defect to which the objection is made.

26 B. Every written protest shall be filed with the City Clerk at or before the
27 time fixed for the public hearing. The City Council may waive any irregularity in the form
28 or content of any written protest and at the public hearing may correct minor defects in the

1 proceedings. A written protest may be withdrawn in writing at any time before the
2 conclusion of the public hearing.

3 C. Each written protest shall contain a description of the business in
4 which the person subscribing the protest is interested sufficient to identify the business
5 and, if a person subscribing is not shown on the official records of the City as the owner of
6 the business, the protest shall contain or be accompanied by written evidence that the
7 person subscribing is the owner of the business. A written protest which does not comply
8 with this section shall not be counted in determining a majority protest.

9 D. Testimony is also invited relating to any perceived irregularities in or
10 protests to previous years' proceedings/assessments.

11 Section 3. The City Clerk shall give notice of the public hearing called for
12 in Section 2 by causing this Resolution of Intention to be published once in a newspaper
13 of general circulation in the City not less than seven days before the public hearing.

14 Section 4. This resolution shall take effect immediately upon its adoption
15 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2014, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

EXHIBIT "A"

LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA ANNUAL REPORT

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