



CITY OF LONG BEACH

C-15

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard 9th Floor • Long Beach, CA 90802 • (562) 570-6383 • Fax (562) 570-

September 3, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution approving the Annual Assessment Report for October 1, 2013 to September 30, 2014, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for October 1, 2013. (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 July 18, 2013 meeting, the LBCVB Board voted to adopt Fiscal Year 2014 (FY 14) LBTBIA Assessment Report, which is Exhibit A to the attached Resolution. 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 1, 2013.

This matter was reviewed by Deputy City Attorney Amy Webber on August 7, 2013 and by Budget Management Officer Victoria Bell on August 21, 2013.

TIMING CONSIDERATIONS

City Council action is requested on September 3, 2013 to set the date for the public hearing for October 1, 2013. The new contract year begins on October 1, 2013.

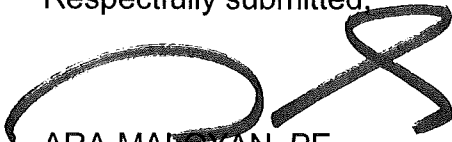
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$3,863,000 in FY 14 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. An appropriation of \$3,618,000 is included in the FY 14 Proposed Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Public Works (PW). An appropriation increase will be requested in FY 14 for the remaining portion. FY 14 assessment revenue will fully offset the proposed allocation in SR 132. There is no local job impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ARA MALOYAN, PE
ACTING DIRECTOR OF PUBLIC WORKS

AM:VSG:jf
09.03.13 FY 2014 LBTBIA ROI v1

Attachments: Resolution

APPROVED:



PATRICK H. WEST
CITY MANAGER

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, 2013 TO SEPTEMBER 30, 2014 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, 2013 to September 30, 2014
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, 2013 to September 30, 2014 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, 2013 to September 30, 2014. 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, 2013
5 to September 30, 2014, 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 1, 2013 at 5:00 p.m., regarding the Report, the levy and the proposed program
10 for October 1, 2013 to September 30, 2014;

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, 2013 to September 30, 2014, as filed
15 with the City Clerk is hereby approved.

16 Section 2. On October 1, 2013 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, 2013 to September 30, 2014 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 _____, 2013, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

EXHIBIT “A”

**LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA
ANNUAL REPORT
October 1, 2013—September 30, 2014**

EXECUTIVE SUMMARY

- From October 2012 to July 2013 the CVB has booked conventions & meetings worth an estimated **\$229.2 million** in economic impact for the City of Long Beach.
- Projection for fiscal year end is an estimated **\$255.4 million** in economic impact.
- The CVB Sales staff participated in 24 national tradeshow across the U.S.
- The CVB Sales staff led 2 major sales missions that included participation from Mayor Bob Foster, Airport Director Mario Rodriguez, Ken Uriu, Port of Long Beach, and general managers and directors of sales from Convention Center and hotel partners.
- The CVB conducted 1 client familiarization trip into Long Beach for the Toyota Grand Prix and hosted 5 customer events/mini fams over various special events in our city.
- In 2012/2013 the Long Beach CVB won 6 national awards for customer service from major meeting trade publications (including perpetual membership in the Meetings & Conventions Elite Hall of Fame). The CVB is on track to repeat that success in 2013/2014.
- The CVB won 2 Platinum and 3 Gold medal Hermes Creative awards for 2013 for direct mail marketing, advertising projects and video productions
- The Long Beach Convention & Entertainment Center won the prestigious “Inner Circle” Award 2012 from Association Meetings Magazine

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 as a premiere convention & meetings destination.

Trade Publication Synopsis:

- 13 Top Trade Publications
- 388,000 Total Circulation
- 53 Advertisements
- 2.1 Million Total Minimum Impressions

Trade Publications for 2013/2014:

Meetings & Conventions:

Circulation: 50,000

Long Beach Business Journal

Circulation: 35,000

Association Conventions & Facilities

Circulation: 20,000

HSMAI:

Circulation: 7,000

Successful Meetings:

Circulation: 50,000

Convene:

Circulation: 35,000

Corporate & Incentive Travel:

Circulation: 40,000

Black Meetings & Tourism:

Circulation: 28,000

Smart Meetings

Circulation: 31,000

Association Meetings:

Circulation 20,107

Biz Bash:

Circulation: 35,000

Corporate Meetings & Incentives:

Circulation 32,000

DIGITAL COMMUNICATIONS / PUBLIC RELATIONS

Social Media:

In 2012, the Long Beach CVB started a successful social media program that includes Facebook and Twitter. The CVB'S social media program continues to grow. Using a strategy to engage followers with appealing images and content about Long Beach, to date we have 4,518 Facebook likes and a following of 8,177 on Twitter and the numbers continue to increase.

Public Relations:

Long Beach garnered substantial media coverage, including major stories in the Wall Street Journal, New York Times, Christian Science Monitor, Instinct Magazine, Sunset Magazine and Westways. Local coverage included stories in the LA Times, Orange County Register, LANG Newspaper group (9 daily newspapers), Long Beach Business Journal and the Gazette Newspapers. Multiple articles about Long Beach also appeared in eight meeting trade publications.

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 2012/2013 fiscal year, the CVB sales team participated in the following events aimed at professional Meeting Planners & Executive Directors:

- 24 Trade Shows
- 2 Sales Missions (CVB joined by Long Beach Mayor, Port of Long Beach, Long Beach Airport, Convention Center and hotel general managers and directors of sales)
- 1 Long Beach Familiarization Trip
- 5 Customer Events/Mini Fams

Sales Missions:

- **Chicago Sales Mission:** CVB staff was joined by Convention Center and hotel sales representatives. We hosted 4 customer events for approximately 85 clients and 42 different organizations. We conducted 10 individual sales calls equaling a combined potential of 48,000 room nights, \$63 million estimated economic impact and over \$865,000 in TOT.
- **Washington DC Sales Mission:** CVB Sales staff led a contingent of 23 Long Beach Hospitality Partners which included Mayor Bob Foster, Ken Uriu, Port of Long Beach, Airport Director Mario Rodriguez, Kerry Gerot, Airport Public Affairs Officer, as well as general managers and directors of sales from the Convention Center and hotels. The mission was 4 days and during that time we hosted 7 customer events and had approximately 230 total customer contacts with 188 different organizations. We conducted 24 individual sales calls equaling a combined potential of 123,000 room nights, \$46 million in economic impact and over \$2 million in TOT. As of August 2013, we have received 6 new RFPs as a direct result of the mission, totaling 9,335 potential room nights, \$3 million in economic impact and \$172,000 TOT for Long Beach.

Client Familiarization Trips:

"FAM Trips" are a primary tool in selling meeting planners on the features and advantages of booking their conventions in our city. In 2012/2013, we hosted 1 Client FAM trip for the Toyota Grand Prix as well as 5 Customer Events/Mini Fams: Bogart & Co. Grand Opening, Flugtag, World Series Volleyball, Jackson Browne and the Long Beach Jazz Festival. Of these events, the Grand Prix is our most important client FAM.

- Grand Prix FAM Trip: 50+ companies and organizations with a combined potential of 84,000 room nights, \$865,000 in TOT and \$63 million in overall economic impact. As a result of our 2013 FAM, we currently have 3 tentative groups that have a potential of 21,529 room nights, \$8,215,000 in EEI and \$219,348 in TOT.

NATIONAL AWARDS WON BY LONG BEACH CVB

The Long Beach Convention & Visitors Bureau won 6 major meeting trade industry awards for customer service. The service awards are voted on by planners through “un-aided” recall and are a reflection of the extra effort Long Beach puts into providing the highest level of customer service.

- **ELITE HALL OF FAME**—Meetings & Conventions Magazine
Member since 2007
- **GOLD SERVICE AWARD**—Meetings & Conventions Magazine
17th Consecutive Win
- **PINNACLE AWARD**—Successful Meetings Magazine
8th Consecutive Win
- **DISTINCTIVE ACHIEVEMENT AWARD**—Assn. Convention & Facilities Magazine
5TH Consecutive Win
- **AWARD OF EXCELLENCE**—Corporate & Incentive Travel Magazine
8th Consecutive Win
- **WORLD CLASS AWARD**—Insurance & Financial Management Meetings Magazine
7th Consecutive Win

HERMES CREATIVE AWARDS—2013

Association of Marketing & Communications Professionals

- **PLATINUM 2013—Advertising/Direct Mail Piece**
Long Beach Arena Project “Party in a Box”
- **PLATINUM 2013—Video Marketing Product**
Long Beach Arena Project Promotional Video
- **GOLD 2013—Marketing/Collateral/Branding**
Long Beach CVB 24-Page Sales Insert
- **GOLD 2013—Video/Marketing Services**
Long Beach CVB Client Testimonial Video
- **GOLD 2013—Video/Marketing Product**
Long Beach, CA Promotional Video

FISCAL YEAR 2013/2014 BUDGET

For 2012/2013, 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.

LBTBIA

	<i>2012/2013 Budget</i>	<i>2012/2013 Forecast</i>	<i>2013/2014 Budget</i>
Revenue			
City Funds	0		0
Memberships	0		0
Visitor Guide	0		0
Special Events	0		0
Registration Assistance	0		0
Housing Assistance/Passkey	0		0
PBIA	3,618,800	3,863,823	3,863,000
PBIA Carryover	0		0
Interest Income	0		0
Annual Mtg	0		0
Concierge Desk/Visitor Centers	0		0
Rent & Office Services	0		0
Total Revenues	3,618,800	3,863,823	3,863,000
Expenses			
Personnel	2,195,342	2,149,070	2,165,451
Fam Tours	0	0	20,000
Trade Shows	40,000	37,997	12,000
Media/Advertising	531,058	833,494	833,000
Special Projects	113,000	109,647	75,000
Gifts	0	0	0
Bid Presentations	0	0	0
Travel & Entertainment Out of Town	269,400	270,665	273,549
Travel & Entertainment In Town	120,000	112,950	109,000
Support Marketing	350,000	350,000	375,000
Reg Assist/Visitor Centers	0	0	0
Administrative Expenses	0	0	0
Allocated Reserve	0	0	0
Total Expenses	3,618,800	3,863,823	3,863,000