



CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 West Ocean Boulevard 3rd Floor • Long Beach, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

C-9

September 19, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution approving the Annual Report for October 1, 2017 to September 30, 2018, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for October 24, 2017. (Districts 1, 2, 4, 5)

DISCUSSION

The Long Beach Area Convention and Visitor Bureau (CVB) promotes and markets the City of Long Beach (City) 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 requires that an Annual Report be submitted to the City Council by the Advisory Board designated for the Assessment District.

On August 17, 2017, the CVB Board voted to recommend to the City Council approval of the LBTBIA Annual Report (Exhibit A to Resolution). The Annual Report describes proposed activities and budgetary information, as well as the method and basis for continuation of the assessment. The Annual Report proposes no significant change in the method of levying the assessment, and no significant change to the proposed activities.

The Fiscal Year 2018 Annual Report, transmitting the recommendations of the LBTBIA Advisory Board, proposes the following assessment rates:

ASSESSMENT FORMULA

The LBTBIA assessment shall be levied on all hotel businesses, existing and future, with greater than thirty 30 rooms, within the area based upon 3 percent of the gross short-term room rental revenue. The assessment will be collected monthly, based on room rental revenues for the previous month. New hotel businesses within the boundaries will not be exempt from the levy assessment pursuant to Section 36531 of the California Streets and Highways Code.

The recommended Resolution grants approval of the Annual 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 24, 2017.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 31, 2017 and by Budget Operations Administrator Grace Yoon on September 1, 2017.

TIMING CONSIDERATIONS

City Council action is requested on September 19, 2017, to set the date for the public hearing for October 24, 2017. The new contract year begins on October 1, 2017.

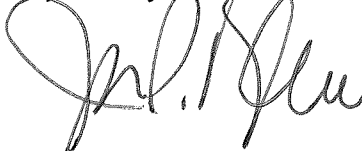
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$5,376,200 in FY 18 through the proposed continuation of the assessment. Short-term room rental-assessment funds are collected from hotels and passed directly through to the CVB for implementation of tourism programs. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC
& PROPERTY DEVELOPMENT

JK:er
LBTBIA FY 18 ROI 09 19 17 CCL

Attachment: Resolution

APPROVED:



PATRICK H. WEST
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING AN ANNUAL REPORT FOR OCTOBER 1, 2017 TO SEPTEMBER 30, 2018 FOR THE LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA ("LBTBIA") AND DECLARING ITS INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THAT FISCAL YEAR

WHEREAS, pursuant to Section 36533 of the California Streets and Highways Code, the Board of Directors of the Long Beach Area Convention and Visitors Bureau has caused a Report to be prepared for October 1, 2017 to September 30, 2018 relating to the Long Beach Tourism Business Improvement Area ("LBTBIA") which is located generally in the Airport District and the Downtown District, which is specifically described in the Report; and

WHEREAS, said Report contains, among other things, with respect to October 1, 2017 to September 30, 2018 all matters required to be included by the above cited Section 36533; and

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

A. Confirm levy of and direct collecting within the Area, assessments for the LBTBIA for October 1, 2017 to September 30, 2018. Said assessments are proposed to be levied on such classifications and at such rates as are set forth in Exhibit "A" attached hereto and incorporated herein;

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

WHEREAS, to this end, the proposed activities and improvements undertaken by the Area include those generally specified in the establishing Ordinance

1 No. ORD-05-0018, as adopted by the City Council on July 5, 2005; and

2 WHEREAS, a copy of the Report is on file with the City Clerk and includes
3 a full description of the activities and improvements to be provided from October 1, 2017
4 to September 30, 2018, the boundaries of the area, and the proposed assessments to be
5 levied on the businesses that fiscal year and all other information required by law; and

6 WHEREAS, it is the desire of this City Council to fix a time and place for a
7 public hearing to be held in the City Council Chamber of the City of Long Beach on
8 October 24, 2017 at 5:00 p.m., regarding the Report, the levy and the proposed program
9 for October 1, 2017 to September 30, 2018;

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

12 Section 1. That certain Report entitled "Long Beach Tourism Business
13 Improvement Area Annual Report" for October 1, 2017 to September 30, 2018, as filed
14 with the City Clerk is hereby approved.

15 Section 2. On October 24, 2017 at 5:00 p.m., in City Council Chamber,
16 City Hall, 333 West Ocean Boulevard, Long Beach, California 90802, the City Council of
17 the City of Long Beach will conduct a public hearing on the levy of proposed
18 assessments for October 1, 2017 to September 30, 2018 for the LBTBIA. All concerned
19 persons are invited to attend and be heard, and oral or written protests may be made, in
20 accordance with the following procedures:

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

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

1 conclusion of the public hearing.

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

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

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

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

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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 _____, 2017, by the following vote:

Ayes:	Councilmembers:	_____

Noes:	Councilmembers:	_____

Absent:	Councilmembers:	_____

		City Clerk

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

LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA ANNUAL REPORT

October 1, 2017—September 30, 2018

EXECUTIVE SUMMARY

- Long Beach has experienced continued growth in RevPar (Revenue per Available Room; occupancy x average room rate) over the previous year, with an 7.4% increase from January to June 2017.
- The CVB Sales staff participated in 23 national tradeshows in several markets across the country.
- The CVB Sales staff participated in 3 major Sales Missions in key feeder markets with General Managers and Directors of Sales from Long Beach hotels and the Long Beach Convention Center.
- The CVB Sales staff conducted 3 major Client Familiarizations Trips to increase Long Beach exposure to new and existing customers.
- The CVB placed 58 advertisements in the 8 top meeting trade publications with a print circulation of 314,000 professional meeting planners and over 1.5 million total media impressions.
- The CVB placed 54 digital advertisements with 8 major trade publications. Total minimum impressions of 159,000 (based on open rates)
- The CVB also partnered with the Aquarium and the Queen Mary on a two page spread in three of the most popular consumer publications in the region. The ads ran in the California Visitors Guide, Sunset Magazine, Westways Magazine and Highroads Magazine. Advertising was also done in the Gazette Newspaper. Total combined circulation was 5,700,000 with over 20 million in impressions.
- The CVB continued to expand on the 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 a potential 51.2 million social media reach.
- The CVB also continued it's meeting planner focused social media efforts that continue to be expanded with digital advertising support on Twitter, Facebook & LinkedIn. To date our meetings and convention center channels have grown greatly at a growth percentage of 101.74%.
- Social media combines with PR efforts have resulted in securing 153 placements: 186,321,030 in circulation/impressions, which garnered an advertising equivalency of \$1,011,203.

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 2016/2017 fiscal year, the CVB sales team participated in the following events aimed at professional Meeting Planners & Executive Directors:

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. We also expanded our presence in digital media.

Trade Publication Synopsis:

- 9 Top Trade Publications
- 314,000 Total Circulation
- 54 Advertisements
- Over 1.5 million Total Minimum Impressions

Trade Publications for 2016/2017:

- Meeting & Conventions: Circulation: 60,000
- Successful Meetings: Circulation: 55,000
- PCMA DC Newsletter: 700 circulation to high potential DC planners
- Convene: Circulation: 26,000
- Black Meetings & Tourism: Circulation: 28,000
- Long Beach Business Journal: Circulation: 28,000
- USAE: Circulation: 7,000
- BizBash Magazine: Circulation: 65,000
- Smart Meetings: Circulation: 44,000

Trade Digital Advertising

- 8 Top Trade Publications
- 159,000 Total Minimum Impressions (based on open rates)
- 54 advertisements

Digital Publications:

- Meeting News Group (Meeting News, Successful Meetings & M&C)
- USAE
- PCMA News Junkie
- PCMA DC Chapter News Letter
- BizBash
- Smart Meetings

Consumer Advertising:

(Readers are primarily pleasure and business travelers)

Consumer Publication Synopsis:

- 5 Top Consumer Publications
- Over 5,700,000 Total Circulation
- 17 Advertisements
- Over 20 million Total Minimum Impressions

- Creating new ways to showcase great content shared by our followers through video and cinematography.
- CVB Blog
 - This is Long Beach, features city events, attractions, nightlife and fun.
 - Last year, the website introduced nearly 540,000 potential travelers to Long Beach. Things to do and places to stay in the community, including local activities, businesses, and events received nearly 1.5 million impressions, and we sent more than 100,000 people from our website to other local businesses and organizations who partner with the CVB.
 - Year to date, the website has introduced more than 177,000 potential travelers to Long Beach. Things to do and places to stay in the community, including local activities, businesses, and events have gotten more than 450,000 impressions, and we've sent more than 30,000 people from our website to other local businesses and organizations who partner with the CVB.

NATIONAL AWARDS WON BY THE LONG BEACH CVB 2016/2017

- **Pinnacle Award**
Successful Meetings Magazine
(13 consecutive wins)
- **Gold Service Award & Elite Hall of Fame**
Meetings & Conventions Magazine
(20 consecutive wins/inducted into Elite Hall of Fame 2007)
- **Distinctive Achievement Award**
Association Conventions & Facilities Magazine
(9 consecutive wins)
- **Award of Excellence**
Corporate & Incentive Travel Magazine
(10 consecutive wins)
- **World Class Award**
Insurance & Financial Meetings Magazine
(10 consecutive wins)
- **Platinum Choice Award**
Smart Meetings Magazine
(2 wins—new award started this year)
- **Visit California Poppy Awards**
Visit California
2016 "Top 3 Finalist" Best Digital Campaign - Long Beach Convention & Visitors Bureau
- **BizBash Event Style Awards**
BizBash
2016 Finalist - Best New Venue for Meetings and Events - Terrace Theater Plaza

8/15/2017

Long Beach Area Convention & Visitors Bureau
Budget 2017/2018
TOTAL

	2017/2018 Budget	16/17 Forecast May	Variance to Prior Year
Revenue			
City Funds	4,708,676	4,608,676	100,000
Memberships	300,000	300,000	0
Airport Marketing	132,000	132,000	0
Digital Adv Boards	65,000	60,875	4,125
PBIA	5,376,200	5,355,893	20,307
Interest Income	0	7	-7
Concierge Desk/Visitor Centers	7,000	7,000	0
Total Revenues	10,588,876	10,464,451	124,425
Expenses			
Personnel	4,719,013	4,661,315	57,698
Fam Tours	245,000	245,000	0
Trade Shows	261,900	250,906	10,994
Trade & Consumer Print Advertising	1,851,579	1,863,569	-11,990
Trade & Consumer Digital Advertising	664,200	664,172	28
Gifts	96,000	96,000	0
Special Projects	255,000	208,259	46,741
Travel & Entertainment Out of Town	531,360	519,841	11,519
Travel & Entertainment In Town	377,600	360,183	17,417
Support Marketing	630,260	571,291	58,969
Visitor Centers	48,000	48,000	0
Administrative Expenses	908,964	875,915	33,049
Allocated Reserve	0	100,000	-100,000
Total Expenses	10,588,876	10,464,451	124,425
Net Change to Assets	0	-	-