



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

September 8, 2015

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, 2015 to September 30, 2016, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for October 6, 2015. (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 20, 2015 meeting, the LBCVB Board voted to adopt Fiscal Year 2016 (FY 16) 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 6, 2015.

This matter was reviewed by Deputy City Attorney Amy Webber on August 19, 2015 and by Budget Management Officer Victoria Bell on August 25, 2015.

TIMING CONSIDERATIONS

City Council action is requested on September 8, 2015 to set the date for the public hearing for October 6, 2015. The new contract year begins on October 1, 2015.

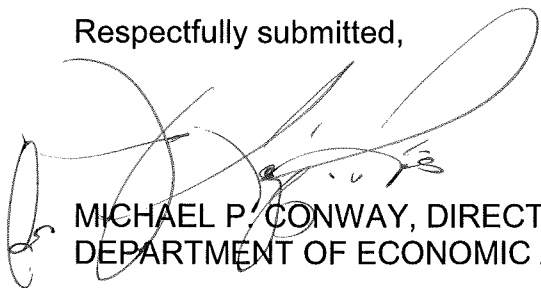
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$4,630,300 in FY 16 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. Sufficient funds are included in the FY 16 Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Economic and Property Development (EPD). There is no fiscal impact to the General Fund. Approval of this recommendation will provide continued support to the local economy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY, DIRECTOR
DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

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09.08.15 FY 16 LBTBIA ROI v2.doc

Attachments: Long Beach Tourism Business Improvement Area FY 2016 Annual Report
Resolution

APPROVED:



PATRICK H. WEST
CITY MANAGER

LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA ANNUAL REPORT

October 1, 2015—September 30, 2016

EXECUTIVE SUMMARY

- Long Beach has experienced continued growth in year to date RevPar (Revenue Per Available Room; occupancy x average room rate) with a 12.7% increase over the prior running twelve months ending July.
- The CVB Sales staff participated in 24 national tradeshows in several markets across the country.
- The CVB Sales staff participated in 5 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 Client Familiarizations Trips to increase Long Beach exposure to new and existing customers.
- The CVB placed 47 advertisements in the 8 top meeting trade publications with a print circulation of 300,000 professional meeting planners and over 1.5 million total media impressions.
- The CVB placed 57 digital advertisements with 7 major trade publications. Total minimum impressions of 342,000 (based on open rates)
- The CVB also partnered with the Aquarium and the Queen Mary on a full page ad in three of the most popular consumer publications in the region. The ads ran in Sunset Magazine, Westways Magazine and Highroads Magazine. Advertising was also done in the LA Magazine and Gazette Newspaper. Total combined circulation was 5,500,000 with over 10 million in 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 2014/2015 fiscal year, the CVB sales team participated in the following events aimed at professional Meeting Planners & Executive Directors:

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

Sales Missions:

- **Washington DC Sales Mission:** CVB Sales staff led a contingent of over 17 Long Beach Hospitality Partners which included General Managers and Directors of Sales from the Convention Center & Hotels. The mission was 5 days and during that time we conducted 26 individual sales calls, several attended by Mayor Garcia and hosted 8 customer events with over 300 total customer contacts. As a result, we have leads on 15 Conventions with potential for 49,742 room nights. Already contracted are 3 citywide conventions worth \$5.3M in EEI and over 6,033 room nights in our Long Beach Hotels.

Chicago Sales Mission: This mission took place over 3 days in November 2014, where CVB staff was joined by Convention Center & Hotel Sales Representatives. We had confirmed 9 individual sales calls, and hosted 4 customer events, touching over 240 planners. Long Beach confirmed 4 RFP's worth over 21k room nights and 2 definite bookings for 2,200 room nights during the Mission.

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 2014/2015, we hosted 3 Client FAM trips for the Toyota Grand Prix, Jazz Festival and the Asics World Series of Beach Volleyball. Of these events, the Grand Prix is our most important client FAM.

Grand Prix FAM: The CVB hosted over 80 clients and guests representing a combined potential of 87,500 room nights and \$77 million overall economic impact. The Grand Prix continues to be a major showcase opportunity for the City, and is a critical Sales and Marketing tool for future convention business.

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. We also expanded our presence in digital media.

Trade Publication Synopsis:

- **8 Top Trade Publications**
- **300,000 Total Circulation**

- **47 Advertisements**
- **Over 1.5 million Total Minimum Impressions**

Trade Publications for 2014/2015:

Meeting & Conventions: Circulation: 60,000
Successful Meetings: Circulation: 50,000
Corporate Incentive Travel: Circulation: 40,002
Convene: Circulation: 35,000
Black Meetings & Tourism: Circulation: 28,000
Long Beach Business Journal: Circulation: 28,000
USAE: Circulation: 7,000
BizBash Magazine: Circulation: 65,000

Trade Digital Advertising

- **7 Top Trade Publications**
- **342,000 Total Minimum Impressions (based on open rates)**
- **57 advertisements**

Digital Publications:

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

Consumer Advertising:

(Readers are primarily pleasure and business travelers)

Consumer Publication Synopsis:

- **6 Top Consumer Publications**
- **Over 5,500,000 Total Circulation**
- **13 Advertisements**
- **Over 10 million Total Minimum Impressions**

Consumer Publications for 2014/2015:

California Visitors Guide: Circulation: 500,000
Westways Magazine: Circulation: 4,000,000
Highroads Magazine: Circulation: 495,000
Gazettes Newspaper: circulation: 67,000
Sunset Magazine (Socal): circulation: 325,000
LA Magazine: circulation: 140,000

DIGITAL MARKETING OVERVIEW

The CVB has continued with its' "Beach with Benefits" social marketing campaign, bringing together dozens of our Long Beach hospitality partners in a combined social media outreach.

Major partners included:

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

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

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

- Over a million Facebook users
- Nearly 45,000 Twitter followers
- Over a 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 (a 4-night stay was extended to the Alaska winner), 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:

- 10,552 total sweepstakes entries
- 62% increase in participation
- 3,600 interactions
- 3.9 million potential reach

NATIONAL AWARDS WON BY THE LONG BEACH CVB 2014/2015

- **Pinnacle Award**
Successful Meetings Magazine
(12 consecutive wins)

- **Gold Service Award & Elite Hall of Fame**
Meetings & Conventions Magazine

(19 consecutive wins/inducted into Elite Hall of Fame 2007)

- **Distinctive Achievement Award**
Association Conventions & Facilities Magazine
(8 consecutive wins)

- **Award of Excellence**
Corporate & Incentive Travel Magazine
(10 consecutive wins)

- **World Class Award**
Insurance & Financial Meetings Magazine
(8 consecutive wins)

All the above awards are presented for superior customer service and are voted on by professional meeting planners through blind selection, meaning they do not have a list of names from which to choose.

FISCAL YEAR 2015/2016 BUDGET

For 2015/2016, 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

LBTBIA

	2014/2015 Budget	2014/2015 Forecast	2015/2016 Budget
Revenue			
PBIA	4,240,950	4,610,366	4,630,300
Total Revenues	4,240,950	4,610,366	4,630,300
Expenses			
Personnel	2,080,772	2,046,375	2,107,950
Fam Tours	25,000	43,305	35,000
Trade Shows	9,750	6,449	9,750
Trade & Consumer Print Advertising	778,132	892,526	909,992
Trade & Consumer Digital Advertising			
Gifts	512,000	462,000	517,000
Travel & Entertainment Out of Town	260,296	369,084	371,658
Travel & Entertainment In Town	108,000	173,305	166,950
Support Marketing	427,000	392,000	412,000
Allocated Reserves	40,000	154,000	100,000
Total Expenses	4,240,950	4,539,044	4,630,300
Net Change to Assets	-	71,322	-

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

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, 2015 TO SEPTEMBER 30, 2016 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
10

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, 2015 to September 30, 2016
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, 2015 to September 30, 2016 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, 2015 to September 30, 2016. 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, 2015
5 to September 30, 2016, 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 6, 2015 at 5:00 p.m., regarding the Report, the levy and the proposed program
10 for October 1, 2015 to September 30, 2016;

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, 2015 to September 30, 2016, as filed
15 with the City Clerk is hereby approved.

16 Section 2. On October 6, 2015 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, 2015 to September 30, 2016 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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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2015, 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
Long Beach, CA 90802-4664

EXHIBIT "A"

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 hearing was granted and held.

2 E. All protests, both written and oral, made or filed were duly overruled
3 and denied and the City Council determined that there was no majority protest within
4 the meaning of Section 36525 of the law.

5 F. That following such hearing, the City Council hereby finds that the
6 businesses lying within the area herein created, in the opinion of the City Council, will
7 be benefitted by the expenditures of funds raised by the assessment or charges
8 proposed to be levied hereunder.

9 Sec. 2. That pursuant to said law, the Long Beach Tourism
10 Business Improvement Area (LBTBIA) is hereby established in the City of Long Beach
11 as herein set forth and that all businesses in the area established by this ordinance
12 shall be subject to any amendments made hereafter to said law or to other applicable
13 laws.

14 Sec. 3. The boundaries of the LBTBIA shall be the Airport District
15 and the Downtown District located within the City of Long Beach as illustrated on the
16 attached map (Exhibit A). The Airport District is bounded by Redondo Avenue, Carson
17 Street, Bellflower Boulevard, and East Stearns Street. The Downtown District is
18 bounded by Third Street, Alamitos Avenue, Queensway Bay (including the Queen
19 Mary, excluding Queensway Harbor and the Long Beach Marina), and Highway 710.

20 The proposed LBTBIA will include all hotels, with greater than thirty (30)
21 rooms, within the LBTBIA boundaries which include the Airport District and the
22 Downtown District. The assessment shall be levied on all hotel businesses, existing
23 and future, with greater than thirty (30) rooms, within the area based upon three percent
24 (3%) of the gross short term room rental revenue. The assessment will be collected
25 monthly, based on three percent (3%) of the gross short term room rental revenues for
26 the previous month. New hotel businesses within the boundaries will not be exempt
27 from the levy of assessment pursuant to Section 36531. Pursuant to the Long Beach
28 Municipal Code, assessments pursuant to the LBTBIA shall not be included in gross

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City Attorney of Long Beach
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1 room rental revenue for purpose of determining the amount of the transient occupancy
2 tax. As used in this Ordinance, the phrase "short term room rental" shall mean
3 occupancies that last less than fifteen (15) consecutive days and shall not include
4 occupancies related to state and federal government business by state and federal
5 government employees, shall not include occupancies paid by LA County Social
6 Service vouchers and shall not include airline crew room occupancies.

7 Sec. 4. That the City Council hereby levies and imposes and orders
8 the collection of, along with the City's usual annual business license fee, an additional
9 assessment to be imposed upon persons occupying business premises in the proposed
10 area described above, which shall be calculated pursuant to Section 3 above. Such
11 levy shall begin on August 1, 2005, and its fiscal year shall be from October 1 through
12 September 30.

13 Sec. 5. That the proceeds of the additional business license tax
14 shall be spent to promote tourism, and pay for related administrative costs, within the
15 boundaries of the LBTBIA. Funds remaining at the end of any LBTBIA term may be
16 used in subsequent years in which LBTBIA assessments are levied as long as they are
17 used consistent with the requirements of this Section.

18 The City Council of the City of Long Beach shall have sole discretion as to
19 how the revenue derived from said additional business license tax is to be used within
20 the scope of the above purposes; however, it shall consider recommendations as to the
21 use of said revenue made by the Advisory Board created by Section 6 of this
22 Ordinance.

23 Sec. 6. That the Board of Directors of the Long Beach Area
24 Convention & Visitors Bureau is hereby appointed as the Advisory Board for the area
25 pursuant to Section 36530 of the law.

26 Sec. 7. If any section, subsection, sentence, clause or phrase of this
27 ordinance is for any reason held to be invalid or unconstitutional by the decision of any
28 court of competent jurisdiction, such decision shall not affect the validity of the

