

CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

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

September 4, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution approving the Annual Assessment Report for October 1, 2012 to September 30, 2013, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for October 2, 2012. (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 requires the submission of an annual assessment report by the Advisory Commission designated for this Assessment District.

At its July 19, 2012 meeting, the LBCVB Board voted to adopt the Fiscal Year 2013 (FY 13) 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 2, 2012.

This matter was reviewed by Assistant City Attorney Charles Parkin on July 30, 2012 and Budget Management Officer Victoria Bell on August 16, 2012.

TIMING CONSIDERATIONS

City Council action is requested on September 4, 2012 to set the date for the public hearing for October 2, 2012. The new contract year begins on October 1, 2012.

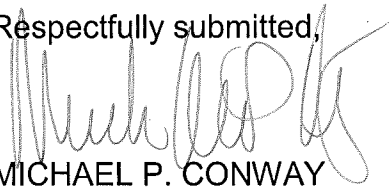
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$3,618,800 in FY 13 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 appropriation is included in the FY 13 Proposed Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Public Works (PW). FY 13 assessment revenue will fully offset the proposed allocation in SR 132. There is no impact to the General Fund and no local job impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,




MICHAEL P. CONWAY
DEPARTMENT OF PUBLIC WORKS

MPC:VSG:jsf
09.04.12 FY 2013 LBTBIA ROI v1.doc

Attachments: Long Beach Tourism Business Improvement Area Annual Report
Resolution of Intention Approving Annual Report and Levy

APPROVED:



PATRICK H. WEST
CITY MANAGER

LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA ANNUAL REPORT

October 1, 2012—September 30, 2013

EXECUTIVE SUMMARY

- Long Beach continues it's trend in showing increases in REVPAR (which is the average of occupancy and average room rate). Industry reports for the year ending 2011 show our REVPAR was up 8.3% over prior year, and is up over 6% in 2012.
- The CVB Sales staff participated in 24 national tradeshows across the U.S.
- The CVB Sales staff led 2 major sales missions that included representatives from Long Beach Hospitality Partners and our Airport Director, Mario Rodriguez.
- The CVB hosted 1 Client Familiarization Trip into Long Beach for the Grand Prix, in addition to 4 Customer Events/Mini Fams over various special events.
- In 2011/2012 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 2012/2013.

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
- 410,000 Total Circulation
- 54 Advertisements
- 2,793,587 Total Minimum Impressions

Trade Publications for 2012/2013:

Meetings & Conventions:
Circulation: 70,000

HSMAI:
Circulation: 7,000

Association Conventions & Facilities
Circulation: 20,000

Long Beach Magazine
Circulation: 20,000

Successful Meetings:
Circulation: 72,050

Convenc:
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

Long Beach Business Journal
Circulation: 35,000

Corporate Meetings & Incentives:
Circulation 32,000

Social Media:

In 2012, the Long Beach CVB started a successful social media program that includes Facebook and Twitter. As of this date, the CVB has 3000 Facebook friends and a following of 6,800 on Twitter and the numbers continue to increase.

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 2011/2012 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 Center & hotel sales staff)
- 1 Long Beach Familiarization Trips
- 4 Customer Events/Mini Fams

Sales Missions:

- **Chicago Sales Mission:** This mission will take place over 3 days in August, 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.
- **Washington DC Sales Mission:** CVB Sales staff led a contingent of 12 Long Beach Hospitality Partners which included LGB Airport Director Mario Rodriguez as well as General Mangers and Directors of Sales from the Convention Center & Hotel's. The mission was 5 days and during that time we conducted 21 individual sales calls, hosted 8 customer events and had over 300 total customer contacts. As a result, we were able to generate 32 RFP's totaling 110,000 potential room nights 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 2011/2012, we hosted 1 Client FAM trip for the Toyota Grand Prix as well as 4 Customer Events/Mini Fams: Peter Frampton, Kathy Griffin, Phish & Jazz Festival. Of these events, the Grand Prix is our most important client FAM.

- Grand Prix FAM Trip: 25 companies and organizations with a combined potential of 100,000 room nights, \$2 million in TOT and \$90 million in overall economic impact. As of June 2012, 3 groups have signed contracts for a total of 8,185 room nights and approximately \$200,000 in TOT \$5 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.

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*
2nd Consecutive Win
- GOLD SERVICE AWARD—*Meetings & Conventions Magazine*
15th Consecutive Win
- PINNACLE AWARD—*Successful Meetings Magazine*
7th Consecutive Win
- DISTINCTIVE ACHIEVEMENT AWARD—*Association Conventions & Facilities Magazine*
3rd Consecutive Win
- AWARD OF EXCELLENCE—*Corporate & Incentive Travel Magazine*
5th Consecutive Win
- WORLD CLASS AWARD—*Insurance & Financial Management Meetings Magazine*
4th Consecutive Win

FISCAL YEAR 2012/2013 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.

*Long Beach Area Convention & Visitors Bureau
Budget 2012/2013
LBTBIA*

Revenue	2011/2012 Budget	2011/2012 Forecast	2012/2013 Budget
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	3,108,000	3,413,983	3,618,800
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	3,108,000	3,413,983	3,618,800
Expenses			
Personnel	2,148,188	2,108,255	2,195,342
Fam Tours	0	0	0
Trade Shows	44,000	37,912	40,000
Media/Advertising	168,412	431,806	531,058
Special Projects	75,000	84,972	113,000
Gifts	0	0	0
Bid Presentations	0	0	0
Travel & Entertainment Out of Town	212,000	279,736	269,400
Travel & Entertainment In Town	120,400	111,302	120,000
Support Marketing	350,000	360,000	350,000
Reg Assist/Visitor Centers	0	0	0
Administrative Expenses	0	0	0
Allocated Reserve	0	0	0
Total Expenses	3,108,000	3,413,983	3,618,800

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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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, 2012 TO SEPTEMBER 30, 2013 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, 2012 to September 30, 2013
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, 2012 to September 30, 2013 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, 2012 to September 30, 2013. 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

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, 2012
5 to September 30, 2013, 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 2, 2012 at 5:00 p.m., regarding the Report, the levy and the proposed program
10 for October 1, 2012 to September 30, 2013;

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, 2012 to September 30, 2013, as filed
15 with the City Clerk is hereby approved.

16 Section 2. On October 2, 2012 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, 2012 to September 30, 2013 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 _____, 2012, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
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