



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

# H-1

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

September 16, 2008

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Receive supporting documentation into the record, conclude the hearing, and adopt the attached Resolution approving the Long Beach Tourism Business Improvement Area program and assessment for the period of October 1, 2008 through September 30, 2009, and authorize the City Manager to execute an agreement with the Long Beach Area Convention and Visitors Bureau for a one-year term. (Districts 1, 2, 4 and 5)

## DISCUSSION

The Long Beach Area Convention and Visitors Bureau (LBCVB) promotes and markets the City of Long Beach as a tourism destination, using funds generated through self-assessment of hotel properties located in the Long Beach Tourism Business Improvement Area (LBTBIA). This self-assessment was established June 21, 2005. It established an assessment rate of 3 percent of the gross short-term room rental revenue for hotels within the LBTBIA boundary that have 31 rooms or more. This assessment is separate from all other LBCVB funding sources such as transient occupancy tax revenue sharing. Assessment revenue is received by the City and transferred to the LBCVB monthly.

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. On August 4, 2008, the LBCVB Board voted to recommend to City Council approval of the LBTBIA Assessment Report (Attachment A). 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.

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September 16, 2008

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State law further provides that the City Council shall hear and consider all protests against the assessment, program, boundaries of the area, and/or any benefit zone as proposed in the Assessment Report.

The law provides that protests may be made orally or in writing. Protests regarding the regularity or sufficiency of the proceedings shall be in writing. If written protests are received from area business owners representing 50 percent or more of the proposed assessments, the City Council shall not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council shall eliminate that portion.

A resolution is attached approving the Annual Report and Budget for October 1, 2008 to September 30, 2009. Should the Assessment Report be approved, the City Council is requested to authorize the execution of an agreement with the LBACVB for the use of assessment funds for marketing and promotional purposes.

The estimated revenue for Fiscal Year 2009 (FY 09) is \$3,650,000. A budget appropriation for this amount is included in the FY 09 Adopted Budget in the Parking and Business Area Improvement Fund (SR 132).

This letter was reviewed by Assistant City Attorney Heather Mahood on July 18, 2008, Budget Management Officer Victoria Bell on August 26, 2008 and the City Treasurer's Office on August 15, 2008.

#### TIMING CONSIDERATIONS

City Council action is requested on September 16, 2008 to authorize renewal of necessary documents for the new contract year, which begins on October 1, 2008.

#### FISCAL IMPACT

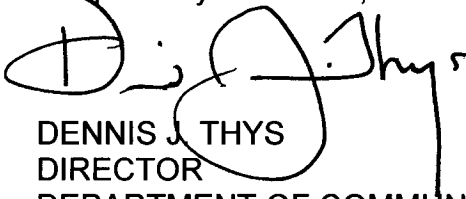
It is expected that the LBTBIA will generate \$3,650,000 in FY 09 through the proposed continuation of the assessment. Sufficient funds are included in the FY 09 Adopted Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Community Development (CD).

HONORABLE MAYOR AND CITY COUNCIL  
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS  
DIRECTOR  
DEPARTMENT OF COMMUNITY DEVELOPMENT

DJT/RMS:tb  
9-16-08 LBTBIA Hearing v2.doc

Attachments: Attachment A - 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, 2008—September 30, 2009**

**EXECUTIVE SUMMARY**

- Revenue from the Long Beach Tourism Business Improvement Area (LBTBIA) allowed the Long Beach Convention & Visitors Bureau (CVB) to continue to penetrate market areas previously unavailable due to tight funding.
- An advertising and promotion campaign aimed at the leisure travel market entered its third year with new marketing collateral and eye-catching ads promoting Long Beach as a premiere vacation destination.
- LBTBIA funds allowed the continuation and expansion of our meeting trades marketing and advertising programs.
- LBTBIA funds were utilized in the ongoing campaign to brand Long Beach as a major tourism and convention destination. This included dramatic new photography and video footage of the city, which is being used in vibrantly enticing ads, collateral materials and an updated marketing video portraying the wide variety of things to see and do in Long Beach. For convention/meeting clients, the video can be customized with a personalized opening by relevant city or community officials.
- LBTBIA funds, combined with other revenue, assisted in allowing the CVB to cross promote the Long Beach Aquarium of the Pacific's 10<sup>th</sup> Anniversary celebration with supporting consumer advertising, an online contest and a YouTube video contest. Consumer advertising program will result in over 41,000,000 million impressions.
- LBTBIA funds assisted in the creation of individual vignette videos with narration of each of the LBTBIA hotel partners. Videos will be used on VisitLongBeach.com and in marketing videos to promote the Long Beach hotels.
- In 2007 the Long Beach CVB won 6 national awards from major meeting trades publications, the most industry awards for the Bureau in its 25 year history. The CVB is on track to repeat that success in 2009.
- LBTBIA funds helped in the upgrading and new launching of VisitLongBeach.com, resulting in the site winning four major Web Marketing awards.

# ADVERTISING OVERVIEW:

## Meeting Trade Advertising

(Readers are primarily professional meeting planners)

In the Meetings Trade Market the CVB was able to expand its advertising and promotional efforts to include a wider range of publications and to increase ad frequency to improve reader awareness of Long Beach.

## Trade Publication Synopsis:

- 17 Top Trade Publications
- 99 Advertisements
- 3,478,473 Total Minimum Impressions

## Trade Publications for 2007/2008:

### Meeting & Conventions:

Circulation: 70,000

### Meeting News:

Circulation: 50,100

### Successful Meetings:

Circulation: 72,050

### Meetings West:

Circulation: 31,000

### USAE:

Circulation: 7,000

### Smart Meetings:

Circulation: 31,000

### Corporate Incentive Travel:

Circulation: 40,000

### Convvene:

Circulation: 35,000

### Black Meetings & Tourism:

Circulation: 28,000

### Association Meetings:

Circulation 20,107

### Corporate Meetings & Incentives:

Circulation 32,000

### Medical Meetings:

Circulation 12,000

### Religious Conference Manager:

Circulation 4,500

### Financial & Insurance Meetings:

Circulation 9,000

### Long Beach Business Journal:

Circulation: 35,000

### HSMAI:

Circulation: 7,000

### Tradeshaw Week:

Circulation: 2,800

**Consumer Advertising**

(Readers are primarily pleasure and business travelers)

The addition of LBTBIA revenue allowed the CVB to continue a modest consumer advertising campaign aimed at the leisure travel market. The CVB primarily targeted its traditional “drive markets,” those cities within comfortable driving distance of Long Beach: Central California, Arizona and Nevada. In addition, the CVB targeted major cities with direct air service to Long Beach Airport, i.e., San Francisco, Washington, D.C.

**Consumer Publication Synopsis:**

- **9 Major Newspapers and Travel Magazines**
- **19,741,316 Total Minimum Impressions**

**Consumer Publications for 2007/2008:**

Sunset Magazine:  
Circulation: 1,500,000

*Group Travel Industry Buyers Guide:*  
Circulation: 30,000

VIA Magazine:  
Circulation: 2,807,658

North American Journeys (NAJ) 10<sup>th</sup>:  
Circulation: 10,500

Westways Magazine:  
Circulation: 3,676,079

AOP Insert:  
Circulation: 580,000

California Visitors Guide:  
Circulation: 500,000

Employee Network:  
Circulation: 450,000

*Leisure World Golden Rain News:*  
Circulation: 9,000

## **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 2008/2009 fiscal year, the CVB sales team will participate in the following events aimed at professional meeting planners:

- **35 Trade Shows**
- **3 Sales Missions (CVB joined by Center & Hotel sales staff)**
- **5 Long Beach Familiarization Trips**
- **67 Meeting Planner Site Inspections in Long Beach**

LBTBIA funds have helped Long Beach to maintain market share during this past year of severe economic downturn and increased competition in the convention & meetings trade industry. The CVB Sales Department is on track to achieve their 2007/2008 sales goal of 235,000 room nights.

***Long Beach CVB room night sales  
increased 51% over the past six years***

## **2006/2008 NATIONAL AWARDS WON BY LONG BEACH CVB**

In 2007 the Long Beach Area Convention & Visitors Bureau won six major meeting trade industry awards, the most wins in the 25 year history of the Bureau. We are on track to match or better that record in the upcoming year. These 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—Inducted 2007"—*Meetings & Conventions Magazine***  
Upon winning a twelfth consecutive "Gold Service Award" in 2007, this prestigious honor is a permanent recognition of extraordinary customer service
- **"2008 Gold Service Award"—*Meetings & Conventions Magazine***  
Thirteenth consecutive win
- **"2008 Distinctive Achievement Award"—*Association Conventions & Facilities Magazine***

- **“2008 Pinnacle Award”**—*Successful Meetings Magazine*  
Fifth consecutive win
- **“2006 Planners’ Choice Top 25 Award”**—*Meeting News Magazine*  
Fourth consecutive win/First Top 25
- **“2007 Award of Excellence”**—*Corporate & Incentive Travel Magazine*  
Second win
- **“2007 World Class Award”**—*Insurance & Financial Management Meetings Magazine*  
First win

Our newly launched Web site, [www.visitlongbeach.com](http://www.visitlongbeach.com), won two prestigious awards from **The Web Marketing Association**:

- **“Hotel & Lodging Standard of Excellence”**
- **“Marketing Standard of Excellence”**

VisitLongBeach.com also garnered two prestigious **“ADDY®”** awards for its design company (Simpleview) and flash animation contributor (Louder Design), awarded by Tucson Advertising Federation:

- **“2008 Best in Show ADDY®”**
- **2008 Gold “ADDY®”—Consumer Web site, Flash Animation**

## **FISCAL YEAR 2008/2009 BUDGET**

For 2008/2009, the Long Beach Area Convention & Visitors Bureau Sales and Marketing staff will continue the successful programs implemented during the 2007/2008 fiscal year, exploring sales, marketing and advertising opportunities in both the meetings and conventions marketplace and in consumer publications aimed at pleasure travelers.



*Long Beach Area Convention & Visitors Bureau*  
*Budget 2008/2009*  
**PBIA**

	<b>2007/2008 Budget</b>	<b>2008/2009 Budget</b>	<b>Variance</b>
<b>Revenue</b>			
City Funds	0	0	0
Memberships	0	0	0
Visitor Guide	0	0	0
Special Events	0	0	0
Registration Assistance	0	0	0
Housing Assistance/Passkey	0	0	0
PBIA	3,850,000	3,650,000	-200,000
PBIA Carryover	0	0	0
Interest Income	0	0	0
Annual Mtg	0	0	0
Concierge Desk	0	0	0
Rent & Office Services	0	0	0
<b>Total Revenues</b>	<b>3,850,000</b>	<b>3,650,000</b>	<b>-200,000</b>
<b>Expenses</b>			
Personnel	1,872,807	2,087,641	214,834
Fam Tours	0	0	0
Trade Shows	58,250	58,250	0
Media/Advertising	1,217,443	812,609	-404,834
Special Projects	100,000	100,000	0
Gifts	0	0	0
Bid Presentations	0	0	0
Travel & Entertainment Out of Town	154,000	154,000	0
Travel & Entertainment In Town	137,500	137,500	0
Support Marketing	310,000	300,000	-10,000
Registration Assistance	0	0	0
Administrative Expenses	0	0	0
Allocated Reserve	0	0	0
<b>Total Expenses</b>	<b>3,850,000</b>	<b>3,650,000</b>	<b>-200,000</b>
<b>Net Profit</b>	<b>0</b>	<b>0</b>	<b>0</b>

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RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF LONG BEACH CONFIRMING, FOLLOWING HEARING,  
THE ANNUAL REPORT OF THE LONG BEACH TOURISM  
BUSINESS IMPROVEMENT AREA, CONTINUING THE  
LEVY OF ANNUAL ASSESSMENT AS SET FORTH IN SAID  
REPORT AND SETTING FORTH OTHER RELATED  
MATTERS

WHEREAS, pursuant to Section 36533 of the California Streets and  
Highways Code, the Long Beach Tourism Business Improvement Area Advisory Board  
has caused a Report to be prepared for October 1, 2008 through September 30, 2009  
relating to the Long Beach Tourism Business Improvement Area ("LBTBIA"); and

WHEREAS, said Report contains, among other things, all matters required  
to be included by the above cited Section 36533; and,

WHEREAS, on September 16, 2008 at 5:00 p.m., the City Council  
conducted a public hearing relating to that Report in accordance with its Resolution of  
Intention No. \_\_\_\_\_, adopted August 19, 2008, at which public hearing all  
interested persons were afforded a full opportunity to appear and be heard on all matters  
relating to the Report; and,

WHEREAS, a majority protest not having been received, it is the City  
Council's desire to confirm the Report as originally filed and impose and continue the levy  
of the Annual Assessment as described in the Report;

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

Section 1. A public hearing having been conducted on September 16,  
2008 at 5:00 p.m., and all persons having been afforded an opportunity to appear and be

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heard, the City Council hereby confirms the Report of the Long Beach Tourism Business Improvement Area, previously filed and approved by Resolution No. \_\_\_\_\_, adopted August 19, 2008, as originally filed, and declares that this resolution shall constitute the levy of the Assessment referred to in the Report for October 1, 2008 through September 30, 2009 as more specifically set forth in Exhibit "A".

Section 2. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2008, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City Clerk

HAM:fl  
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**Exhibit A**

**FY 2009 Long Beach Tourism PBIA  
Assessment Formula**

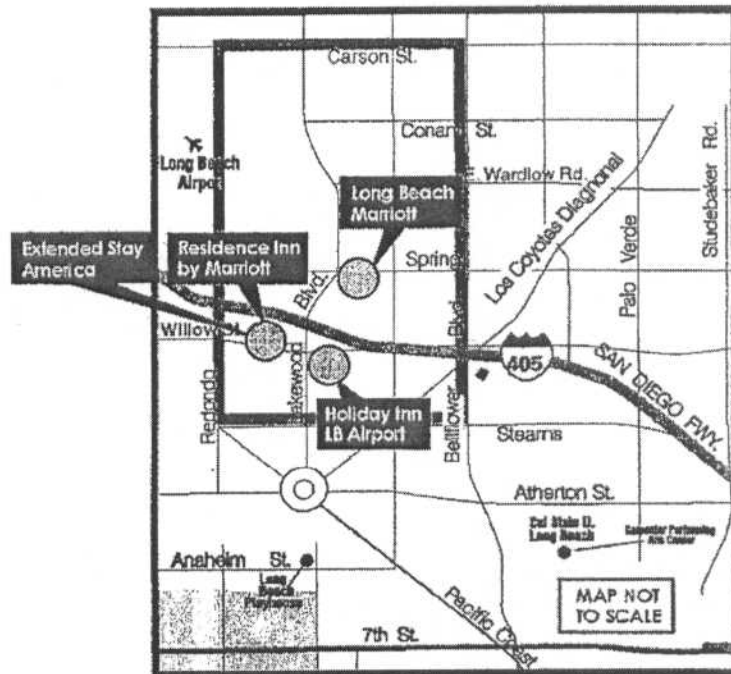
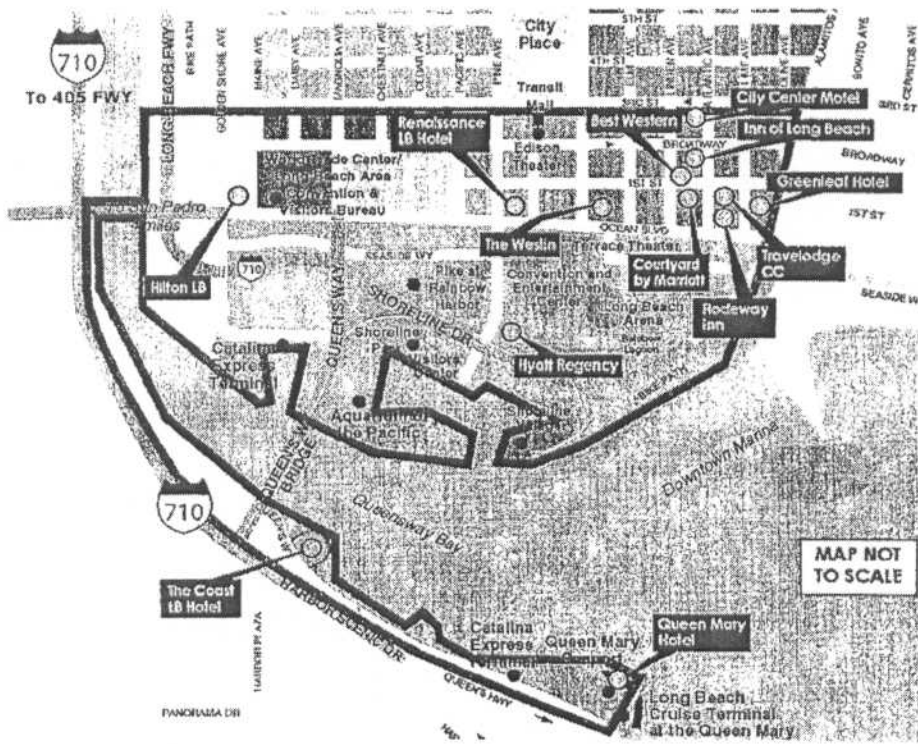
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**Per Section 3 of Ordinance 05-0018 establishing the district:**

The boundaries of the LBTBIA shall be the Airport District and the Downtown District located within the City of Long Beach as illustrated on the attached map. The Airport District is bounded by Redondo Avenue, Carson shall be subject to any amendments made hereafter to said law or to other applicable

The boundaries of the LBTBIA shall be the Airport District Street, Bellflower Boulevard , and East Stearns Street. The Downtown District is bounded by Third Street, Alamitos Avenue, Queensway Bay (including the Queen Mary, excluding Queensway Harbor and the Long Beach Marina), and Highway 710.

The proposed LBTBIA will include all hotels, with greater than thirty (30) rooms, within the LBTBIA boundaries which include the Airport District and the Downtown District. The assessment shall be levied on all hotel businesses, existing and future, with greater than thirty (30) rooms, within the area based upon three percent (3%) of the gross short term room rental revenue. The assessment will be collected monthly, based on three percent (3%) of the gross short term room rental revenues for the previous month. New hotel businesses within the boundaries will not be exempt from the levy of assessment pursuant to Section 36531. Pursuant to the Long Beach Municipal Code, assessments pursuant to the LBTBIA shall not be included in gross room rental revenue for purpose of determining the amount of the transient occupancy tax. As used in this Ordinance , the phrase "short term room rental" shall mean occupancies that last less than fifteen (15) consecutive days and shall not include occupancies related to state and federal government business by state and federal government employees, shall not include occupancies paid by LA County Social Service vouchers and shall not include airline crew room occupancies.



**Belmont Shore Parking and Business Improvement Area  
Assessment District Legal Description**

Beginning at the centerline intersection of Livingston Drive and Roycroft Avenue;

Thence southerly to the most northerly corner of parcel map 11194;

Thence southerly and northeasterly along the boundary line of said parcel map 11194, and its northeasterly prolongation, to the centerline of the alley adjacent to the southeasterly line of parcel 2 of said parcel map 11194;

Thence southwesterly along said centerline to the centerline of the alley which lies 157.5 feet northeasterly of the centerline of Second Street;

Thence southeasterly along said centerline to the centerline of Claremont Avenue;

Thence northeasterly along said centerline to the centerline of the Toledo;

Thence southeasterly along said centerline to the westerly prolongation of the northerly boundary line of the Second Street bridge right-of-way across Alamitos Bay;

Thence easterly, southwesterly and westerly along said prolongation and boundary line to the southeasterly prolongation of the southwesterly line of Second Street;

Thence northwesterly along said prolongation and southwesterly line of Second Street to the centerline of the alley which lies 80 feet northwesterly of the northwesterly line of Bay Shore Avenue;

Thence southwesterly along said centerline to the centerline of the alley which lies 157.5 feet southwesterly of the centerline of Second Street;

Thence northwesterly along said centerline to the centerline of Quincy Avenue;

Thence northeasterly along said centerline to the centerline of the alley which lies 116 feet southeasterly of the centerline of Livingston Drive;

Thence southwesterly along said centerline to the southerly prolongation of the centerline of the alley which lies 165 feet easterly of the centerline of Ximeno Avenue;  
Thence northerly along said prolongation to the northwesterly line of Livingston Drive;

Thence northeasterly along said northwesterly line and its prolongation to the northwesterly prolongation of the southwesterly line of Second Street;

Thence southeasterly along said prolongation to the centerline of Livingston Drive;

Thence northeasterly along said centerline to the point of beginning.