



CITY OF LONG BEACH
DEPARTMENT OF FINANCIAL MANAGEMENT

~~R-21~~
H-3

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-8169 • Fax (562) 570-5838

May 24, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution of Intention to form the Long Beach Tourism Business Improvement Area, set the date of June 21, 2005 for a public hearing, designate the Advisory Board, authorize the City Manager to initiate majority protest proceedings and authorize City Clerk to receive written protests. (Districts 1, 2, 4 and 5)

DISCUSSION

Several of the City's hoteliers have requested the City's assistance in establishing a Long Beach Tourism Business Improvement Area (LBTBIA) to assess a levy on their hotels within certain proposed boundaries. The Long Beach Area Convention and Visitors Bureau (CVB) coordinated the request. The Parking and Business Improvement Area Law of 1989 of the California Streets and Highways Code allows the creation of a Business Improvement Area (BIA) allowing property owners to voluntarily levy an assessment upon themselves to provide for improvements and/or activities.

Use of Funds

LBTBIA funds are to be used to administer marketing programs to promote the City of Long Beach as a tourism destination and to fund projects, programs and activities that benefit hotels within the boundaries of the LBTBIA. Annually, the CVB will submit a management plan, budget and status report. The LBTBIA is expected to generate approximately \$3,000,000 in its first year.

Adoption Process

The attached Resolution of Intention (ROI) and Engineer's Report are necessary to establish LBTBIA boundaries, specify its mission and per State Code, describe its allowable improvements and activities. The ROI and Engineer's Report also establish the LBTBIA's Advisory Board, propose that the CVB administer tourist marketing programs and provide the method and basis of levying the assessment.

The adoption of the attached ROI would declare the City Council's intention to begin the LBTBIA proceedings and set a public hearing for June 21, 2005 at 5:00 p.m. The City Council shall receive written or oral protests at the public hearing. Protests must be filed in writing with the City Clerk and must contain sufficient detail to identify the business and evidence allowing the City to substantiate ownership, so as to obtain a count in determining a majority protest. If the owner is a corporation, limited partnership or other legal entity, the authorized representative for the entity shall be authorized to sign the protest. Prior to the close of the scheduled hearing, the City Clerk must receive all written protests.

If valid written protests are received from hotel property owners comprising 50 percent or more of the proposed LBTBIA assessment payments, and none are withdrawn, no further proceedings to create the district or issue the levy shall be undertaken for one year.

LBTBIA Boundaries and Levy

All hotels over 31 rooms within LBTBIA boundaries would be assessed a levy, as would new hotels within these boundaries. Because the tourism promotion programs are directed at larger properties, lodging establishments with 30 rooms or less will not be assessed the levy.

The LBTBIA's proposed boundaries are: 1) Downtown area: bounded by 3rd Street, Alamos Avenue, Queensway Bay (including the Queen Mary, excluding Queensway Harbor and the Long Beach Marina) and Freeway 710; and, 2) Airport area: bounded by Redondo Avenue, Carson Street, Bellflower Boulevard, and East Stearns Street. See attached maps in Section 6 of the Engineer's Report.

Hotels currently in the proposed LBTBIA boundaries to be affected by the levy include:

| | |
|---------------------------------|--------------------------------|
| Best Western | Extended Stay America |
| City Center Motel | Holiday Inn Long Beach Airport |
| Courtyard by Marriott | Long Beach Marriott |
| Hilton Long Beach | Residence Inn by Marriott |
| Holiday Inn Express/Downtown | |
| Hyatt | |
| Inn of Long Beach | |
| Queen Mary | |
| Renaissance Hotel | |
| Rodeway Inn | |
| The West Coast Long Beach Hotel | |
| Travelodge | |
| Westin | |

HONORABLE MAYOR AND CITY COUNCIL
May 24, 2005
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It is proposed that the assessment be collected monthly based on 3 percent of the gross short-term hotel room rental revenues for the previous month. Short-term room rental shall mean occupancies that last less than 15 consecutive days, and shall not include occupancies related to government employees on government business and stays paid by Los Angeles County Social Service vouchers. Exemptions shall be allowed for airline crew room occupancies; these are hotel rooms occupied for extended time periods by airline crews.

This 3 percent assessment is separate from the Transient Occupancy Tax (TOT). It is structured similarly in that it is a percentage of gross revenues, but it is not TOT. In addition, the LBTBIA assessment shall not be included in the gross room rental revenue to determine the amount to be paid for TOT.

It should be noted that the aggregate total percentage of TOT plus the assessment to be paid by hotel operators in the LBTBIA would be equivalent to 15 percent of gross revenues, 12 percent from TOT and 3 percent from the LBTBIA levy. Two other cities' charge similar percentages on gross revenues as part of their TOT rates; these are: City of Anaheim at 15 percent and City of Los Angeles at 14 percent.

The CVB has contacted hotels located within the proposed district and has endeavored to incorporate and address concerns of hotel owners, owner representatives and/or local managers.

Advisory Board

The ROI and Engineer's Report also request the City Council to appoint members of the CVB Board to the LBTBIA's Advisory Board. The LBTBIA Advisory Board would be responsible for submitting to the City Council for review and approval its management plans, budgets and status reports. These submissions shall account for operations, and identify proposed activities for the next year. The LBTBIA Advisory Board shall specify any amounts carried over from a previous fiscal year, list contributions from other non-assessment sources and indicate any proposed changes to the district.

If the district is established, the LBTBIA shall begin August 1, 2005. Officially, the LBTBIA's fiscal year shall be from October 1 through September 30. The first year of the district will be for 14 months, from August 1, 2005 through September 30, 2006. It should be noted that the LBTBIA is being formed without a sunset date. As previously noted, the City Council will annually review and consider approval of budgets and reports as submitted by the LBTBIA.

This letter was reviewed by Chief Assistant City Attorney Heather Mahood and Budget Management Officer David Wodynski on May 16, 2005.

TIMING CONSIDERATIONS

City Council action is requested to adopt the Resolution of Intent on May 24, 2005 to set the hearing date and initiate the majority protest proceedings to address the CVB's request in a timely manner.

HONORABLE MAYOR AND CITY COUNCIL
May 24, 2005
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FISCAL IMPACT

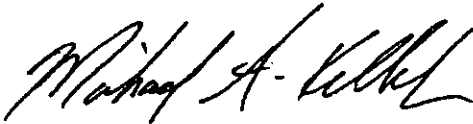
The City would collect the assessment on behalf of the LBTBIA. The LBTBIA is estimated to generate approximately \$3,000,000 in its first year. The assessments would be subject to City Council annual review and approval of LBTBIA management plans, budgets and reports. The City would forward collected assessments to the CVB, as the designated LBTBIA Advisory Board, based on the LBTBIA budgets approved by City Council. The LBTBIA's receipts and disbursements will be accounted for separately from any other monies and its accounting records are subject to review by the City.

The intent is for the LBTBIA to minimize its administrative impact on the City. The LBTBIA will reimburse the City for initial district formation costs and ongoing City administrative expenses from LBTBIA collected levies to recover the full cost of City support for this activity.

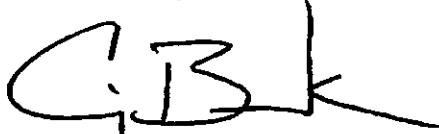
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

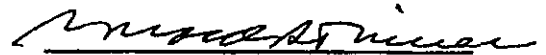


MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT



CRAIG BECK
ACTING DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

MAKDSN:EC
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ATTACHMENTS
RESOLUTION OF INTENTION
FY2005-2006 ENGINEER'S REPORT

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

1 RESOLUTION NO. RES-05-0031

2
3 A RESOLUTION OF INTENTION OF THE CITY
4 COUNCIL OF THE CITY OF LONG BEACH DECLARING
5 THE INTENTION OF THE CITY COUNCIL TO ESTABLISH
6 THE LONG BEACH TOURISM BUSINESS IMPROVEMENT
7 AREA (LBTBIA) AND FIXING THE TIME AND PLACE OF A
8 PUBLIC HEARING THEREON AND GIVING NOTICE
9 THEREOF

10
11 WHEREAS, the Long Beach Area Convention and Visitors Bureau
12 (LBCVB) is interested in establishing the Long Beach Tourism Business Improvement
13 Area (LBTBIA) and levy an assessment on hotels within the Long Beach Tourism
14 Business Improvement Area; and

15 WHEREAS, the Parking and Business Improvement Area Law of 1989
16 Section 36500 et seq. of the Streets and Highways Code authorizes cities to establish
17 parking and business improvement areas for the purpose of promoting tourism; and

18 WHEREAS, businesses within the Long Beach Tourism Business
19 Improvement Area (LBTBIA) have requested the Long Beach City Council to establish
20 such an improvement area; and

21 WHEREAS, the LBCVB and the City of Long Beach desire to have
22 LBCVB manage the activities provided by the proposed LBTBIA;

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

25 Section 1. The recitals set forth herein are true and correct.

26 Sec. 2. The City Council declares its intention to establish the Long
27 Beach Tourism Business Improvement Area and to levy and collect assessments within
28 the LBTBIA boundaries pursuant to the Parking and Business Improvement Area Law

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1 of 1989, Streets and Highways Code Section 36500 et seq. The boundaries of the
2 LBTBIA shall be the Airport District and the Downtown District located within the City of
3 Long Beach as illustrated on the attached map (Exhibit A). The Airport District is
4 bounded by Redondo Ave., Carson Street, Bellflower Blvd., and E Stearns Street. The
5 Downtown District is bounded by 3rd Street, Alamitos Ave., Queensway Bay (including
6 the Queen Mary, excluding Queensway Harbor and the Long Beach Marina), and
7 Highway 710. Please see the attached map (Exhibit A) for assessed businesses.

8 Sec. 3. The name of the area shall be the Long Beach Tourism
9 Business Improvement Area.

10 Sec. 4. The LBCVB proposes to administer marketing programs to
11 promote the City of Long Beach as a tourism destination and to fund projects,
12 programs, and activities that benefit hotels within the boundaries of the area.

13 Sec. 5. The proposed LBTBIA will include all hotels, with greater
14 than 30 rooms, within the LBTIA boundaries which include the Airport District and the
15 Downtown District. The assessment is proposed to be levied on all hotel businesses,
16 existing and future, with greater than 30 rooms, within the City of Long Beach based
17 upon 3% of the gross short term room rental revenue. Except where funds are
18 otherwise available, an assessment will be levied annually to pay for the improvements
19 and activities within the area. The assessment will be collected monthly based on 3%
20 of the gross short term room rental revenues for the previous month. New hotel
21 businesses within the boundaries will not be exempt from the levy of assessment
22 pursuant to Section 36531. Pursuant to the City of Long Beach's transient occupancy
23 tax ordinance, assessments pursuant to the LBTBIA shall not be included in gross room
24 rental revenue for purpose of determining the amount of the transient occupancy tax.
25 As used in this Resolution, the phrase "short term room rental" shall mean occupancies
26 that last less than 15 consecutive days and shall not include occupancies related to
27 state and federal government business by state and federal government employees
28 and shall not include occupancies paid by LA County Social Service vouchers and shall

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1 not include airline crew room occupancies. Because the tourism promotion programs
2 are directed at larger properties, lodging establishments with 30 rooms or less shall not
3 be assessed.

4 Sec. 6. The LBTBIA proposed annual assessment in year one totals
5 approximately \$3,000,000. The funds raised shall be spent to promote tourism, and
6 pay for related administrative costs, within the boundaries of the LBTBIA. Funds
7 remaining at the end of any LBTBIA term may be used in subsequent years in which
8 LBTBIA assessments are levied as long as they are used consistent with the
9 requirements of this Resolution.

10 Sec. 7. The City of Long Beach will collect the assessments monthly
11 from hotel businesses within the boundaries of the LBTBIA. Hotel businesses shall be
12 the businesses that operate the hotels within the boundaries of the LBTBIA. The City
13 of Long Beach will collect the assessment on the same form as that used for the
14 collection of Transient Occupancy Tax receipts.

15 Sec. 8. The LBTBIA advisory board shall submit an annual report,
16 which shall include a budget for operations and an identification of the marketing efforts
17 to be undertaken by the LBTBIA for the ensuing calendar year, to the Long Beach City
18 Council pursuant to Section 36533. The LBTBIA shall begin on August 1, 2005 and its
19 fiscal year shall be from October 1 through September 30.

20 Sec. 9. The Long Beach City Council hereby appoints the members
21 of the Board of Directors of the Long Beach Area Convention & Visitors Bureau as the
22 Advisory Board as described in Section 36530.

23 Sec. 10. The time and place for the public hearing to establish the
24 LBTBIA and the levy of the assessments is set for June 21, 2005 at 5:00 p.m. at the
25 City of Long Beach, City Council Chambers, 333 W. Ocean Blvd., Long Beach,
26 California.

27 Sec. 11. At the public hearing the testimony of all interested persons
28 for or against the establishment of the area, the extent of the area, or the furnishing of

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1 specified types of improvements or activities will be heard.

2 Sec. 12. A protest against the establishment of the LBTBIA, the
3 extent of the LBTBIA, and the furnishing of a specified type of improvement or activity,
4 as provided in Section 36524, may be made in writing. To count in the majority protest
5 against the LBTBIA, a protest must be in writing. A written protest may be withdrawn
6 from writing at any time before the conclusion of the public hearing. Each written
7 protest shall contain a written description of the business in which the person signing
8 the protest is interested, sufficient to identify the business and its address. If the
9 person signing the protest is not shown on the official records of the City of Long Beach
10 as the owner of the business, then the protest shall contain or be accompanied by
11 written evidence that the person is the owner of the business. If the owner of the
12 business is a corporation, LLC, partnership or other legal entity, the authorized
13 representative for the entity shall be authorized to sign the protest. Any written protest
14 as to the regularity or evidence of the proceedings shall be in writing and clearly state
15 the irregularity or defect to which objection is made. Written protests must be received
16 by the City Clerk of the City of Long Beach before the close of the hearing scheduled
17 herein and may be delivered or mailed to the City Clerk, City of Long Beach, Lobby
18 Level, 333 W. Ocean Blvd., Long Beach, California, 90802.

19 Sec. 13. If at the conclusion of the public hearing, there are of record,
20 written protests by the owners of the businesses within the LBTBIA that will pay fifty
21 percent (50%) or more of the total assessments of the entire LBTBIA, no further
22 proceedings to create the LBTBIA shall occur. New proceedings to form the LBTBIA
23 shall not be undertaken again for a period of at least one (1) year from the date of the
24 finding of the majority written protest by the City Council. If the majority of written
25 protests is only as to an improvement or activity proposed, then that type of
26 improvement or activity shall not be included in the LBTBIA.

27 Sec. 14. Further information regarding the proposed Long Beach
28 Tourism Business Improvement Area may be obtained from the City Clerk, City of Long

CITY OF LONG BEACH

LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA

ENGINEER'S REPORT FISCAL YEAR 2005/2006

May 19, 2005

**Prepared by
N|B|S**

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800.676.7516**

800.434.8349

**870 Market Street
Suite 901
San Francisco, CA 94102**

CITY OF LONG BEACH
LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA

MAYOR

Beverly O'Neill

CITY COUNCIL

Bonnie Lowenthal, First District

Dan Baker, Second District

Frank Colonna, Third District

Patrick O'Donnell, Fourth District

Vice Mayor, Jackie Kell, Fifth District

Laura Richardson, Sixth District

Tonia Reyes Uranga, Seventh District

Rae Gabelich, Eight District

Val Lerch, Ninth District

CITY STAFF

Gerald R. "Jerry" Miller, City Manager

Michael A. Killebrew, Director of Financial Management

Heather Mahood, Chief Assistant City Attorney

David Nakamoto, Treasurer

Elsa Castaneda, Senior Administrative Analyst

CITY OF LONG BEACH
LONG BEACH TOURISM BUSINESS IMPROVEMENT AREA

LBTBIA ADVISORY BOARD

Terry Antonelli, CEO, Del L'Opera Restaurant Group
Kristy Ardizzone, Manager Government Affairs-Western Region, JetBlue Airways Corporation
Greg Bonbard, President, Catalina Express
Reuben Brassler, Owner, Lord Mayor's Inn
Laurence W. Jackson, President & CEO, Long Beach Transit
Jeff Kulek, General Manager, Hilton Long Beach & EMC
Jim Michaelian, President & CEO, Grand Prix Association of Long Beach
John Morris, Owner/President, Smooth's Sports Grille
Jane J. Netherton, President & CEO, International City Bank
Joachim Ortmyer, General Manager, Renaissance Long Beach Hotel
Dennis Patel, Owner, Travelodge Convention Center
Hitu Patel, Owner, Rodeway Inn
Bill Peterson, Managing Director, Home Depot Center
Ken Pilgrim, General Manager, The Westin Long Beach
Joseph Prevratil, President, RMS Foundation, Inc., The Queen Mary
Mitchell Rouse, President & CEO, Taxi Systems, Inc.
Richard Sandoval, General Manager, The Coast Long Beach Hotel
Patricia Schille, General Manager, Residence Inn by Marriott
Dr. Jerry R. Schubel, President & CEO, Aquarium of the Pacific
William Simmons, President & CEO, City Light & Power, Inc.
Jerry Slatton, General Manager, Long Beach Marriott
Doug Smith, General Manager, Courtyard by Marriott
Steven J. Smith, General Manager, Hyatt Regency Long Beach
Adrian Valencia, CHA, General Manager, Holiday Inn Long Beach Airport

N|B|S

Greg Ghironzi, Director
Mike Stearns, Project Engineer

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1. ENGINEER'S LETTER

WHEREAS, on _____ the City Council of the City of Long Beach adopted a resolution to establish a Parking and Business Improvement Area named the Long Beach Tourism Business Improvement Area (the "LBTBIA") per the *Parking and Business Improvement Area Law of 1989* (Section 36500 et seq.) of the *California Streets and Highways Code*;

WHEREAS, on _____, the City Council of the City of Long Beach held a public hearing to establish the LBTBIA and the levy of assessments;

WHEREAS, the Advisory Board of the LBTBIA (the "Board") directed NBS to prepare and file an engineer's report. The report shall be filed with the clerk and shall refer to the parking and business improvement area by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following:

1. Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area.
2. The improvements and activities to be provided for that fiscal year.
3. An estimate of the cost of providing the improvements and the activities for that fiscal year.
4. The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
5. The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
6. The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

NOW THEREFORE, according to the *Parking and Business Improvement Area Law of 1989* (Section 36500 et seq.) of the *California Streets and Highways Code* an assessment is made to cover the following Improvements and/or Activities;

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following; parking facilities, benches, trash receptacles, street lighting, decorations, parks and fountains.

"Activities" means, but is not limited to, all of the following; promotion of public events which benefit businesses in the area and which take place on or in public places within the area, furnishing of music in any public place in the area, promotion of tourism within the area, activities which benefit businesses located and operating in the area.

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report has been prepared and assessments computed in accordance with the order of the City Council of the City of Long Beach and the Advisory Board of the LBTBIA.

NBS

2. MISSION STATEMENT OF THE LBTBIA

The purpose of the LBTBIA is to administer marketing programs to promote the City of Long Beach as a tourism destination and to fund projects, programs, and activities that benefit hotels within the boundaries of the LBTBIA.

Scope of Tasks

The LBTBIA will provide the following Improvements and/or Activities;

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following; parking facilities, benches, trash receptacles, street lighting, decorations, parks and fountains.

"Activities" means, but is not limited to, all of the following; promotion of public events which benefit businesses in the area and which take place on or in public places within the area, furnishing of music in any public place in the area, promotion of tourism within the area, activities which benefit businesses located and operating in the area.

Other Incomes

The LBTBIA will search out grants and other funding sources whenever possible to accomplish its goal of promoting tourism within the area.

3. ESTIMATE OF COSTS

The following estimate of costs is made to cover the LBTBIA's first Fiscal Year, being the period from August 1, 2005 through September 30, 2006. All subsequent Fiscal Years will begin October 1 and end September 30. The estimate covers costs associated with the promotion of tourism within the LBTBIA boundary and may include the following Improvements and/or Activities;

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following; parking facilities, benches, trash receptacles, street lighting, decorations, parks and fountains.

"Activities" means, but is not limited to, all of the following; promotion of public events which benefit businesses in the area and which take place on or in public places within the area, furnishing of music in any public place in the area, promotion of tourism within the area, activities which benefit businesses located and operating in the area.

| DESCRIPTION | AMOUNT |
|---|----------------|
| Total FY 2005/2006 Estimated Costs | \$3,000,000.00 |
| FY 2004/2005 Surplus/Deficit | 0.00 |
| Contributions | 0.00 |
| Total FY 2005/2006 Estimated Assessment | \$3,000,000.00 |

4. ASSESSMENTS

4.1. Basis of Assessment

The proposed LBTBIA will include all hotels, with greater than 30 rooms, within the LBTBIA boundaries which include the Airport District and the Downtown District. The assessment is proposed to be levied on all hotel businesses, existing and future, with greater than 30 rooms within the boundaries of the LBTBIA. The assessment is calculated based upon 3% of the gross short term room rental revenue. Except where funds are otherwise available, an assessment will be levied annually to pay for the improvements and activities within the area. The assessment and will be collected monthly based on 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 City of Long Beach's transient occupancy tax ordinance, 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. For purposes of this assessment, the phrase "short term room rental" shall mean occupancies that last less than 15 consecutive days and shall not include occupancies related to state and federal government business by state and federal government employees and shall not include occupancies paid by LA County Social Service vouchers and shall not include airline crew room occupancies. Because the tourism promotion programs are directed at larger properties, lodging establishments with 30 rooms or less shall not be assessed.

The assessment is proposed to be levied in perpetuity, commencing August 1, 2005.

5. PROTEST PROCEEDING

5.1. Procedural Requirements

A protest against the establishment of the LBTBIA, the extent of the LBTBIA, and the furnishing of a specified type of improvement or activity, as provided in Section 36524, may be made in writing. To count in the majority protest against the LBTBIA, a protest must be in writing. A written protest may be withdrawn from writing at any time before the conclusion of the public hearing. Each written protest shall contain a written description of the business in which the person signing the protest is interested, sufficient to identify the business and its address. If the person signing the protest is not shown on the official records of the City of Long Beach as the owner of the business, then the protest shall contain or be accompanied by written evidence that the person is the owner of the business. If the owner of the business is a corporation, LLC, partnership or other legal entity, the authorized representative for the entity shall be authorized to sign the protest. Any written protest as to the regularity or evidence of the proceedings shall be in writing and clearly state the irregularity or defect to which objection is made. Written protests must be received by the City Clerk of the City of Long Beach before the close of the hearing scheduled herein and may be delivered or mailed to the City Clerk, City of Long Beach, Lobby Level, 333 W. Ocean Blvd., Long Beach, California, 90802.

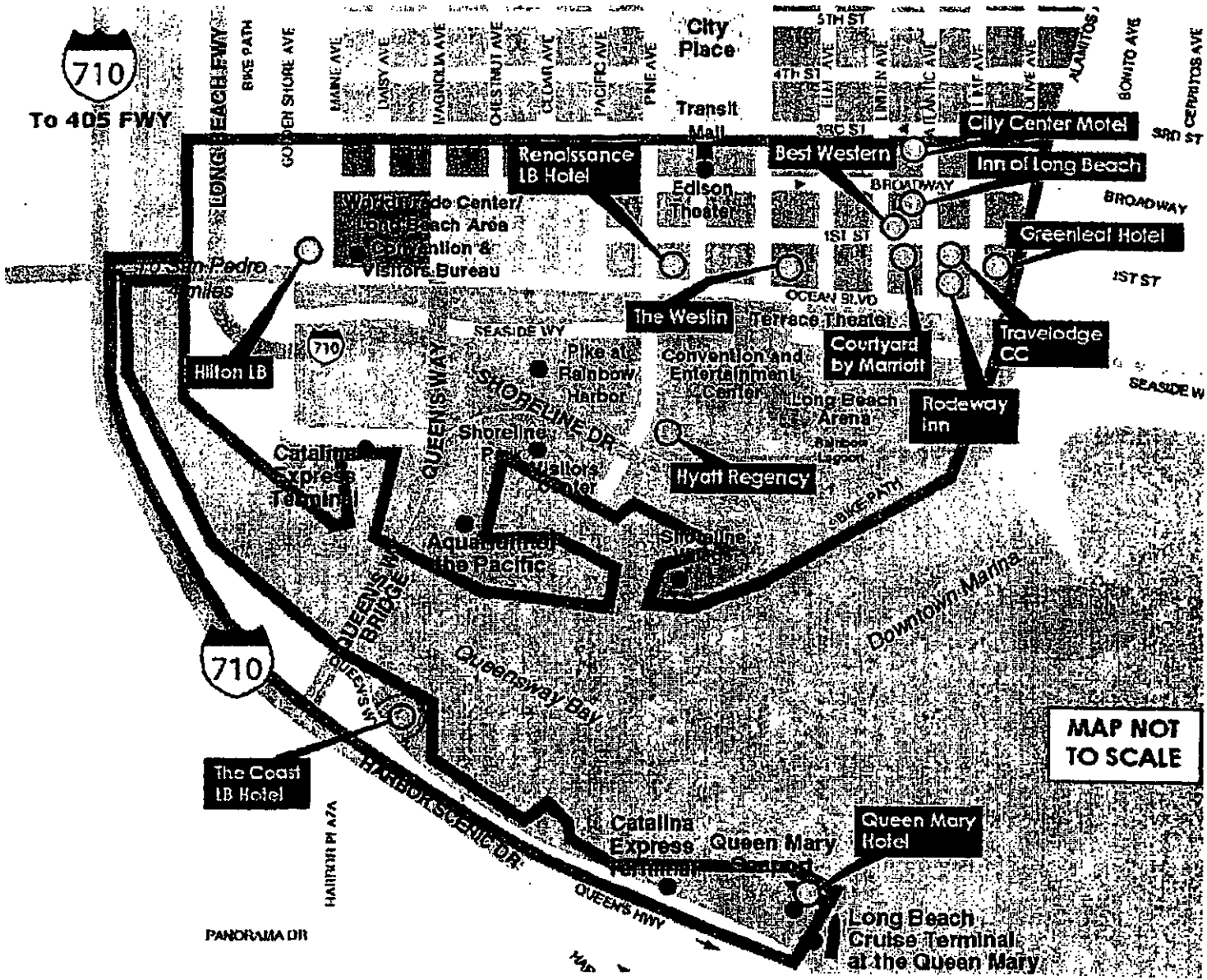
If at the conclusion of the public hearing, there are of record, written protests by the owners of the businesses within the LBTBIA that will pay fifty percent (50%) or more of the total assessments of the entire LBTBIA, no further proceedings to create the LBTBIA shall occur. New proceedings to form the LBTBIA shall not be undertaken again for a period of at least one (1) year from the date of the finding of the majority written protest by the City Council. If the majority of written protests is only as to an improvement or activity proposed, then that type of improvement or activity shall not be included in the LBTBIA.

6. LBTBIA BOUNDARY MAP

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 following map. The Airport District is bounded by Redondo Ave., Carson Street, Bellflower Blvd., and E Stearns Street. The Downtown District is bounded by 3rd Street, Alamitos Ave., Queensway Bay (including the Queen Mary, excluding Queensway Harbor and the Long Beach Marina), and Highway 710.



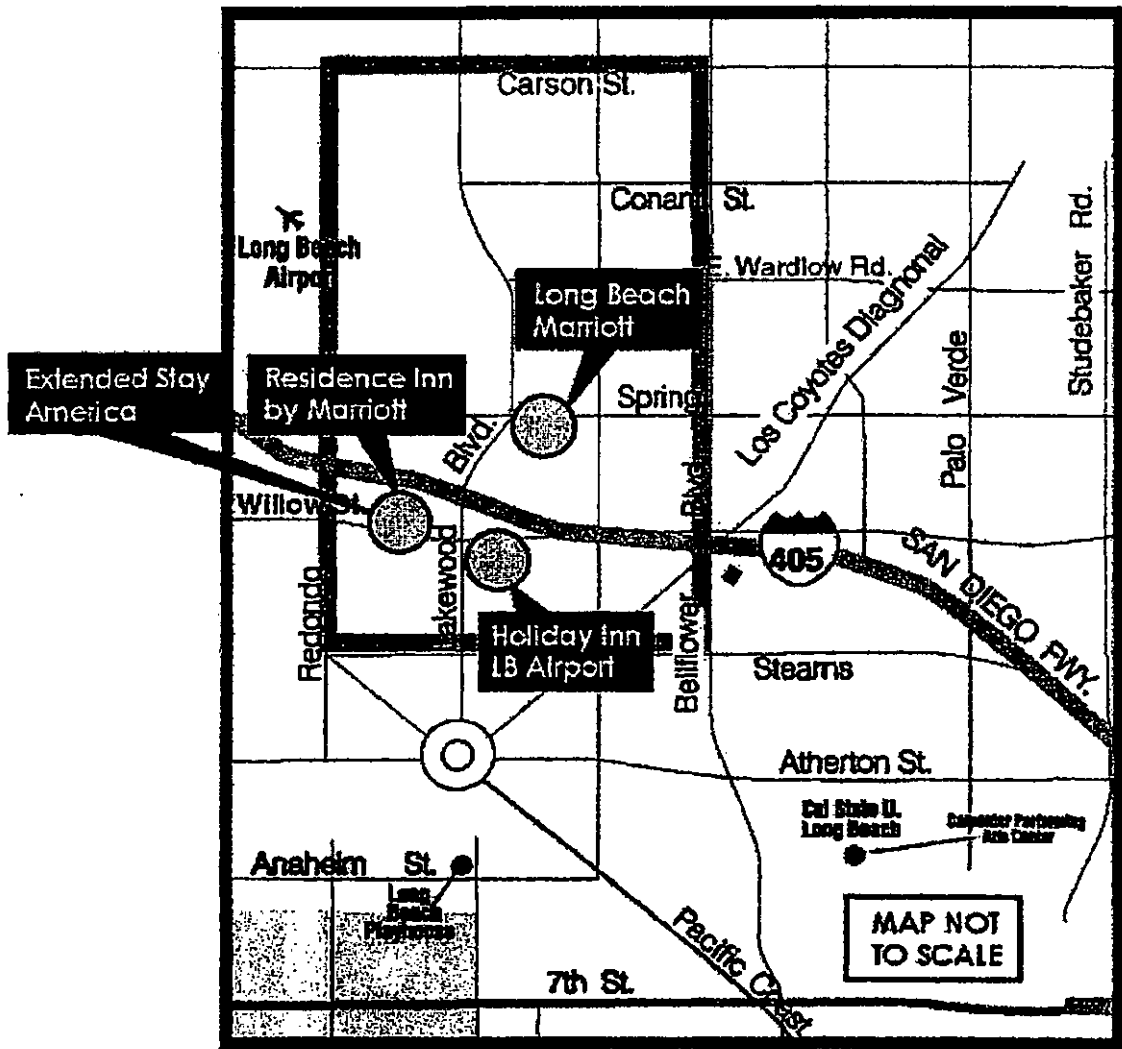
To 405 FWY



MAP NOT TO SCALE

PANORAMA DR

Long Beach Cruise Terminal at the Queen Mary



7. BUSINESS LISTING

The Fiscal Year 2005/2006 Estimated Assessments were prepared and delivered to the City of Long Beach. Financial information regarding individual businesses is considered private and confidential information and will not be part of this public record. If you have a question related to your business's proposed annual assessment amount, please contact the City Clerk, City of Long Beach, Lobby Level, 333 W. Ocean Blvd., Long Beach, California, 90802.

| <u>Property #</u> | <u>Hotel Name</u> | <u>Address</u> |
|-------------------|--------------------------------|------------------------------|
| 1 | Best Western Convention Center | 517 E 1 st Street |
| 2 | Courtyard by Marriott | 500 E 1 st Street |
| 3 | Extended Stay America | 4105 E Willow |
| 4 | Hilton Long Beach | 701 W Ocean |
| 5 | Holiday Inn LB Airport | 2640 Lakewood |
| 6 | Hyatt | 200 S Pine |
| 7 | Inn of Long Beach | 185 Atlantic |
| 8 | Long Beach Marriott | 4700 Airport Plaza |
| 9 | Queen Mary | 1126 Queens Way |
| 10 | Renaissance Hotel | 111 E Ocean |
| 11 | Residence Inn by Marriott | 4111 E Willow |
| 12 | Rodeway Inn | 50 Atlantic |
| 13 | The West Coast LB Hotel | 700 Queens Way |
| 14 | Travelodge | 80 Atlantic |
| 15 | Westin | 333 E Ocean |
| 16 | Greenleaf Hotel | 63 Lime Ave |
| 17 | City Center Hotel | 255 Atlantic Ave |

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

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

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1 remaining portions of the ordinance. The City Council hereby declares that it would
2 have passed this ordinance and each section, subsection, sentence, clause and phrase
3 hereof, irrespective of the fact that any one or more of the sections, subsections,
4 sentences, clauses or phrases hereof be declared invalid or unconstitutional.

5 Sec. 8. The City Clerk shall certify to the passage of this ordinance
6 by the City Council and cause it to be posted in three conspicuous places in the City of
7 Long Beach, and it shall take effect on the thirty-first day after it is approved by the
8 Mayor.

9 I hereby certify that the foregoing ordinance was adopted by the City Council of
10 the City of Long Beach at its meeting of _____, 2005, by the following vote:

11 Ayes: Councilmembers: _____

12 _____

13 _____

14 _____

15 Noes: Councilmembers: _____

16 _____

17 Absent: Councilmembers: _____

18 _____

19 _____

20 _____

21 _____

22 _____

23 Approved: _____

24 _____

25 _____

26 _____

27 _____

28 _____

City Clerk

Mayor

HAM:fl
6/8/05

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