



CITY OF LONG BEACH

R-25

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

August 19, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution approving the Annual Assessment Report for October 1, 2008 to September 30, 2009, for the Long Beach Tourism Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for September 16, 2008. (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.

On August 4, 2008, the LBCVB Board submitted the approved Fiscal Year 2009 LBTBIA Assessment Report (Attachment A) for City Council approval. 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 September 16, 2008.

This letter was reviewed by Assistant City Attorney Heather Mahood on July 17, 2008, Budget Management Officer Victoria Bell on August 4, 2008 and the City Treasurer's Office on July 24, 2008.

TIMING CONSIDERATIONS

City Council action is requested on August 19, 2008 to set the date for the public hearing for September 16, 2008. The new contract year begins on October 1, 2008.

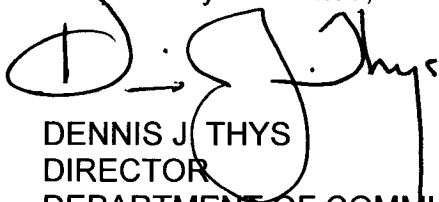
FISCAL IMPACT

It is estimated that the LBTBIA will generate \$3,650,000 in Fiscal Year 2009 (FY 09) 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. Annual assessment revenue of \$3,650,000 is included in the FY 09 Proposed Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Community Development (CD). FY 09 assessment revenue will fully offset the proposed allocation in SR 132. There is no impact on the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

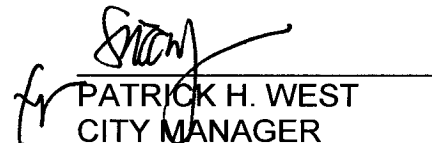


DENNIS J. THYS
DIRECTOR
DEPARTMENT OF COMMUNITY DEVELOPMENT

DJT/RMS:tb
9-16-08 LB Tourism BIA 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 10th 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

Convene:

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) 10th:

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, 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

Revenue	2007/2008 Budget	2008/2009 Budget	Variance
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
Total Revenues	3,850,000	3,650,000	-200,000
Expenses			
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
Total Expenses	3,850,000	3,650,000	-200,000
Net Profit	0	0	0

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING AN ANNUAL REPORT
FOR OCTOBER 1, 2008 TO SEPTEMBER 30, 2009 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, 2008 to September 30, 2009
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, 2008 to September 30, 2009 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, 2008 to September 30, 2009. 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, 2008
5 to September 30, 2009, 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 September 16, 2008 at 5:00 p.m., regarding the Report, the levy and the proposed
10 program for October 1, 2008 to September 30, 2009;

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

13 Section 1. That certain Report entitled "Assessment Report for
14 October 1, 2008 to September 30, 2009, Long Beach Tourism Business Improvement
15 Area" as filed with the City Clerk is hereby approved.

16 Section 2. On September 16, 2008 at 5:00 p.m., in City Council
17 Chamber, City Hall, 333 West Ocean Boulevard, Long Beach, California 90802, the City
18 Council of the City of Long Beach will conduct a public hearing on the levy of proposed
19 assessments for October 1, 2008 to September 30, 2009 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
23 all protests. A protest may be made orally or in writing by any interested
24 person. Any protest pertaining to the regularity or sufficiency of the
25 proceedings shall be in writing and shall clearly set forth the irregularity or
26 defect to which the objection is made.

27 B. Every written protest shall be filed with the City Clerk at or
28 before the time fixed for the public hearing. The City Council may waive

1 any irregularity in the form or content of any written protest and at the public
2 hearing may correct minor defects in the proceedings. A written protest
3 may be withdrawn in writing at any time before the conclusion of the public
4 hearing.

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

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

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

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

19
20 I hereby certify that the foregoing resolution was adopted by the City
21 Council of the City of Long Beach at its meeting of _____, 2008, by the

22 ////
23 ////
24 ////
25 ////
26 ////
27 ////
28 ////

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

1 following vote:

2 Ayes: Councilmembers: _____

3 _____

4 _____

5 _____

6 Noes: Councilmembers: _____

7 _____

8 Absent: Councilmembers: _____

9 _____

10 _____

11 _____

City Clerk

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

HAM:fl
07/18/08
#A08-02053

Exhibit A

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

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.

