



Legislation Text

File #: 10-1079, **Version:** 1

Recommendation to receive supporting documentation into the record, conclude the hearing, and adopt resolution approving the Long Beach Tourism Business Improvement Area program and assessment for the period of October 1, 2010 through September 30, 2011; and authorize City Manager to execute an agreement with the Long Beach Area Convention and Visitors Bureau for a one-year term. (Districts 1,2,4,5)

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 require the submission of an annual assessment report by the Advisory Commission designated for this Assessment District. On July 15, 2010, the LBCVB Board voted to recommend to City Council approval of the 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.

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, 2010 to September 30, 2011. 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 2011 (FY 10) is \$3,054,000.

This letter was reviewed by Chief Assistant City Attorney Heather Mahood on August 17, 2010, City

Treasurer David Nakamoto and Budget Management Officer Victoria Bell on August 18, 2010.

City Council action is requested on October 5, 2010 to authorize renewal of necessary documents for the new contract year, which begins on October 1, 2010.

It is expected that the LBTBIA will generate \$3,054,000 in FY 11 through the proposed continuation of the assessment. Sufficient funds are currently budgeted in the FY 11 Parking and Business Area Improvement Fund (SR 132) in the Department of Community Development (CD). As a result of the reorganization efforts that are currently in transition, a formal reconciliation to transfer these funds to the Public Works Department will occur through a future FY11 quarterly budget adjustment. There is no fiscal impact to the General Fund.

Approve recommendation.

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

MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER