



Legislation Text

File #: 18-0857, **Version:** 1

Recommendation to receive supporting documentation into the record, conclude the public hearing, and adopt resolution continuing the Long Beach Tourism Business Improvement Area assessment for the period of October 1, 2018 through September 30, 2019; and, authorize City Manager, or designee, to extend the agreement with the Long Beach Convention and Visitors Bureau for a one-year term. (Districts 1,2,4,5)

The Long Beach Convention and Visitors Bureau (CVB), as the Advisory Board to the Long Beach Tourism Business Improvement Area (LBTBIA), promotes and markets the City of Long Beach (City) as a tourism destination using funds generated through the assessment of hotel properties located in the LBTBIA. To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. A copy of the Annual Report describing proposed assessment, activities, and allocations is attached to the Resolution as Exhibit A. These items were reviewed by the City Council at its meeting on September 18, 2018.

The Annual Report describes proposed activities and budgetary information, as well as the method and basis for continuation of the assessment. The Annual Report proposes no change in the method of levying the assessment, and no significant change to the proposed activities.

At its September 18, 2018 meeting, the City Council approved Resolution No. RES-18-0145, granting approval of the Annual Report, declaring the intention of the City Council to levy the assessment, and set October 2, 2018 as the date of the public hearing. A hearing notice, including a copy of the Resolution, was published in local media.

State law 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 Annual Report. State law further 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 greater than 50 percent 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.

The Fiscal Year 2019 (FY 19) Annual Report, transmitting the recommendations of the LBTBIA Advisory Board, proposes the following assessment:

ASSESSMENT FORMULA

The assessment shall be levied on all hotel businesses in the LBTBIA, existing and future, with more than 30 rooms. The assessment will be collected monthly, based on 3 percent of the gross short-term room rental revenues for the previous month. New hotel businesses within the LBTBIA boundaries will not be exempt from the levy assessment pursuant to Section 36531 (of the California Streets and Highways Code).

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 19, 2018 and by Budget Analysis Officer Julissa José-Murray on September 12, 2018.

City Council action is requested on October 2, 2018, to allow contract modifications to be completed so that FY 19 assessment transfers may be made as required by the Agreement of Funding with the CVB.

It is estimated that the LBTBIA will generate \$5,751,290 in FY 19 through the proposed continuation of the assessment. Short-term room rental assessment funds are collected from hotels and passed directly through to the CVB for implementation of tourism programs. There is no local job impact associated with this recommendation.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH CONFIRMING, FOLLOWING HEARING, AN 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

JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER