

REPORT TO CITY COUNCIL

DATE: MAY 8, 2013

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: NATHAN HAMBURGER, ASSISTANT CITY MANAGER

SUBJECT: REQUEST APPROVAL OF RESOLUTION NO. 13-1700; DECLARING ITS INTENTION TO ESTABLISH THE CONEJO VALLEY TOURISM IMPROVEMENT DISTRICT (CVTID) AND FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC HEARING THEREON, AND GIVING NOTICE THEREOF

The City Council is being asked to consider the approval of Resolution No. 13-1700, which is declaring Council's intent to create the Conejo Valley Tourism Improvement District (CVTID).

The City Council has previously taken action on the proposed district with the adoption of Resolution No. 13-1697 on February 13, 2013. That resolution invited the Cities of Westlake Village and Thousand Oaks to become a part of the proposed CVTID. Subsequently, the City Clerk received a resolution from the City of Thousand Oaks agreeing to be included; the City of Westlake Village has declined to participate. Staff recommends continuing to move ahead as discussed previously with the program, as funding will be vital to the economic stability of Conejo Valley lodging businesses.

The CVTID is proposed to be created pursuant to the Property and Business Improvement District Law of 1994. The Law requires creation of a Management District Plan. A draft Plan was previously adopted by Council with Resolution No. 13-1697, and is attached hereto for reference. In order to further the formation process, the Law requires petitions, signed by businesses which will pay at least 50% of the proposed assessments, be submitted to the City. Signed petitions have been received from businesses which will pay 100% of the assessment, exceeding the statutory requirement. This allows Council to consider adoption of the attached resolution.

Adoption of the attached resolution will initiate further proceedings. A public meeting and public hearing to hear testimony must be held; both will occur at regular City Council meetings. In accordance with statutory requirements as to timing, the public meeting is proposed for June 12, 2013, and the public hearing for July 10, 2013. In compliance with the law, a notice of these hearings must be provided to all businesses proposed to be assessed. Those businesses will have until the final hearing on July 10, 2013 to file a written protest with the City Clerk. If the Clerk receives protests from businesses which would pay more than 50% of the proposed assessment, no further proceedings to form the CVTID may be taken for a period of one year. If no protests

are received, or if protests received represent 50% or less of the proposed assessment, Council may adopt a Resolution forming the CVTID at the public hearing.

The TID approach is proposed to apply a \$1 fee per room night that would be used towards marketing the Conejo Valley to overnight visitors via a variety of media outlets. The fee would be implemented on August 1, 2013. The marketing plan will highlight the area as a hub for the surrounding tourist destinations, such as the greater Los Angeles area, regional beaches, the Santa Monica Mountains Recreation areas, and the Camarillo Outlet Mall. This provides the Conejo Valley a presence in the tourism market that would help increase weekend overnight stays in local hotels when there are available rooms due to a lack of business travelers. It is anticipated that the annual revenue production will be \$500,000, which can be utilized strictly towards marketing and furthering the amount of overnight stays of the participating hotels as described in the Plan. The initial CVTID period is for five years and can have unlimited extensions of up to ten years each. A proposed annual budget breakdown is attached in the Plan.

The Plan also calls for a new board to be formed to oversee and approve the activities of the Tourism District, which will be managed by the non-profit portion of the Greater Conejo Chamber of Commerce. The Board is proposed to be made up of voting members from the affected hoteliers, as well as members from public agencies and other stakeholders, such as regional restaurants, and destination locations. The activities of the CVTID would operate separately from the Chamber's other membership-based activities, and the Board managing the CVTID would be subject to the Brown Act and Public Records Act. It is anticipated that new staff would be hired, specifically with backgrounds in marketing and/or the tourism industry to assist in the furtherance of these efforts and that the administrative staff of the Chamber would serve as support, while creating a cost savings of not having to rent additional space or employ additional staff.

RECOMMENDATION

Staff respectfully recommends the City Council approve Resolution No. 13-1700; declaring the intention to establish the Conejo Valley Tourism Improvement District (CVTID) and setting the time and place of a public meeting and a public hearing thereon, and giving notice thereof.

Attachment: A) Resolution No. 13-1700
 B) Management District Plan

RESOLUTION NO. 13-1700

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, DECLARING ITS INTENTION TO ESTABLISH THE CONEJO VALLEY TOURISM IMPROVEMENT DISTRICT (CVTID) AND FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

WHEREAS, the Property and Business Improvement Law of 1994, Streets and Highways Code § 36600 et seq., authorizes cities and counties to establish property and business improvement districts for the purposes of promoting tourism; and

WHEREAS, the local lodging business owners, members of the business community and representatives from the Cities of Agoura Hills and Thousand Oaks met to consider the formation of the Conejo Valley Tourism Improvement District (CVTID) and have formally expressed support for doing so; and

WHEREAS, the local lodging businesses have drafted a Management District Plan which sets forth the proposed boundary of the CVTID, a service plan and budget, and a proposed means of governance; and

WHEREAS, a majority of the lodging business owners subject to assessment under the CVTID have petitioned the City Council to establish the CVTID.

NOW, THEREFORE, be it resolved by the City Council of the City of Agoura Hills that:

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

Section 2. The City Council finds that the lodging businesses that will pay more than fifty percent (50%) of the assessment proposed in the Management District Plan have signed and submitted petitions in support of the formation of the CVTID. The City Council accepts the petitions and adopts this resolution of intention to establish the CVTID and to levy an assessment on certain lodging businesses within the CVTID boundaries in accordance with the Property and Business Improvement District Law of 1994.

Section 3. The City Council finds that the Management District Plan satisfies all requirements of Streets and Highways Code § 36622.

Section 4. The City Council declares its intention to establish the CVTID and to levy and collect assessments on lodging businesses within the CVTID boundaries pursuant to the Property and Business Improvement District Law of 1994.

Section 5. The boundaries of the CVTID shall be the boundaries of the cities of Agoura Hills and Thousand Oaks. Please see the attached map, incorporated herein as Exhibit A.

Section 6. The name of the district shall be the Conejo Valley Tourism Improvement District (CVTID).

Section 7. The assessment rate is \$1.00 per paid-occupied-room per night on lodging businesses, which is based on the estimated benefit to the businesses to be assessed. Because programs will not aim to attract these types of stays, assessments will not be collected on stays of more than thirty (30) consecutive days, nor stays pursuant to contracts executed prior to August 1, 2013.

Section 8. The assessments levied for the CVTID shall be applied toward sales promotion and marketing programs to market assessed lodging businesses in Agoura Hills and Thousand Oaks as tourist, meeting, and event destinations, as described in the Plan. Funds remaining at the end of any year may be used in subsequent years in which CVTID assessments are levied as long as they are used consistent with the requirements of this resolution.

Section 9. The CVTID will have a five (5) year term unless renewed pursuant to Streets and Highways Code § 36660.

Section 10. Bonds will not be issued.

Section 11. The time and place for the public meeting to hear testimony on establishing the CVTID and levying assessments are set for June 12, 2013, at 6:00 p.m., or as soon thereafter as the matter may be heard, at the Council Chambers located at 30001 Ladyface Court, Agoura Hills, CA 91301.

Section 12. The time and place for the public hearing to establish the CVTID and the levy of assessments are set for July 10, 2013, at 6:00 p.m., or as soon thereafter as the matter may be heard, at the Council Chambers located at 30001 Ladyface Court, Agoura Hills, CA 91301. The City Clerk is directed to provide written notice to the lodging businesses subject to assessment of the date and time of the meeting and hearing, and to provide that notice as required by Streets and Highways Code § 36623.

Section 13. At the public meeting and hearing the testimony of all interested persons for or against the establishment of the CVTID may be received. If at the conclusion of the public hearing, there are of record written protests by the owners of the lodging businesses within the proposed CVTID that will pay more than fifty percent (50%) of the estimated total assessment of the entire CVTID, no further proceedings to establish the CVTID shall occur for a period of one year.

Section 14. The complete Management District Plan is on file with the City Clerk and may be reviewed upon request.

Section 15. This resolution shall take effect immediately upon its adoption by the City Council.

PASSED, APPROVED, AND ADOPTED this 8th day of May 2013, by the following vote to
wit:

AYES: ()
NOES: ()
ABSENT: ()
ABSTAIN: ()

Denis Weber, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk

EXHIBIT A
District Boundaries

