

## REPORT TO CITY COUNCIL

**DATE:** APRIL 26, 2017

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER *GR For C.R.*

**BY:** NATHAN HAMBURGER, ASSISTANT CITY MANAGER *nh*

**SUBJECT:** DISCUSS THE INTENTION TO RENEW THE CONEJO VALLEY TOURISM IMPROVEMENT DISTRICT AND THE LEVY OF AN ASSESSMENT ON CERTAIN LODGING BUSINESSES AND RECEIVE ANY NECESSARY FEEDBACK FROM LODGING BUSINESS MEMBERS

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Through the cooperative efforts between the cities of Agoura Hills and Thousand Oaks, along with the Greater Conejo Chamber of Commerce, the Conejo Valley Tourism Improvement District (CVTID) was formed in 2013. The CVTID began with a five-(5) year term, beginning August 1, 2013 through July 31, 2018. Hoteliers now wish to renew the District for an additional ten (10) years. Concurrently, with the District renewal process, the current District will be modified so that the term ends August 31, 2017.

The District is a benefit assessment district proposed to continue funding marketing and sales promotion efforts for Agoura Hills and Thousand Oaks (Conejo Valley) lodging businesses. This approach has been used successfully in other destination areas throughout the State to improve tourism and drive additional room night stays. The proposed District includes all lodging businesses located within the boundaries of the cities of Agoura Hills and Thousand Oaks.

Hoteliers decided to pursue renewal of the District at this point in time in order to maintain a revenue source devoted to marketing Conejo Valley as a tourist, meeting, and event destination. In addition, it also allows the CVTID Board to establish long-term goals and objectives now rather than waiting for the original end date in 2018. If renewed, the District is expected to generate approximately \$1,200,000 on an annual basis for promotion of travel and tourism specific to Conejo Valley.

The renewed District will have a ten-(10) year life. The assessment will be implemented beginning September 1, 2017 through August 31, 2027. Once per year, beginning on the anniversary of district renewal, there is a 30-day period in which business owners paying more than fifty percent (50%) of the assessment may protest and begin proceedings to terminate the district.

The cities have assumed the responsibility for collecting the assessment on a monthly or quarterly basis from each lodging business located in the District boundaries, within their respective jurisdictions. The cities forward the assessments to Conejo Valley Tourism Improvement District, Inc., which will have the responsibility of managing District

programs as provided in the Management District Plan. The cities retain a fee equal to one percent (1%) of the amount of assessment collected to cover their costs of collection and administration.

Following this discussion, the item shall be presented to the City Council at the regularly scheduled meeting on May 24, 2017, in order to conduct a public hearing, to consider the renewal of the CVTID and to levy the proposed assessment as set forth in the Resolution of Intention to Renew the CVTID.

**RECOMMENDATION**

Staff respectfully recommends the City Council receive any input from the public and affected lodging industry business partners and direct staff to present an item to renew the Conejo Valley Tourism Improvement District for consideration at the regularly scheduled meeting of the City Council on May 24, 2017.