



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 25, 2014

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Public Meeting On The Proposed Modification Of 2011-2015 Santa Barbara South Coast Tourism Business Improvement District

RECOMMENDATION:

That Council hold a public meeting to hear comments on the proposed modification of the 2011-2015 Santa Barbara South Coast Tourism Business Improvement District for the District to expire on December 31, 2014.

DISCUSSION:

Overview

On September 28, 2010 the Santa Barbara City Council approved Resolution No.10-080 establishing the Santa Barbara South Coast Tourism Business Improvement District (TBID) and approved the TBID Management District Plan. The TBID is a benefit assessment district designed to increase tourism by creating a supplemental funding source for marketing the south coast region of Santa Barbara County. The TBID region includes the Cities of Santa Barbara, Goleta, and Carpinteria, and the nearby unincorporated areas of the County of Santa Barbara, with the City of Santa Barbara designated as the lead jurisdiction.

The five-year term of the 2011-2015 TBID is set to expire on January 1, 2016. In late 2013, VSB began the TBID renewal process by meeting with lodging industry focus groups and stakeholders to provide an overview of the TBID accomplishments, answer questions, and get input regarding changes to the TBID assessment.

On October 28, 2014 the Santa Barbara City Council approved resolution No.14-072 renewing the Santa Barbara South Coast Tourism Business Improvement District (TBID) and approved the 2015-2020 TBID Management District Plan. The City of Carpinteria did not consent to be included in the TBID and therefore is no longer a participant in the TBID.

Modification Process

The renewed 2015-2020 TBID will take effect January 1, 2015. This is one full year before the existing 2011-2015 TBID expires on December 31, 2015. In order to effectuate the early renewal, it is necessary to dissolve the current TBID. If the current TBID is not dissolved, both would exist simultaneously. The City Council adopted a Resolution of Intention to Modify the Management District Plan of the TBID on October 28, 2014, which was the first step in the dissolution process. The resolution also fixed the place and time of a public meeting and public hearing. These items are proposed to be held on November 25 and December 16, respectively.

The public meeting, today marks the second step required to modify the TBID. At this meeting, Council will hear testimony from the public and affected business owners on the proposed TBID modification. Council will not be asked to take any action at the public meeting.

The final step in the legal process is scheduled for December 16, 2014 when the public hearing will be held. Council would consider the adoption of the Resolution to Modify, the TBID Management District Plan to shorten the duration of the 2011-2015 TBID, from five years to four years. The modification will cause the TBID to expire on December 31, 2014.

BUDGET/FINANCIAL INFORMATION:

The current TBID generates approximately \$1.75 million for marketing outreach; the renewal will generate an additional \$1.38 million for marketing efforts.

PREPARED BY: Genie Wilson, Treasury Manager

SUBMITTED BY: Robert Samario, Acting Assistant City Administrator

APPROVED BY: City Administrator's Office