



City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: June 17, 2008

SUBJECT: Approval of the Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009, Adoption of Resolution of Intention to Levy an Assessment for Improvements and Activities for Fiscal Year 2008-2009 within the Woodland Visitor Attraction District, and Scheduling of Public Hearing

Report in Brief

In July 2004 the City Council approved the formation of the Woodland Visitor Attraction District at the request of Woodland hoteliers. This action included the collection of a 1% assessment on room occupancy charges that was provided as an annual payment to the Yolo County Visitors Bureau. The hoteliers have remained supportive of the District since 2004 and the City Council has annually adopted Renewal of the District since its formation. The hoteliers remain supportive of the District and request that the City adopt its renewal for 2008-09.

Staff recommends that the City Council approves the Visitor Attraction District Assessment Report for Fiscal Year 2008-2009; adopt a Resolution of Intention to Levy an Assessment for Improvements and Activities for Fiscal Year 2008-2009 within the Woodland Visitor Attraction District; and schedule a public hearing for July 15, 2008 to consider any written or oral protests to the levy of the assessment.

Background

On July 6, 2004, the City Council unanimously supported the adoption of a Resolution of Intention to establish the Woodland Visitor Attraction District ("District") pursuant to the Parking and Business Improvement Area Law of 1989. On July 27, 2004, Council held a public hearing to approve Ordinance No. 1404 establishing the District. Ordinance No. 1404 authorized the levying of a 1% assessment on room occupancy, in addition to the Transient Occupancy Tax, upon all hotel/motels establishments in the City of Woodland. Council has annually adopted the Renewal of the District since that time.

A requirement of the Parking and Business Improvement Area Law of 1989 is that the assessment levy be renewed every fiscal year. In order to renew the assessment, the City Council needs to: (1)

approve an assessment report; (2) adopt a resolution of intention; (3) conduct a public hearing; and (4) absent a majority protest, adopt a resolution confirming the assessment report.

The assessment is to be forwarded to the Yolo County Visitors' Bureau (Visitors' Bureau), which promotes tourism and visitor attraction. The Visitors' Bureau, which is governed by a Board of Directors, is a non-profit entity. The Visitors' Bureau is also supported by its partners-- the cities of Davis, Winters, and Woodland, as well as Yolo County and the University of California at Davis.

The hoteliers have voted to assess themselves in order to provide the Visitors' Bureau with funds to assist in increasing travel, tourism and overnight stays in Woodland. As required, all of the hotels in Woodland participate, representing a total of more than 600 rooms. To date, the work that the Visitors' Bureau has done has been productive. The Assessment Report (annual report) (Attachment II) describes some of the activities and publications produced this year. Below is a list of some of the YCVB assisted activities:

- USSSA Softball Tournaments in Woodland (approx. 130 rooms over the course of the summer and fall)
- UC Davis Graduation (approx 2,000 rooms in region)
- Cal Walk & Bike Coalition Conference (in Davis) (approx. 2,000 rooms in region)
- Cultural Connection Festival (approx 100 rooms)
- Quarter Horse Show (approx 25 rooms)
- Sacramento Valley Scottish Games (approx. 600 rooms)
- United British Export Car Club Show (approx. 100 rooms)
- Thomas the Train visit (approx. 500 rooms over two weekend period)

Some media coverage included:

- Solano Magazine—Reiff's Gas Station House 2007
- Outgoing press releases for Woodland (in 2007)
- Sacramento Parent Magazine inquiring about Stroll Through History, Dynamite Chili Cook-off and Woodland Farmer's Market

Staff is recommending that Council provide direction to continue the process for the renewal of the annual 1% assessment of Visitor Attraction District. This process includes the approval of the Visitor Attraction District Assessment Report for Fiscal Year 2008-2009; adopt a Resolution of Intention to Levy an Assessment for Improvements and Activities for Fiscal Year 2008-2009 within

the Woodland Visitor Attraction District; and schedule a public hearing to consider any written or oral protests to the levy of the assessment.

In addition to continuing the annual assessment for the District, staff is working with Woodland hoteliers to discuss a 2% increase of the City's TOT from 10% to 12%. This discussion is in response to the Council's favorable comments regarding a TOT increase and the generation of additional General Fund revenues estimated at \$203,000. Staff will provide further information and potential actions for consideration to the Council as these discussions progress.

Discussion

Over the past several years the YCVB has helped the City increase its TOT year over year by approximately 5-7 %. The City's attractions and events, such as the Scottish Games and the Ag History Museum have benefited from greater regional exposure. The City is seeing a greater number of events, such as AAU and coach bus tours due to the assistance of the YCVB, not to mention the regional and individual city collateral materials produced by the YCVB.

It is important for the City Council to note that staff is not recommending a General Fund contribution from the City of Woodland to the Yolo County Visitor's Bureau for FY09. As the Council may recall, the YCVB requested an additional contribution of \$25,000 as part of the current year's budget; this request was deferred pending additional discussion at a future date. A discussion of the request was held on October 31, 2007 and the City Manager notified the YCVB in December that the City was not in a position to consider additional financial support at this time.

It is also important to note that staff is currently working with several hotel development projects that total approximately 200 additional rooms over the next 24 months.

Fiscal Impact

The renewal of the one percent (1%) assessment has minimal direct fiscal impact on the City. Hoteliers submit their 1% assessment to the City along with their ten percent (10%) Transient Occupancy Tax. City staff processes the 1% assessment as a "pass through" to the Bureau. Annual staff costs for the pass through of funds are estimated to be approximately \$1,750 and are included in the FY09 General Fund budget and considered an in-kind contribution to the YCVB.

Public Contact

Posting of the City Council Agenda and future public hearing on July 15, 2008. Staff also met with Vinod Patel, YCVB Board member representing Woodland hoteliers.

Alternative Courses of Action

1. Approve the Visitor Attraction District Assessment Report for Fiscal Year 2008-2009; adopt a Resolution of Intention to Levy an Assessment for Improvements and Activities for Fiscal Year 2008-2009 within the Woodland Visitor Attraction District; and schedule a public hearing for July 15, 2008 to consider any written or oral protests to the levy of the

assessment.

2. Cease further consideration of the renewal of the Visitor Attraction District

Recommendation for Action

Staff recommends that the City Council approve Alternative No. 1.

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Economic Dev. Manager

Reviewed by: Barry Munowitch, AICP
Assistant City Manager

Mark G. Deven
City Manager

Attachments:
Resolution of Intention
2008/2008 Annual Assessment Report

RESOLUTION NO. _____

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO LEVY AN ASSESSMENT FOR IMPROVEMENTS AND ACTIVITIES FOR FISCAL YEAR 2008-2009 WITHIN THE WOODLAND VISITOR ATTRACTION DISTRICT

WHEREAS, the City of Woodland (“City”) has the authority to levy assessments through a parking and business improvement area pursuant to the Parking and Business Improvement Area Law of 1989, California Streets & Highways Code section 36500 et seq.;

WHEREAS, on September 7, 2004, the City Council adopted Ordinance No. 1404 establishing a Woodland Visitor Attraction District (“District”) and levying assessments;

WHEREAS, the District’s area consists of the City in its entirety and is coextensive in its boundaries with the City;

WHEREAS, the mission of the District is to enrich the lives of the citizens by improving the economic resilience of existing Woodland businesses through promotion of cultural, athletic and educational events and programs that build upon the strengths of the region and the quality of community life;

WHEREAS, in order to levy an assessment for fiscal year 2008-2009, the City Council is required to approve an assessment report, adopt a resolution of intention, hold a public hearing and adopt a resolution confirming the report and adopting the assessment; and

WHEREAS, the City Council has approved the Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009, which is incorporated herein by reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODLAND DOES HEREBY RESOLVE that it intends to levy and collect assessments within the Woodland Visitor Attraction District for fiscal year 2008-2009.

BE IT FURTHER RESOLVED that the assessment to be levied for the District shall be used to fund: the general promotion of business activities and visitor-oriented programs within the District, including the development of program materials, visitor guides and the creation of linkages with event sponsors to support additional conferences and events; the promotion of and participation in conferences, activities and public events which are to take place on or in public places within the District; the furnishing of music in any public place within the District; and, the decoration of any public place within the District. The Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009 on file with the City Clerk is hereby referenced for a full and detailed description of the improvements and activities to be provided for fiscal year 2008-2009, the boundaries of the District and the assessments to be levied upon the businesses within the District for fiscal year 2008-2009.

BE IT FURTHER RESOLVED that the City Council will hold a public hearing at 6:00 p.m. on July 15, 2008 in the City Council Chambers, 300 First Street, Woodland, California, on the levying of the assessment for fiscal year 2008-2009. At the public hearing, written and oral protests may be made. The form and manner of protests shall comply with California Streets & Highways Code sections 36524 and 36525. If written protests are received from and not withdrawn by the owners of businesses in the District which will pay fifty percent (50%) or more of the assessments to be levied, no further proceedings to levy the assessment, as set forth in this Resolution of Intention, shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

PASSED AND ADOPTED this 17th day of June, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marlin "Skip" Davies, Mayor

ATTEST:

Sue Vannucci, City Clerk

APPROVED AS TO FORM:

Ann M. Siprelle, City Attorney