



City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: July 15, 2008

SUBJECT: Public Hearing to Receive Comments Concerning the
Renewal of Assessment for Woodland Visitor Attraction
District; Adoption of Resolution Confirming the
Assessment Report

Report in Brief

Staff recommends that the City Council hold a Public Hearing to receive comments concerning the renewal of the 2008-2009 Annual Assessment for the Woodland Visitor Attraction District (BID); and adoption Resolution No. _____, a Resolution confirming the 2008-2009 Annual Assessment Report.

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 (TOT), 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. On June 17, 2008, as required by statute, the City Council approved the Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009 (FY09) and adopted Resolution No. 4927, a Resolution of Intention of the City Council of the City of Woodland to Levy an Assessment for Improvements and Activities for FY09 within the Woodland Visitor Attraction District.

In order to renew the assessment, the City Council is required to conduct a public hearing to consider any written or oral protests and adopt a resolution confirming the Visitor Attraction District (BID) Assessment Report for FY09. Once adopted, the confirming resolution will constitute the levy

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of the assessment for the District for FY09. Notice of the public hearing has been published. The hotel owners/operators may submit written protests at or before the public hearing.

If written protests are received from businesses which pay 50% or more of the assessments to be levied, no further proceedings to levy the assessment may be taken for a period of one year from the date of the finding of the majority protest by the City Council. If the majority protest concerns only the furnishing of specified types of activities within the District, only those types of activities must be eliminated.

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

Staff has held meeting with a representative group of hoteliers and believes that there is significant support for renewal of the 2008-2009 Annual Assessment for the Woodland Visitor Attraction District (BID) and adoption of a Resolution confirming the 2008-2009 Annual Assessment Report.

Discussion

The hoteliers have voted to assess themselves in order to provide an entity, in this case, the Bureau, with funds to assist in increasing travel, tourism and overnight stays in Woodland. The work that the Bureau has done continues to be productive as was highlighted to Council on June 17, 2008.

Over the past several years the Bureau 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 Bureau, not to mention the regional and individual city collateral materials produced by the Bureau.

Staff met with representatives from the Bureau Board of Directors on June 24, 2008. Issues of greatest concern were discussed:

- The Bureau's commitment to Woodland's hospitality businesses
- A search for a quality Executive Director to lead the Bureau to the next level
- The need for information and performance indicators that are required for the City to continue to support the District and Bureau

These points were discussed in response to Council's expressed concern for the lack of necessary information in the 2008-2009 Annual Assessment Report presented on June 17, 2008 and attached hereto. Staff made it clear that if the Bureau did not present more complete information next year, the Council's support of the Visitor Attraction District would not be assured.

It is important for the 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 Bureau requested a City contribution of \$25,000 as part of the current year's budget. This request was not included in the proposed FY 09 budget because 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 more than 200 additional rooms over the next 24 months.

Fiscal Impact

Carefully taking into consideration the proposed increase above, 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 and pass it through to the Bureau. Annual staff costs for the pass through of funds are estimated to be approximately \$1,750 and are contributed in-kind.

Public Contact

Posting of the City Council Agenda. On June 24, 2008, staff also met with Vinod Patel, YCVB Board member representing Woodland hoteliers and staff has provided the Board with a copy of this report.

Alternative Courses of Action

1. Hold a Public Hearing to receive comments concerning the renewal of the 2008-2009 Annual Assessment for the Woodland Visitor Attraction District (BID); and adoption Resolution No. _____, a Resolution confirming the 2008-2009 Annual Assessment Report.
2. Cease further consideration for the renewal of the Visitor Attraction District.

Recommendation for Action

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

Prepared by: Wendy Ross
Economic Dvlpt. Mgr.

Mark G. Deven
City Manager

Attachments:
Resolution Confirming Assessment and Renewal of Levy

2008/2009 Annual Assessment Report

RESOLUTION NO. ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND
CONFIRMING THE ASSESSMENT REPORT AND APPROVING THE LEVY
OF AN ASSESSMENT FOR THE VISITOR ATTRACTION DISTRICT FOR
FISCAL YEAR 2008-2009 PURSUANT TO THE PARKING AND BUSINESS
IMPROVEMENT AREA LAW OF 1989**

WHEREAS, the Parking and Business Improvement Area Law of 1989, California Streets & Highways Code section 36500 et seq., authorizes cities to levy assessments through a business improvement district;

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

WHEREAS, the Parking and Business Improvement Area Law of 1989 requires the City to renew the levy of the assessment for each fiscal year;

WHEREAS, the City Council approved the Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009 and a resolution of intention to levy the assessment by Resolution No. 4927 on June 17, 2008;

WHEREAS, the City provided notice of a public hearing to be held by causing the resolution of intention to levy the assessment to be published in the *Daily Democrat* not less than seven (7) days prior to the public hearing;

WHEREAS, the City Council conducted a public hearing on the Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009 pursuant to the Parking and Business Improvement Area Law of 1989, on July 15, 2008; and

WHEREAS, the City Council has found no majority protest as defined by Section 36525 of the California Streets & Highways Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODLAND DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Assessment Report

The City Council confirms its adoption of the Visitor Attraction District (BID) Assessment Report for Fiscal Year 2008-2009, which identifies the assessment to be levied and collected to pay the costs of improvements and activities described in the report, in the same form as adopted on June 17, 2008.

Section 2. Levy of Assessment

Pursuant to the Parking and Business Improvement Area Law of 1989, the adoption of this resolution shall constitute the levy of the assessment for the Visitor

Attraction District for fiscal year 2008-2009.

PASSED AND ADOPTED this 15th day of July, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marlin H. Davies, Mayor

ATTEST:

Sue Vannucci, City Clerk

APPROVED AS TO FORM:

Ann M. Siprelle, City Attorney