

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office		(2) MEETING DATE 4/17/2012		(3) CONTACT/PHONE Nikki J. Schmidt (805) 781-5496	
(4) SUBJECT Submittal of a resolution of the Board of Supervisors of the County of San Luis Obispo declaring its intention of renewing the San Luis Obispo County Tourism Business Improvement District (CBID) Ordinance, declaring its intention to continue to levy an assessment on lodging businesses within such District beginning Fiscal Year 2012-13, and fixing the time and place of a public meeting thereon and giving notice thereof.					
(5) RECOMMENDED ACTION It is recommended that the Board: 1) Approve the resolution of intention to renew the San Luis Obispo County Tourism Business Improvement District (CBID) ordinance and fix May 22, 2012 as the date and time of the public meeting to consider any protest to the renewal of the CBID ordinance; 2) Direct the County Clerk to mail an executed copy of the notice of proposed assessment and the resolution of intention to lodging businesses within the CBID; 3) Direct the County Clerk to publish notice of the public meeting no less than ten (10) prior to the date of the public meeting.					
(6) FUNDING SOURCE(S) BID Assessment		(7) CURRENT YEAR FINANCIAL IMPACT \$0.00		(8) ANNUAL FINANCIAL IMPACT \$0.00	
(9) BUDGETED? N/A					
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)					
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A			(14) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		
(15) LOCATION MAP Attached		(16) BUSINESS IMPACT STATEMENT? No		(17) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: April 19, 2011, item A-1	
(18) ADMINISTRATIVE OFFICE REVIEW					
(19) SUPERVISOR DISTRICT(S) All Districts -					

County of San Luis Obispo



TO: Board of Supervisors

FROM: Nikki J. Schmidt, Administrative Office

DATE: 4/17/2012

SUBJECT: Submittal of a resolution of the Board of Supervisors of the County of San Luis Obispo declaring its intention of renewing the San Luis Obispo County Tourism Business Improvement District (CBID) Ordinance, declaring its intention to continue to levy an assessment on lodging businesses within such District beginning Fiscal Year 2012-13, and fixing the time and place of a public meeting thereon and giving notice thereof.

RECOMMENDATION

It is recommended that the Board:

- 1) Approve the resolution of intention to renew the San Luis Obispo County Tourism Business Improvement District (CBID) ordinance and fix May 22, 2012 as the date and time of the public meeting to consider any protest to the renewal of the CBID ordinance;
- 2) Direct the County Clerk to mail an executed copy of the notice of proposed assessment and the resolution of intention to lodging businesses within the CBID;
- 3) Direct the County Clerk to publish notice of the public meeting no less than ten (10) prior to the date of the public meeting.

DISCUSSION

On May 12, 2009, the Board of Supervisors approved Ordinance No. 3177 establishing the San Luis Obispo County Tourism Business Improvement District. The Tax Collector began to collect the 2% assessment on July 1, 2009. Since that time, as required by the Parking and Business Improvement Area Law of 1989 (Sections 36500 et seq. of the Streets and Highway Code), the CBID ordinance and continued levying of assessments on the lodging businesses within the business improvement district has come before your Board annually for renewal.

The resolution before the Board today begins the renewal process for FY 2012-13 by setting the public hearing for May 22, 2012. It will be during this hearing that the Board will accept any protests to continuing the levying of assessments; determine if there is a 50% or more protest; and make the determination on whether the levying of assessments should continue for FY 2012-13. Additionally, the Board will be asked to consider and approve the CBID annual report, budget and FY 2012-13 marketing plan. No changes are being requested to the ordinance.

OTHER AGENCY INVOLVEMENT/IMPACT

Administrative Office staff provides support and acts as the liaison between the County and the CBID Advisory Board. The Treasurer-Tax Collector's Office collects the assessment. County Counsel and the Clerk-Recorder's Office also provide support to the CBID. The CBID Advisory Board prepared the annual report.

FINANCIAL CONSIDERATIONS

The BID assessment is a legal government levy that can be audited and enforced in the same fashion as taxes such as the transient occupancy tax (TOT). Since July 1, 2009, the Tax Collector has been collecting a 2% assessment of the rent charged per occupied room per night from lodging businesses (hotels, motels, bed and breakfasts, and vacation rentals) within the CBID. Information pertaining to assessments collected and expenditures for FY 2011-12 can be found as part of the Annual Report.

RESULTS

County staff neither advocates nor opposes the renewal of the CBID ordinance. Lodging industry will determine the value of the assessment by their continual support of the CBID. As a facilitator of a requested program, the County has not established performance criteria beyond the legal contractual obligations to expend the funds for identified purposes. The onus is on the designated contractors that are selected by the CBID Advisory to meet the expectations of the lodging business owners paying the assessment. It is assumed that the CBID Advisory Board will develop measures that will track additional numbers of visitors and their financial impact on the industry generated by the marketing programs of a BID.

ATTACHMENTS

1. Sequence of Events - FY 12-13
2. Resolution of Intention - FY 12-13
3. Notice of Proposed Assessments - FY 12-13
4. 2011 Year End Report
5. CBID boundary map