



City of Biggs

Agenda Item Staff Report For the Regular City Council Meeting: August 11, 2015

TO: Honorable Mayor and Members of the City Council

FROM: City Administrator

SUBJECT: **PRESENTATION REGARDING THE POSSIBLE FORMATION OF THE BUTTE COUNTY TOURISM BUSINESS IMPROVEMENT DISTRICT.**

REPORT IN BRIEF:

Short-term lodging businesses, including hotels, motels, B&Bs, and other overnight facilities, in Butte County have initiated the process of forming a Butte County Tourism Business Improvement District (BCTBID) in accordance with the Property and Business Improvement District Law of 1994. The purpose of the BCTBID is to promote tourism to Butte County and increase overnight stays at lodging businesses within the County. In order to fund these tourism promotion services, district members (lodging businesses) will assess 2 percent on gross, short-term rentals. The assessed funds are committed to the BCTBID Owners' Association, which will be comprised of all district members and governed by a Board of Directors chosen by the district membership. The Management District Plan (MDP) for the BCTBID outlines the details for the district including district boundaries, budget, services, governance, and district membership.

In accordance with State Law, lodging businesses may petition the local governing body to form a TBID by submitting a MDP along with petitions from district members paying greater than 50 percent of the total annual assessment. In the case of countywide TBIDs, the Board of Supervisors is the governing body and will consider the petitions to form the district. If the Board of Supervisors adopts a Resolution of Intention to form the BCTBID, each incorporated jurisdiction will be asked to consider a Resolution of Consent and authorize the district to operate within its jurisdictional boundaries.

The Board of Supervisors was scheduled to take up the matter at its August 11, 2015 meeting.

Recommendation: Accept presentation for information and authorize the City Administrator to agendize a Resolution of Consent for the Butte County Tourism Business Improvement District if requested by the Butte County Board of Supervisors.

FISCAL IMPACT: None at this time.

BACKGROUND:

Each of the local jurisdictions within Butte County, along with local tourism organizations and businesses, have a history of promoting tourism to the region. In 2013, a Regional Tourism Strategy and Implementation Plan was completed for Butte County. The planning effort included

tourism stakeholders from each local jurisdiction. During the planning effort, a need for committed, consistent funding to coordinate and expand tourism promotion was identified, which led to the exploration of a BCTBID.

Lodging businesses in each of the local jurisdictions throughout the County expressed interest in forming a BCTBID in order to promote tourism to Butte County. With the support of the local jurisdictions and a TBID consultant, Civitas and Associates, local lodging businesses formed a Steering Committee and drafted a MDP for the BCTBID. Several meetings between lodging facility representatives have taken place throughout the County to discuss the MDP and the BCTBID formation process.

DISCUSSION:

Lodging businesses began collecting petitions to form the BCTBID on June 22, 2015 and petitions from lodging businesses paying 58% of the assessment have been collected to date. Lodging businesses submitted the petitions to the Clerk of the Butte County Board of Supervisors and the Board of Supervisors will consider adopting a Resolution of Intention to form the district on August 11, 2015 at 9:30 a.m. The Resolution of Intention includes a request to each City Council and the Town Council to adopt a Resolution of Consent for the district to operate within the incorporated jurisdiction. Each City Council and the Town Council will be requested to consider a Resolution of Consent in order to allow the BCTBID to operate in its jurisdiction, which allows for the creation of a countywide TBID. After each City Council and the Town Council consider the Resolution of Consent, the Board of Supervisors may hold a public hearing and consider adopting the Resolution of Formation for the BCTBID.

The goal of the BCTBID is to promote tourism in the region and increase overnight stays at lodging businesses throughout Butte County. Lodging businesses have worked in partnership with staff from the local jurisdictions in this effort to form the BCTBID. Forming the BCTBID establishes a committed, consistent source of funding to promote tourism to Butte County.

Mark Sorensen