

**DRAFT MINUTES OF THE CITY OF SOLVANG COUNCIL PUBLIC HEARING
MAY 10, 2010**

Council Member Skytt cited a possible conflict of interest with this item left Council Chambers.

5. PUBLIC HEARING ON THE ESTABLISHMENT OF THE SANTA YNEZ VALLEY TOURISM BUSINESS IMPROVEMENT DISTRICT (SYVTBID)

Council Member Duus reported speaking to two of the members of the SYVBID. Council Member Jamieson reported speaking to Council Member Skytt on this item. Mayor Richardson reported attending most of the meetings during establishment of the PBID and speaking to Supervisors of the third and fourth districts, to Mary Harris, as well as the City Manager and City Attorney. Council Member Palmer reported speaking to Bill Phelps and one other member of the group

Staff report by City Manager

- ❖ This is the third and final step as required in the process of establishing the PBID
- ❖ Briefly described the purpose
- ❖ Reviewed the proposed changes from the initial Management District Plan as requested by the Santa Barbara County Board of Supervisors
- ❖ One other change suggested by the County was the exemption language, as each City has their own ordinance in place for rooms they consider to be comp rooms
- ❖ The City of Buellton has given us a resolution of consent however the County has not, so they could not be considered a part of this assessment at this time
- ❖ Council could choose to continue the Public Hearing until the County has made their decision

Public Comment:

Bill Phelps

- ❖ Hotel Association is asking that Council approve the PBID for Solvang and Buellton
- ❖ We will continue to pursue this for the unincorporated areas
- ❖ The County process has been known to take some time, so let's not delay in getting things started for the two cities

Doug Ziegler

- ❖ Encourage you to adopt this for Solvang and Buellton
- ❖ As a hotelier in Santa Ynez, and with the economy the way it is, we need help now

- ❖ The County has a tendency to drag their feet with issues

Laura Cath

- ❖ As a business owner here in the valley, completely support this PBID
- ❖ Tourism gives you twice the bang for the buck, you gain the bed tax and sales tax
- ❖ This is such an incredible opportunity for tourism

Mike Hendrick

- ❖ Many years ago two areas decided they could do better and formed their own cities, Solvang and Buellton as they didn't see eye to eye with the County
- ❖ Now a group has decided they can do better and help themselves by forming this PBID and once again are having problems with the county
- ❖ I urge you to move forward and form the PBID with the two cities
- ❖ We want to include the unincorporated area and will work to include them, but time is important and we would like to get this started

Kui Li

- ❖ Still have difficulty understanding the PBID
- ❖ Do not know how we will explain it to customers, if this is not a City mandated, who do we tell them is responsible for the fee
- ❖ The week day stays are slow due to the economy, this will just discourage more tourists
- ❖ Suggest that we do not charge the fee and advertise, to our advantage, the fact we do not have additional fees compared to other areas
- ❖ We will become like the airline industry with all these additional fees
- ❖ I do not feel this PBID is a good thing

Council Members held a lengthy discussion and expressed concern about moving forward without the County and without the City of Buellton having seen the changes made to the Management District Plan.

One protest vote was recorded, from Country Lane Motel in Buellton. City Attorney calculated the protest to be 1.4% of hotels in the County were to be included, and 1.57% including only the cities of Solvang and Buellton. This was the only protest received.

Motion was made by Council Member Duus, seconded by Council Member Jamieson to continue the date of the Public Hearing to June 14, and to accept the changes as discussed, for a reduction in the boundaries, additional reporting by the SYVHA from annually to quarterly, more detailed description of the sales and marketing program and district budget, change in the exemption language to match that of the jurisdiction and the one error in the Management Plan changing Santa Ynez to Solvang. **Motion carried** with a roll call vote of 4 ayes. Council Member Skytt absent.