



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Housing and
Community
Development
Department No.: 055
For Agenda Of: 8/9/11
Placement: Administrative
Estimated Tme: NA
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Sharon Friedrichsen, Interim Director, Housing and Community
Director(s) Development
Contact Info: Sharon Friedrichsen, 568-3520
SUBJECT: Santa Ynez Valley Hotel Association Annual Report

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

Recommended Actions:

Approve the Annual Report of the Santa Ynez Valley Hotel Association (Attachment A).

Summary Text:

On May 25, 2010 the Board of Supervisors adopted a Resolution of Consent (Resolution No. 10-144) supporting the Santa Ynez Valley Hotel Association's ("Association") establishment of the Santa Ynez Valley Tourism Business Improvement District (SYVTBID). A portion of the SYVTBID is located in the unincorporated area of the County and also includes the City of Solvang and the City of Buellton. Per Section 36650 of the Streets and Highways Code, the advisory board shall prepare a report for each fiscal year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report and file such report with the clerk. The city council (or Board of Supervisors) may approve the report as filed by the advisory board or may modify any particular contained in the report and approve it as modified.

Background:

The Board adopted a resolution that allowed lodging establishments in portions of the unincorporated area to participate in the Solvang's proposed Santa Ynez Valley Tourism Business Improvement District (SYVTBID). The purpose of the SYVTBID is to create a five-year revenue source to augment existing marketing, sales and promotional efforts in order to increase the allure of Santa Ynez Valley as a tourist, meeting and event destination. The attached report is for the period of July 1, 2010-July 15, 2011, the first year of operations of the association as the association began collecting a \$2.00/room night tourism

bid assessment from the 32 member properties on July 1, 2010.

Per Section 36650, the report includes:

(1) Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area.

There are no changes of boundaries, basis and method of levying assessments, or classification of properties to report at the conclusion of the first year of operation.

(2) The improvements and activities to be provided for that fiscal year.

The attached report includes a description of activities.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

The attached report includes an estimate of costs.

(4) The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.

The method and basis of levying the assessment has been well established with the jurisdictions and the properties, being a flat \$2.00/room night for all qualified stays.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

According to the filed Statements of Revenues and Expenses and the Statement of Assets, Liabilities and Equity, there is a net income of \$61,317.72, which is carried over into the next fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

There are no other contributions to the Santa Ynez Valley Hotel Association, Inc.

Performance Measure:

Fiscal and Facilities Impacts:

Fiscal Analysis:

Narrative: The proposed assessment rate is \$2 per occupied room night and would be in effect for a period of five years. The assessment is expected to generate \$3 million over the proposed five-year lifespan of the SYVTBID. The association began collecting a \$2.00/room night tourism bid assessment from the 32 member properties on July 1, 2010.

Staffing Impacts:

Special Instructions: NA

Attachments:

Santa Ynez Valley Hotel Association Annual Report

Authored by:

Sharon Friedrichsen