

City of Sacramento

Legislation Text

File #: 2019-00090, **Version:** 1

Title:

Fiscal Year (FY) 2019/20 Sacramento Tourism Marketing District Annual Proceedings

File ID: 2019-00090

Location: Citywide

Recommendation:

Adopt a Resolution approving the Sacramento Tourism Marketing District Annual Report for Fiscal Year 2019/20.

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Sheri Smith, Special Districts Manager, (916) 808-7204, Department of Finance

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A District Map
- 4-Exhibit B District Budget & Business Assessment

Description/Analysis

Issue Detail: On November 10, 2016, City Council approved the 10-year renewal of the Sacramento Tourism Marketing District (STMD) by Resolution No. 2016-0374 to continue providing marketing and sales promotions with the intent to increase tourism and market Sacramento lodging businesses as tourist, meeting, and event destinations. The STMD was formed under the Property and Business Improvement Law of 1994, which requires that an Annual Report (Report) be filed with the City Clerk for City Council approval.

Visit Sacramento, as the owners' association for the STMD, has prepared the Report for FY2019/20, which is on file with the Department of Finance Public Improvement Finance Division designated by

the City Clerk as the custodian of such records. The Report addresses the proposed budget, annual assessment, and services to be provided. The Report does not change the District boundaries, the rate and methodology of assessment, the scope of services, or any other aspect of the STMD's legal structure as established in the Management District Plan approved at the formation of the STMD.

Policy Considerations: Approval of the attached Resolution will approve the required annual report for the STMD detailing its services, including marketing of the lodging businesses within the City, convention and trade show marketing, and other activities related to increasing hotel room night rentals in FY2019/20.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities and governmental fiscal activities that do not constitute a "project" as defined by the CEQA Guidelines Sections 15378(b)(2) and (5) and are not subject to the provisions of CEQA (CEQA Guidelines Section 15060(c)(3)).

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: The actions in the recommended resolution are required by the California Streets and Highways Code Part 7 (beginning with Section 36600) of Division 18.

Financial Considerations: Financing is provided by the levy of assessments upon businesses that benefit from the improvements and services. The STMD does not plan to issue bonds. The operating budget for the STMD fluctuates with market conditions and room night sales and is adjusted annually to reflect approved Council assessments and expenditure plans.

The total STMD assessment budget is estimated to be \$8.0 million, with \$7.2 million of the revenue collected from businesses within the City. The City will retain two percent of the assessment collected from businesses within the City to cover the costs of collection and administration. The County is responsible for collecting from businesses within the unincorporated County area and will remit collected revenues to Visit Sacramento. Budget details are provided in Exhibit B to the Resolution. The STMD is self-supporting and has no impact on the General Fund.

Local Business Enterprise (LBE): Not applicable.