

City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: James C. McCann, City Manager
DATE: April 6, 2010
SUBJECT: Formation of a Tourism Business Improvement District (TBID) in Calistoga

ISSUE: Consideration of a Resolution consenting to the formation of a Tourism Business Improvement District in Calistoga. *(This item was continued from the City Council Meeting of December 1, 2009)*

RECOMMENDATION: Adopt the Resolution.

BACKGROUND: On March 16, 2010 the Council continued an item regarding the formation of a Tourism Business Improvement District (TBID) to the April 6, 2010 Council meeting to provide additional time for Council to complete their discussion.

DISCUSSION: During the March 16th discussions the following additional information was requested:

1. Report from the Chamber on the results of the collection of "Petitions to Form the Napa Valley Tourism Improvement District", and assurance that the City's lodging members have all been properly notified of this item;
2. Statistical information regarding the local tourism industry's return on their investment regarding the proposed Tourism Business Improvement District.

At the present time the Chamber has received written support through the collection of "Petitions to Form the Napa Valley Tourism Improvement District" from approximately 65% of Calistoga based lodging properties. Chamber Executive Director Canning will be present at the Tuesday City Council meeting to provide an update regarding this effort. Clay Gregory, President and CEO of the Napa Valley Destination Council (NVDC), will provide statistical and budget information at the Council meeting as questions arise.

Staff supports this effort and considers it essential for the enhancement of a healthy and vibrant tourism industry in our region.

FISCAL IMPACT: The proposal presents no direct cost to the City. If approved and established the TBID will produce approximately \$125,000 available for local tourism improvement efforts consistent with the District Management Plan. The City will receive an administrative fee of 1% to address municipal costs incurred in the collection, distribution and reporting of TBID funds.

Attachments:

1. Draft Resolution;
2. April 2, 2010 Memorandum from Mr. Chris Canning, Executive Director of the Calistoga Chamber of Commerce;
3. TBID Organizational Chart;
4. NVDC TBID Marketing & Administration Staff Expenditures;
5. Draft March 16, 2010 City Council Minute Excerpt;
6. March 16, 2010 Staff Report and Attachments.