



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 4/22/2014

Agenda Placement: 7V

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Nancy Johnson for Lawrance Florin - Director
Housing and Intergovernmental Affairs

REPORT BY: Nancy McDonnell, STAFF SERVICES ANALYST II - 707-253-4825

SUBJECT: Resolution of Intent for renewal of the Napa Valley Tourism Improvement District

RECOMMENDATION

Director of Housing and Intergovernmental Affairs requests adoption of a resolution declaring the County of Napa's intention to renew the Napa Valley Tourism Improvement District (NVTID) and fix the time and place of a Public Meeting and a Public Hearing on the proposal.

EXECUTIVE SUMMARY

The Napa Valley Tourism Improvement District (NVTID) was established by the Napa County Board of Supervisors on June 15, 2010. The NVTID was formed under the provisions of the Property and Business Improvement District Law of 1994 (Streets and Highways Code Section 36600 et seq., hereafter "94 Act"). The NVTID encompasses lodging businesses who pay Transient Occupancy Taxes in both the incorporated cities and town-as well as the unincorporated area. The activities of the NVTID are funded by a 2% assessment on gross short term (less than 30 days) room rentals on lodging businesses. The assessment revenues of the NVTID promote tourism throughout the Napa Valley, and a dedicated portion of .5%, or 25% of the total assessment, are available to the local jurisdiction for marketing efforts aimed at promoting tourism in each of their local jurisdictions. The assessment commenced on July 1, 2010, and the term of the current district ends on June 15, 2015.

Today's action begins the process to renew the NVTID for an additional 10 years commencing June 16, 2015 through June 15, 2025. Adoption of the attached resolution sets a time and place for a public meeting and a public hearing on the proposal. A public meeting pursuant to Government Code Section 54954.6 will be held May 6, 2014 at the County Board Chambers to allow public testimony regarding the renewal of the NVTID and the levy of assessments. Subsequently, on June 10, 2014, the Board will hold a public hearing to receive written protests. If the protests are less than 50% of the proposed assessment levy, the Board may officially renew the NVTID and levy the proposed District assessment for the renewed term.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	An assessment of 2% on lodging establishments.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The State of California permits the assessment under the provisions of the Property and Business Improvement District Law of 1994 (Streets and Highways Code Section 36600 et seq., hereafter "94 Act"). This assessment will provide the opportunity for the Napa Valley to collectively market and brand the region as a premier tourist destination.
Is the general fund affected?	No
Future fiscal impact:	This commitment will begin June 16, 2015 and run through June 15, 2025.
Consequences if not approved:	The NVTID will dissolve on June 16, 2015 and no further assessments will be collected for the purpose of marketing the Napa Valley brand.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The Napa Valley Tourism Improvement District (NVTID) was established by the Napa County Board of Supervisors on June 15, 2010. The NVTID was formed under the provisions of the Property and Business Improvement District Law of 1994 (Streets and Highways Code Section 36600 et seq., hereafter "94 Act"). The cities of American Canyon, Calistoga, Napa and St. Helena and the Town of Yountville consented to having lodging businesses within their jurisdictions included within the businesses to be assessed by the NVTID. The assessment revenues of the NVTID promote tourism throughout the Napa Valley, and a dedicated portion of the assessments are available for marketing efforts aimed at promoting tourism in each of the local jurisdictions.

Today's action initiates the process of renewing the District for an additional 10 years commencing June 16, 2015 and expiring June 15, 2025. As required by the 94 Act, petitions have been received from lodging business paying in excess of 50% of the proposed assessments requesting the NVTID be renewed for a ten year term. Adopting the attached resolution would declare the Board's intention to renew this District. It will also fix the time and place for a public meeting and a public hearing on the proposal. A public meeting pursuant to Government Code Section 54954.6 will be held May 6, 2014 at the County Board Chambers to allow public testimony regarding the renewal of the NVTID and the levy of assessments. Subsequently, on June 10, 2014, the Board will hold a public hearing at which time the Board will receive written protests, if any, to the renewal of the NVTID.

At the conclusion of the public hearing, the Board may take action to renew the NVTID unless written protests were

received total more than 50% of the assessments proposed to be levied.

This item complies with the voting requirements of Article XIII C of the California Constitution because it is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the County of Napa for providing the service or product (See Government Code Section 53758).

SUPPORTING DOCUMENTS

A . Resolution

B . Management Plan

CEO Recommendation: Approve

Reviewed By: Molly Rattigan