

CITY OF YUBA CITY
STAFF REPORT

Date: June 16, 2020

To: Honorable Mayor & Members of the City Council

From: Administration

Presentation By: Diana Langley, Interim City Manager
Jacob Young, President Yuba-Sutter Lodging Association

Summary

Subject: Yuba Sutter Lodging Association Contract Services Agreement and Annual Report 2020

Recommendation:

- A. Adopt a Resolution authorizing the City Manager to sign an agreement for Contract Services between the Yuba-Sutter Lodging Association and the City of Yuba City
- B. Adopt a Resolution accepting the Annual Report and preliminary budget for the Yuba Sutter Tourism Improvement District for FY 2020 as recommended by the Yuba Sutter Lodging Association (YSLA)

Fiscal Impact: The City collects a 2% fee on the District assessment to administer the funds.

Purpose:

To hear the annual report of the Yuba Sutter Tourism Improvement District as required by State law.

Background:

Established in March 2017, the Yuba-Sutter Tourism Improvement District (District) is a benefit assessment district to fund marketing and sales promotion efforts for Yuba-Sutter lodging businesses. This approach is successfully used in other destination areas throughout the State to improve tourism and drive additional room nights. Our local District includes all lodging businesses located within the boundaries of the cities of Yuba City, Marysville, Live Oak, and Wheatland, and the unincorporated areas of Yuba and Sutter counties.

Hoteliers formed the District in order to create a revenue source devoted to marketing Yuba-Sutter as a tourist, meeting and event destination. As part of the District's formation, the local District set a 2% fee on each room night and established the Yuba Sutter Lodging Association (Association).

An agreement between the YSLA and Yuba City was not entered into when the district was established. The proposed agreement was prepared by the City Attorney's Office in coordination with the YSLA (Attachment 2).

Analysis:

The Agreement sets the terms of the 2% District Assessment; including collection and disbursement of the funds, the administrative fee paid to the City for managing the assessment, and the requirements of YSLA to present an annual report. The proposed agreement is for a period of 5 years, effective as of April 1, 2017 and maybe extended for additional terms.

The purpose of the YSLA is to increase the promotion and marketing of tourism and increase hotel room-night stays. Under the Property and Business Improvement District Law of 1994 (California Streets and Highways Code § 36600 et. seq.), the City Council must accept an Annual Report prepared by the Business Improvement District Owners' Association with a proposed budget for the next year. Accordingly, this evening, the Association has provided the City Council with the attached Annual Report and Draft Budget for consideration.

The District set a 2% assessment on each room night in addition to the 10% TOT that is collected by Yuba City, for a total paid by hotel guests of 12%. The City also collects a 2% fee on the 2% District assessment to administer the funds.

Process: Hotel/Motel owners submit the 12% motel/hotel surcharge to the City, Finance then remits a check to the lodging association for their 2%, minus 2% for administrative fees. These checks usually go out 30 days after the TOT is due to the City. This check is currently being held, as there are missing payments.

FY 2019-2020 (to date)	Yuba City	YSLA	Total Surcharge
Hotel/Motel Surcharge	10%	2%	12%
Estimated Revenue	\$ 759,974.03	\$ 151,994.84	\$ 911,968.87
Administration Fee (2%)	\$3,039.90	(\$3,039.90)	

Because of COVID-19 Stay at Home restrictions, the original estimate of FY2019-2020 revenues have been adjusted. The Hotel/Motel surcharge receipts for FY 19/20 has been projected to be \$850,000. Of that a total, 5% or \$42,500 was placed in the City's Economic Development Tourism Account 4120-66020. The City has the option of contributing matching funds of up to 10% of the amount of TOT collected during the year.

In 2019, Yuba County committed \$15,000 which accounts for about 15% of their Hotel/Motel Surcharge budget to YSLA.

Fiscal Impact:

The City collects a 2% fee on the 2% District assessment to administer the funds. As of April 2020, this amount is \$3,039.90.

Alternatives:

1. Authorize different terms for the Agreement for Contract Services
2. Do not accept the Annual Report & Budget as presented and recommend specific changes
3. Authorize matching funds from Economic Development Account 4120-66020 for Tourism and Marketing to the YSLA

Recommendation:

- A. Adopt a Resolution authorizing the City Manager to sign an agreement for Contract Services between the Yuba-Sutter Lodging Association and the City of Yuba City
- B. Adopt a Resolution accepting the Annual Report and preliminary budget for the Yuba Sutter Tourism Improvement District for FY 2020 as recommended by the Yuba Sutter Lodging Association (YSLA)

Attachments:

1. Resolution Approving the Agreement for Contract Services
 - a. Agreement for Contract Services Between the City of Yuba City and the Yuba Sutter Lodging Association
 - b. Management District Plan
2. Resolution Approving the Annual Report and Proposed Budget for the Yuba Sutter Tourism Improvement District for 2020
 - a. 2019/20 Annual Report & Budget
3. YSLA 2020 Marketing Plan

Prepared By:

/s/ Terrel Locke
Terrel Locke
Assistant to the City Manager

Submitted By:

/s/ Diana Langley
Diana Langley
Interim City Manager

Reviewed by:

Finance

SM

City Attorney

SLC by email

ATTACHMENT 1

Agreement Resolution

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
ADOPTING THE AGREEMENT FOR CONTRACT SERVICES WITH THE
YUBA-SUTTER LODGING ASSOCIATION**

WHEREAS, the Property and Business Improvement District Law of 1994 (Streets and Highways Code § 36600 *et. seq.*) authorizes the City to establish business improvement districts upon petition by a weighted majority of the lodging business owners located within the boundaries of the district; and

WHEREAS, on March 21, 2017 the City Council adopted a Resolution, Resolution No. 17-020, establishing the Yuba-Sutter Tourism Improvement District for a five (5) year term, beginning April 1, 2017, through March 31, 2022; and

WHEREAS, the District includes lodging businesses in the cities of Yuba City, Marysville, Live Oak, Wheatland, and in the unincorporated areas of Yuba and Sutter counties; and

WHEREAS, included with the petitions was a Management District Plan summary, the terms of which were adopted by the Resolution, that describes a proposed assessment of two percent (2%) of gross short-term room rental revenue to be levied on lodging businesses within the District to pay for sales promotion and marketing activities, and other improvements and activities set forth in the Plan; and

WHEREAS, pursuant to the Resolution and the Plan, the District's activities will be funded by the Assessment levied solely upon the assessed businesses, and the business owners are solely responsible for payment of the Assessment when due; and

WHEREAS, the Assessment to fund the activities and improvements for the District will be collected by the cities and counties on a quarterly basis, and in accordance with Streets and Highways Code §36631; and

WHEREAS, pursuant to the Resolution and the Plan, the cities and counties shall retain a fee equal to two percent (2%) of the amount of Assessment collected, within their respective jurisdictions, to cover their costs of collection and administration; and

WHEREAS, the City and the Association desire that this Agreement be deemed approved, executed, and operative as of April 1, 2017; and

WHEREAS, the City Council and the Association desire that, through adoption of the Resolution and the Plan, and pursuant to rights afforded to the City under City Streets and Highways Code § 36651, the Association serve as the Owners' Association, as defined by Streets and Highways Code § 36612, responsible for providing the improvements, maintenance, and activities described in the Plan.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Yuba City as follows:

1. The recitals set forth herein are true and correct.
2. The City Manager is hereby authorized and directed to execute on behalf of the City of Yuba City the Agreement of Contract Services between the City of Yuba City and the Yuba Sutter Lodging Association.
3. A copy of said Agreement is attached hereto for reference as Attachment A.

The foregoing Resolution was duly and regularly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on June 16, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Shon Harris, Mayor

Patricia Buckland, City Clerk

APPROVED AS TO FORM:

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment – Agreement for Contract Services

EXHIBIT A
Agreement for Contract Services

AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF YUBA CITY AND THE YUBA-SUTTER LODGING
ASSOCIATION

This AGREEMENT FOR CONTRACT SERVICES (“**Agreement**”) is made and executed effective this 16th day of June, 2020 (“**Effective Date**”), by and between the YUBA-SUTTER LODGING ASSOCIATION (“**Association**”), a California nonprofit corporation, and the CITY OF YUBA CITY (“**City**”), a California municipal corporation. The Association and the City are collectively referred to herein as the “**Parties**.”

RECITALS

WHEREAS, the Property and Business Improvement District Law of 1994 (Streets and Highways Code § 36600 *et. seq.*) authorizes the City to establish business improvement districts upon petition by a weighted majority of the lodging business owners located within the boundaries of the district; and

WHEREAS, on March 21, 2017 the City Council adopted a Resolution, Resolution No. 17-020 (“**Resolution**”), establishing the Yuba-Sutter Tourism Improvement District (“**District**”) for a five (5) year term, beginning April 1, 2017, through March 31, 2022; and

WHEREAS, the District includes lodging businesses in the cities of Yuba City, Marysville, Live Oak, Wheatland, and in the unincorporated areas of Yuba and Sutter counties; and

WHEREAS, included with the petitions was a Management District Plan (“**Plan**”) summary, the terms of which were adopted by the Resolution, that describes a proposed assessment of two percent (2%) of gross short-term room rental revenue (“**Assessment**”) to be levied on lodging businesses within the District to pay for sales promotion and marketing activities, and other improvements and activities set forth in the Plan (a copy of the Plan is attached to this Agreement as Exhibit “A” and incorporated herein by reference); and

WHEREAS, pursuant to the Resolution and the Plan, the District’s activities will be funded by the Assessment levied solely upon the assessed businesses, and the business owners are solely responsible for payment of the Assessment when due; and

WHEREAS, the Assessment to fund the activities and improvements for the District will be collected by the cities and counties on a quarterly basis, and in accordance with Streets and Highways Code §36631; and

WHEREAS, pursuant to the Resolution and the Plan, the cities and counties shall retain a fee equal to two percent (2%) of the amount of Assessment collected, within their respective jurisdictions, to cover their costs of collection and administration; and

WHEREAS, the City and the Association desire that this Agreement be deemed approved, executed, and operative as of April 1, 2017; and

WHEREAS, the City Council and the Association desire that, through adoption of the Resolution and the Plan, and pursuant to rights afforded to the City under City Streets and Highways Code § 36651, the Association serve as the Owners' Association, as defined by Streets and Highways Code § 36612, responsible for providing the improvements, maintenance, and activities described in the Plan.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1. SERVICES OF CONTRACTOR

1.1 Scope of Services.

In compliance with all of the terms and conditions of this Agreement, the Association shall perform its obligations as set forth below:

(a) The Association shall present an annual report (“**Report**”) at the end of each year of operation to the City Council of Yuba City pursuant to Streets and Highways Code § 36650. The Report shall include:

i. Any proposed changes in the boundaries of the District or in any benefit zones or classification of businesses within the District.

ii. The improvements and activities to be provided on behalf of the District for the next fiscal year.

iii. A detailed service plan budget for the delivery of services improvements, and activities that will benefit the assessed businesses within the District during the next fiscal year. Each budget shall include each of the following categories and allocate the annual budget by each category, in accordance with Generally Accepted Accounting Procedures (“**GAAP**”):

- (1) Sales & Marketing
- (2) Sports and Outdoor Recreation Marketing
- (3) Transportation and Visitor Services Enhancements
- (4) Administration and Operations
- (5) Collection Administration Fee
- (6) Contingency/Reserve

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

v. The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

vi. The estimated amount of any contributions to be made from sources other than assessments levied pursuant to the Plan.

(b) The Association shall manage Assessment funds for the benefit of the District in accordance with the approved Report and provide for the delivery of all services improvements, and activities called for in the Report.

The Association shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein.

ARTICLE 2. BUDGET AND METHOD OF PAYMENT.

2.1 Budget.

The total five (5) year improvement and service plan budget is projected at approximately \$250,000 annually, or \$1,250,000 through March 31, 2022.

The annual budget for the Association to provide delivery of services improvements, and activities that will benefit the assessed businesses within the District is \$250,000 per year for each year during the Term of this Agreement, unless increased or decreased pursuant to Section 2.2, of this Agreement. Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same.

2.2 Budget Adjustments

The City and the Association shall have the authority to adjust the allocation of the budget between the categories of services provided in the Report by no more than fifteen percent (15%) of the total budget per year.

Any increase or decrease to the annual budget must be approved by the City and spent in a manner consistent with allocations and expenditures provided in the Report.

2.3 Payment of Assessment to the Association

The cities and counties will be responsible for collecting the Assessment on a quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in their respective jurisdictions. The cities and counties shall take all reasonable efforts to collect the Assessments from each lodging business. The cities and counties shall forward the Assessments collected to the Owners' Association within thirty (30) days of collection, less a fee equal to two

percent (2%) of the amount of the Assessment collected to cover the costs of collection and administration

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Term.

This Agreement shall be effective as of April 1, 2017 and shall remain in full force and effect, unless earlier suspended or revoked, until March 31, 2022. This Agreement may be extended for additional terms of five (5) years, at the reasonable discretion of the City.

ARTICLE 4. ENFORCEMENT OF AGREEMENT AND TERMINATION

4.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Sutter, State of California, or any other appropriate court in such county, and Association covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Eastern District of California, in the County of Sutter, State of California.

4.2 Disputes; Default.

In the event that Association is in default under the terms of this Agreement, the cities and counties shall not have any obligation or duty to forward any Assessment monies collected to the Association. Instead, the cities and counties may give notice to the Association of the default and the reasons for the default. The notice shall include the timeframe in which Association may cure the default. This timeframe is presumptively thirty (30) days. During the period of time that Contractor is in default, the City shall hold all Assessment monies collected and shall, when the default is cured, proceed with forwarding the Assessment monies to the Association. In the alternative, the cities and counties may, in their sole discretion, elect to pay some or all of the outstanding Assessment monies during the period of default. If the Association does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Association's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

4.3 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party

of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

4.4 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

4.5 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Association shall file a statutory claim pursuant to Government Code Sections 905 et. seq. and 910 et. seq., in order to pursue a legal action under this Agreement.

4.6 Termination

This Section shall govern any termination of this Agreement. The City reserves the right to terminate this Agreement at any time, with or without cause, upon sixty (60) days' written notice to Association, except that where termination is due to the default of the Association, the period of notice may be the cure period set forth in Section 4.2. In addition, the Association reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City. Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 4.2 of this Agreement.

4.7 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 5. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

5.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Association, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Association or to its successor, or for breach of any obligation of the terms of this Agreement.

5.2 Conflict of Interest.

Association covenants that neither it, nor any officer or principal of it, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the cities and counties or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Association warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

ARTICLE 6. MISCELLANEOUS PROVISIONS

6.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager City of Yuba City, 1201 Civic Center Boulevard, Yuba City, California 95993 and in the case of the Association, to the President of the Yuba-Sutter Lodging Association, 950 Tharp Road, Suite 1303, Yuba City, CA 95993. Either party may change its address by notifying the other party of the change of address in writing. Notices sent pursuant to this Agreement will be deemed made upon placing said notice into the mail.

6.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

6.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

6.4 Integration; Amendment.

This Agreement constitutes the complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Association and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

6.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

6.6 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF YUBA CITY, a municipal corporation

Diana Langley, Interim City Manager

ATTEST:

Patricia Buckland, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Shannon Chaffin, City Attorney

ASSOCIATION:

By: _____
Jacob Young
President

By: _____
Brynda Stranix
Treasurer
Address: 950 Tharp Road, Suite 1303
Yuba City, CA 95993

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. ASSOCIATION’S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO ASSOCIATION’S BUSINESS ENTITY.

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Diana Langley, Interim City Manager

ATTEST:

Patricia Buckland, City Clerk

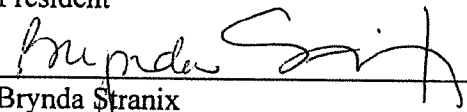
APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Shannon Chaffin, City Attorney

ASSOCIATION:

By: _____

Jacob Young
President

By: 

Brynda Stranix
Treasurer

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By: _____
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EXHIBIT A
MANAGEMENT DISTRICT PLAN

EXHIBIT B
YSTD Marketing Plan

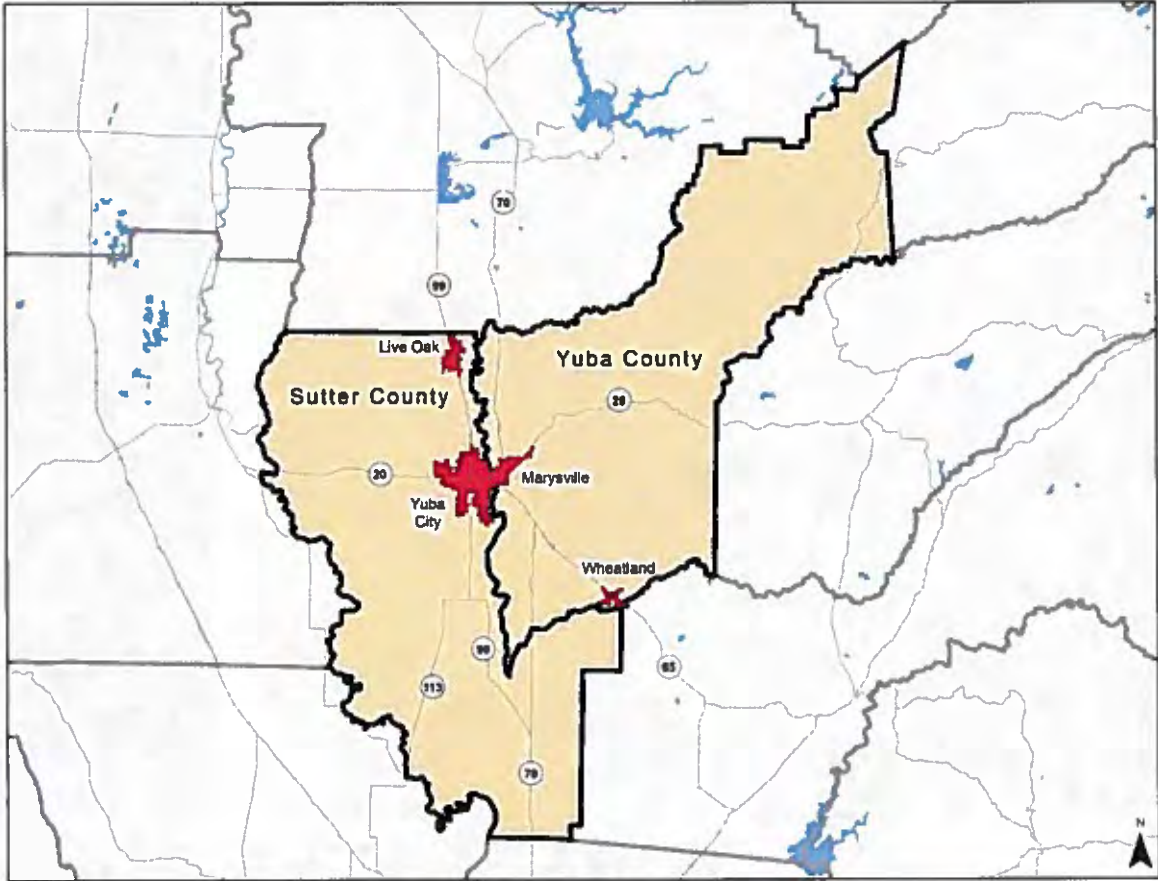
2017-2022

**YUBA-SUTTER TOURISM
IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

*Prepared pursuant to the Property and Business Improvement District Law of
1994, Streets and Highways Code section 36600 et seq.*

January 27, 2017

Boundary Map



I. OVERVIEW

Developed by Yuba-Sutter Lodging Association (YSLA), the Yuba-Sutter Tourism Improvement District (YSTID) is an assessment district proposed to provide specific benefits to payors, by funding marketing and sales promotion efforts for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional room night sales directly to payors. Pursuant to Streets and Highways Code §36620.5, Yuba City is acting as the lead jurisdiction for forming the proposed YSTID, subject to the consent of all other jurisdictions. Yuba City will receive YSTID annual reports.

Location: The proposed YSTID includes all lodging businesses located within the boundaries of the cities of Yuba City, Marysville, Live Oak, and Wheatland; and the unincorporated areas of Yuba and Sutter counties, as shown on the map in Section III.

Services: The YSTID is designed to provide specific benefits directly to payors by increasing room night sales. Marketing and sales, sports and outdoor recreation, and transportation and visitor services programs and promotions will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales.

Budget: The total YSTID annual budget for the initial year of its five (5) year operation is anticipated to be approximately \$250,000. This budget is expected to fluctuate as room sales do, but is not expected to significantly change over the YSTID's term.

Cost: The annual assessment rate is two percent (2%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; stays by any federal, state, county, or city officer or employee when on official business; stays by any person occupying a room pursuant to an emergency shelter grant from the Red Cross or similar organization as a result of a natural disaster such as a fire or flood; and stays pursuant to contracts executed prior to April 1, 2017.

Collection: The cities and counties will be responsible for collecting the assessment on a quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the YSTID. The cities and counties shall take all reasonable efforts to collect the assessments from each lodging business.

Duration: The proposed YSTID will have a five (5) year life, beginning April 1, 2017 through March 31, 2022. Once per year, beginning on the anniversary of district formation, there is a 30-day period in which owners paying more than fifty percent (50%) of the assessment may protest and initiate a Yuba City City Council hearing on district termination.

Management: The Yuba-Sutter Lodging Association will serve as the YSTID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the Yuba City City Council.

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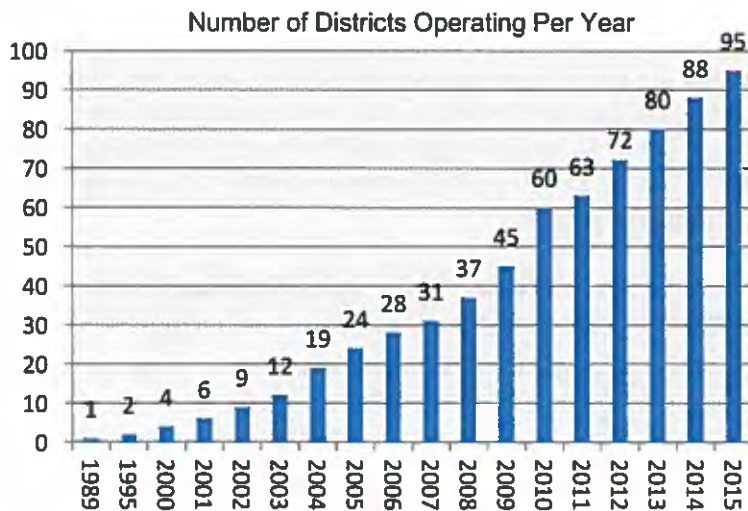
Prepared by
Civitas



(800)999-7781
www.civitasadvisors.com

II. BACKGROUND

TIDs are an evolution of the traditional Business Improvement District. The first TID was formed in West Hollywood, California in 1989. Since then, over ninety California destinations have followed suit. In recent years, other states have begun adopting the California model – Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TID laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TBID. And, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TIDs without a state law.



California's TIDs collectively raise over \$225 million for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Yuba-Sutter lodging businesses invest in stable, lodging-specific marketing programs.

TIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TIDs allow lodging business owners to organize their efforts to increase

room night sales. Lodging business owners within the TID pay an assessment and those funds are used to provide services that increase room night sales.

In California, TIDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TIDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TIDs:

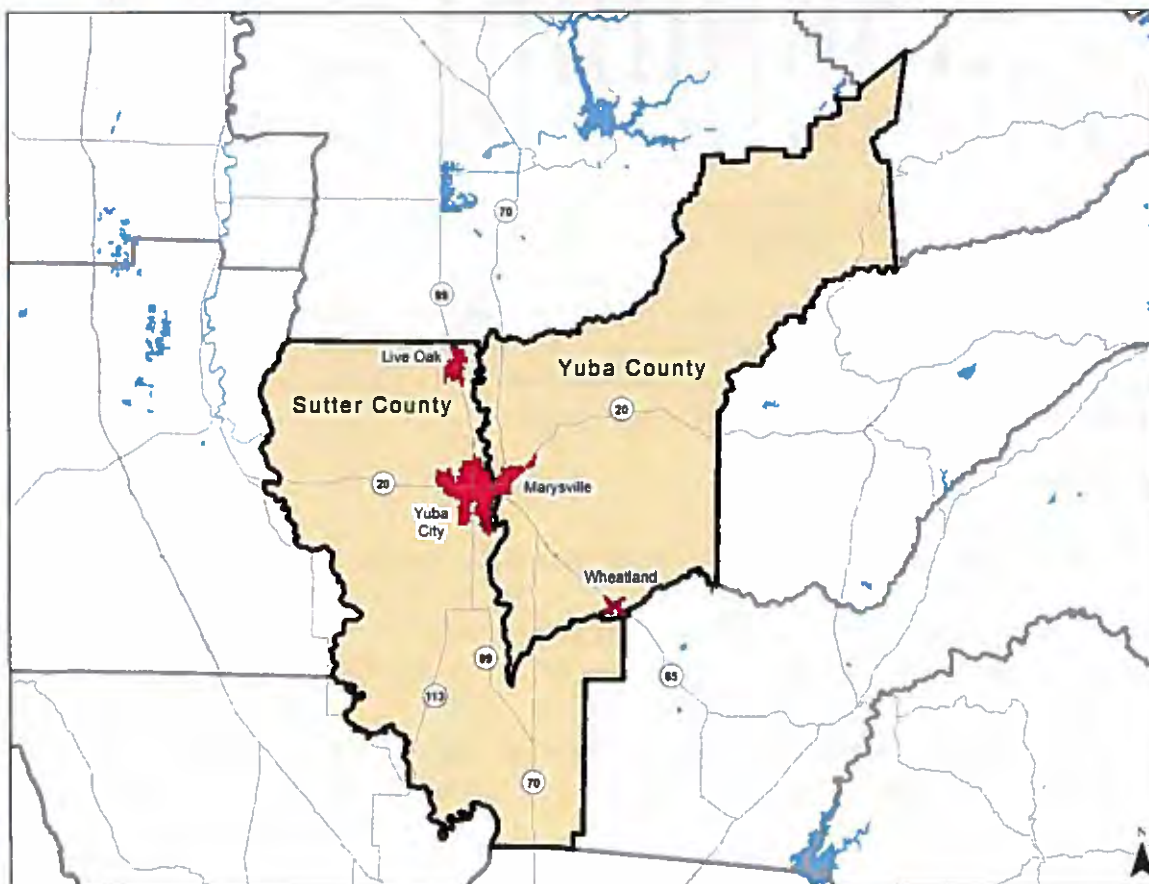
- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are **designed, created and governed by those who will pay** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

III. BOUNDARY

The YSTID will include all lodging businesses, existing and in the future, available for public occupancy within the boundaries of the cities of Yuba City, Marysville, Live Oak, and Wheatland; and the unincorporated areas of Yuba and Sutter counties.

Lodging business means: any structure, or any portion of any structure, which is occupied or intended or designed for occupancy on a temporary basis for lodging or sleeping purposes. Such term includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodginghouse, roominghouse, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof. Lodging business does not include the following: an organized camp, as that term is defined by Health and Safety Code § 18897; the right of an owner of a timeshare estate in a room or rooms in a timeshare project, or the owner of a membership camping contract in a camping site at a campground, or the guest of the owner, to occupy the room, rooms, or camping site, or other real property in which the owner retains that interest, as provided in Revenue and Taxation Code § 7280; any facilities operated by a local government entity; any campsite excluded from taxation pursuant to Revenue and Taxation Code § 7282; or sites in a privately owned campground or recreational vehicle park.

The boundary, as shown in the map below, currently includes twenty-one (21) lodging businesses. A complete listing of lodging businesses within the proposed YSTID can be found in Appendix 2.

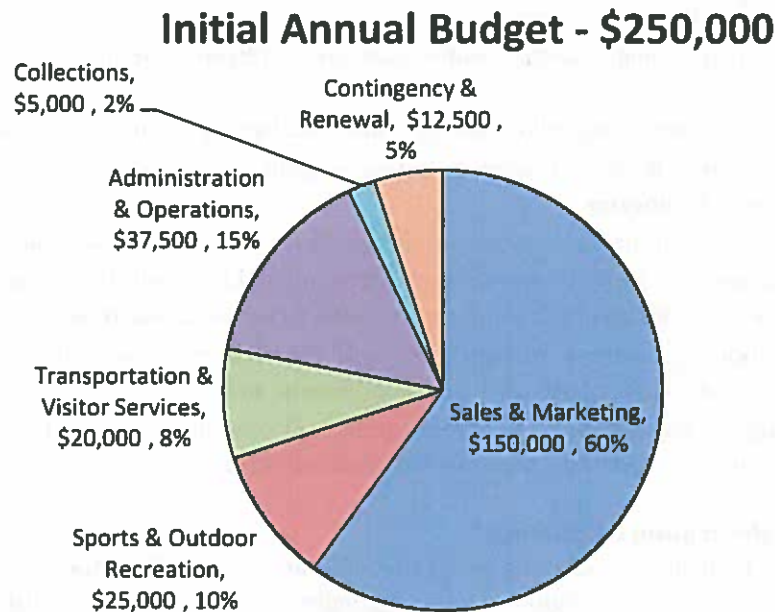


IV. BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to Yuba City of conferring the benefits or granting the privileges. The privileges and services provided with the YSTID funds are sales and marketing, sports and outdoor recreation, and transportation and operations programs available only to assessed businesses.

A service plan budget has been developed to deliver services that benefit the assessed businesses. A detailed annual budget will be developed and approved by YSLA. The table below illustrates the initial annual budget allocations. The total initial budget is \$250,000.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, Yuba City and the YSLA board shall have the authority to adjust budget allocations between the categories by no more than fifteen percent (15%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the YSTID, any and all assessment funds may be used for the costs of defending the YSTID. In the first year of operation, the costs of creating the YSTID may be repaid by deducting repayment funds proportionally from budget categories. Repayment costs shall not exceed \$55,000.

Each budget category includes all costs related to providing that service, in accordance with Generally Accepted Accounting Procedures (GAAP). For example, the sales and marketing budget includes the cost of staff time dedicated to overseeing and implementing the sales and marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories, as appropriate in accordance with GAAP. The staffing levels necessary to provide the services below will be determined by the YSLA on an as-needed basis.

Sales and Marketing

A sales and marketing program will promote assessed businesses as tourist, meeting, and event destinations. The sales and marketing program will have a central theme of promoting Yuba-Sutter as a desirable place for overnight visits. The program will have the goal of increasing overnight visitation and room night sales at assessed businesses, and may include the following activities:

- Internet marketing efforts to increase awareness and optimize internet presence to drive overnight visitation and room sales to assessed businesses;
- Print ads in magazines and newspapers, television ads, and radio ads targeted at potential visitors to drive overnight visitation and room sales to assessed businesses;
- Attendance of trade shows to promote assessed businesses;
- Sales blitzes for assessed businesses;
- Familiarization tours of assessed businesses;
- Preparation and production of collateral promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Attendance of professional industry conferences and affiliation events to promote assessed businesses;
- Lead generation activities designed to attract tourists and group events to assessed businesses;
- Director of Sales and General Manager meetings to plan and coordinate tourism promotion efforts for assessed businesses;
- Development and maintenance of a website designed to promote assessed businesses;
- Education of hospitality staff on service and safety (related to alcohol and food) designed to create a visitor experience that will bring repeat visits to assessed businesses;
- Education of lodging business management and the Owners' Association on marketing strategies best suited to meet assessed businesses' needs; and
- Community organization grants to promote events and activities that target potential visitors to drive overnight visitation and room sales to assessed businesses.

Sports and Outdoor Recreation Marketing

A sports and outdoor recreation marketing program will have a central theme of promoting the District as a desirable place for overnight visits by highlighting the sports and outdoor recreation opportunities in Yuba-Sutter.

Transportation and Visitor Services Enhancements

The transportation and visitor services program will fund transportation and visitor services improvements designed to increase room night sales at assessed lodging businesses. Improvements may include:

- Welcome center and visitor kiosk program including a long term ambassador program and new technology-driven visitor information enhancements to drive overnight visitation and room sales to assessed businesses;
- Brand-centric visitor services training programs for both public and private sector staff designed to create a visitor experience that will bring repeat visits to assessed businesses;
- Comprehensive and integrated wayfinding signed systems including signage to parking lots and decks designed to create a visitor experience that will bring repeat visits to assessed businesses;
- Transportation programs connecting hotels and local music venues, sports venues, and other attractions, to increase overnight visitation and room sales to assessed businesses;
- Art and cultural projects, to attract overnight visitors; and

- Improvements to existing parks and sports facilities utilized by overnight visitors designed to create a visitor experience that will bring repeat visits to assessed businesses.

Administration and Operations

The administration and operations portion of the budget shall be utilized for administrative staffing costs, office costs, advocacy, and other general administrative costs such as insurance, legal, and accounting fees.

Collection Administration Fee

The cities and counties shall retain a fee equal to two percent (2%) of the amount of assessment collected, within their respective jurisdictions, to cover their costs of collection and administration.

Contingency/Reserve

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the Owners' Association. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board of Directors of the Owners' Association. Contingency/reserve funds may be spent on District programs or administrative and renewal costs in such proportions as determined by the Owners' Association. The reserve fund may be used for the costs of renewing the District.

B. Annual Budget

The total five (5) year improvement and service plan budget is projected at approximately \$250,000 annually, or \$1,250,000 through 2022. This amount may fluctuate as sales and revenue increase at assessed businesses, but is not expected to change significantly over the term.

C. California Constitutional Compliance

The YSTID assessment is not a property-based assessment subject to the requirements of Proposition 218. The Court has found, "Proposition 218 limited the term 'assessments' to levies on real property."¹ Rather, the YSTID assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the YSTID, a "specific benefit" and a "specific government service." Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, "a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege."² The services in this Plan are designed to provide targeted benefits directly to assessed lodging businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific lodging businesses within the District. The activities described in this Plan are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the District, and are narrowly tailored. YSTID funds will

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

² Cal. Const. art XIII C § 1(e)(1)

be used exclusively to provide the specific benefit of increased room night sales directly to the assesseees. Assessment funds shall not be used to feature non-assessed lodging businesses in YSTID programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses.

The assessment imposed by this District is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in room night sales. The specific benefit of an increase in room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing and sales programs promoting lodging businesses paying the district assessment. The marketing and sales programs will be designed to increase room night sales at each assessed lodging businesses. Because they are necessary to provide the marketing and sales programs that specifically benefit the assessed lodging businesses, the administration and contingency services also provide the specific benefit of increased room night sales to the assessed lodging businesses.

Although the District, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Specific Government Service

The assessment may also be utilized to provide, “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 local government of providing the service or product.”⁴ The legislature has recognized that marketing and promotions services like those to be provided by the YSTID are government services within the meaning of Proposition 26⁵. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁶

3. Reasonable Cost

District services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the YSLA, and reports submitted on an annual basis to the Yuba City City Council. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from district-funded activities, be featured in advertising campaigns, and benefit from other district-funded services. Non-assessed lodging businesses will not receive these, nor any other, district-funded services and benefits.

The District-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-District funds. YSTID funds shall only be spent

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The annual assessment rate is two percent (2%) of gross short term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; stays by any federal, state, county, or city officer or employee when on official business; stays by any person occupying a room pursuant to an emergency shelter grant from the Red Cross or similar organization as a result of a natural disaster such as a fire or flood; and stays pursuant to contracts executed prior to April 1, 2017.

The term "gross room rental revenue" as used herein means: the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. The assessment shall be disclosed as the "YSTID Assessment." The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purposes, including calculation of transient occupancy taxes.

Bonds shall not be issued.

E. Penalties and Interest

The YSTID shall reimburse the cities and counties for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent YSTID assessment are sought to be recovered in the same collection action by the cities or counties, the YSTID shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency:* Any lodging business which fails to remit any assessment imposed within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.
2. *Continued Delinquency:* Any lodging business which fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.
3. *Fraud:* If the city or county determines that the nonpayment of any remittance due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the penalties stated in subsections (1) and (2) of this section.
4. *Interest:* In addition to the penalties imposed, any lodging business which fails to remit any assessment imposed shall pay interest at the rate of one percent (1%) per month or fraction

thereof on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

5. *Penalties Merged with Assessment:* Every penalty imposed and such interest as accrues shall become part of the assessment required to be paid.

F. Time and Manner for Collecting Assessments

The YSTID assessment will be implemented beginning April 1, 2017 and will continue for five (5) years through March 31, 2022. The cities and counties will be responsible for collecting the assessment on a quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in their respective jurisdictions. The cities and counties shall take all reasonable efforts to collect the assessments from each lodging business. The cities and counties shall forward the assessments collected to the Owners' Association.

V. GOVERNANCE

A. Owners' Association

The Yuba City City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the YSTID as defined in Streets and Highways Code §36612. The Yuba City City Council has determined that Yuba-Sutter Lodging Association (YSLA) will serve as the Owners' Association for the YSTID. The YSLA Board of Directors shall include:

- A minimum of four (4) assessed business owners or their representatives;
- One (1) government representative from Yuba City; and
- One (1) government representative from Yuba County, Sutter County, or Marysville.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the YSLA board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

C. Annual Report

The YSLA shall present an annual report at the end of each year of operation to the Yuba City City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- 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 estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

*** This document is current through the 2016 Supplement ***
(All 2015 legislation)

STREETS AND HIGHWAYS CODE
Division 18. Parking
Part 7. Property and Business Improvement District Law of 1994

Cal Sts & Hy Code Div. 18, Pt. 7 (2016)

CHAPTER 1. General Provisions [36600 - 36617]

ARTICLE 1. Declarations [36600 - 36604]

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

(a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.

(d) Assessments levied for the purpose of conferring special benefit upon the real property or businesses in a business district are not taxes for the general benefit of a city, even if property or persons not assessed receive incidental or collateral effects that benefit them.

(e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:

(1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.

(2) Job creation.

(3) Business attraction.

(4) Business retention.

(5) Economic growth.

(6) New investments.

(f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.

(g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.

(h) The act amending this section is intended to provide the Legislature's guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.

(1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions [36606 - 36616]

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed businesses and real property located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.

- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law [36617- 36617.]

36617. Alternate method of financing certain improvements and activities; Effect on other provision

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment [36620 - 36630]

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceeding; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
- (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.
- (e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.

(m) In a property-based district, the total amount of general benefits, if any.

(n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested

person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the

distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments [36631 - 36637]

36631. Time and manner of collection of assessment; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adopting of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing [36640- 36640.]

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance [36650 - 36651]

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

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

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

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

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

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

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal [36660- 36660.]

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes

additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment [36670 - 36671]

36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

AMERICAS BEST VALUE INN	721 10TH ST	MARYSVILLE, CA 95901
BEST WESTERN YUBA CITY INN	894 W. ONSTOTT ROAD	YUBA CITY, CA 95991
BONANZA INN	1001 CLARK AVENUE	YUBA CITY, CA 95991
BROWNSVILLE MOTEL	8592 LA PORTE ROAD	BROWNSVILLE CA 95919
BUDGET INN	230 E STREET	MARYSVILLE, CA 95901
BUTTE STAR RANCH	8787 S BUTTE RD	SUTTER CA 95982
CALIFORNIA INN	2129 LIVE OAK BLVD.	YUBA CITY, CA 95991
COLLINS LAKE	PO BOX 300	OREGON HOSUE, CA 95962
COMFORT SUITES	1034 NORTH BEALE ROAD	MARYSVILLE, CA 95901
DAYS INN YUBA CITY	700 N PALORA AVENUE	YUBA CITY, CA 95991
ECONO LODGE INN & SUITES	730 N. PALORA AVENUE	YUBA CITY, CA 95991
HAMPTON INN & SUITES	1375 SUNSWEET BLVD.	YUBA CITY, CA 95991
HARKEY HOUSE BED & BREAKFAST	212 C STREET	YUBA CITY, CA 95991
LAKE FRANCIS	13919 LAKE FRANCIS ROAD	DOBBINS, CA 95935
LAKE OF THE SPRINGS	14152 FRENCH TOWN ROAD	OREGON HOUSE, CA 95962
LEXINGTON INN & SUITES	4228 S HIGHWAY 99	YUBA CITY CA 95991
MOTEL 6	803 E STREET	MARYSVILLE, CA 95901
NICE INN	545 COLUSA AVENUE	YUBA CITY, CA 95991
NORCAL HOSPITALITY	803 E STREET	MARYSVILLE, CA 95901
RIO INN & SUITES	899 NORTH BEALE RD	MARYSVILLE, CA 95901
SUPER 8	1078 NORTH BEALE ROAD	MARYSVILLE, CA 95901
TOWN HOUSE MOTEL	322 9TH STREET	MARYSVILLE, CA 95901
TRAVEL LODGE	965 GRAY AVENUE	YUBA CITY, CA 95991
WILLOW CREEK	17548 STATE HIGHWAY 49	CAMPTONVILLE, CA 95922

ATTACHMENT 2

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
ACCEPTING THE ANNUAL REPORT AND PROPOSED BUDGET OF THE
YUBA-SUTTER TOURISM IMPROVEMENT DISTRICT FOR 2020**

WHEREAS, Property and Business Improvement District Law of 1994 (California Streets and Highways Code section 36600 et. seq.) authorizes cities to establish business improvement districts for the purpose of imposing assessments on businesses for certain purposes; and

WHEREAS, on March 21, 2017, the City Council established such a district known as the Yuba-Sutter Tourism Improvement District (the "District"); and

WHEREAS, the City Council designated the Yuba Sutter Lodging Association (Association) to act in compliance with State law to oversee the activities of the District; and

WHEREAS, the Association has submitted an Annual Report to the Yuba City City Council that outlines the activities of the District proposed for 2020 and a budget for providing them, as required by the California Streets and Highways Code Section 36650; and

WHEREAS, the Annual Report is clear and complete and found to comply with the interests of the District assessments; and

WHEREAS, the Annual Report proposes no changes to rates, boundaries or services to the Business Improvement District.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Yuba City does hereby determine and find as follows:

1. The recitals set forth herein are true and correct.
2. The City Council accepts the Yuba-Sutter Tourism Improvement District Annual Report for the year 2020 (Exhibit A) as submitted to the City Clerk by the Yuba-Sutter Lodging Association.

The foregoing Resolution was duly and regularly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on June 16, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Shon Harris, Mayor

Patricia Buckland City Clerk

APPROVED AS TO FORM:

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

EXHIBIT A
Annual Report



**Annual Report for FY 2019-2020
&
Proposed Plan and Budget for FY 2020**

**Presented by
Yuba-Sutter Lodging Association Tourism Improvement District Advisory Board**

Introduction

Yuba-Sutter Lodging Association, acting as advisory board to the Yuba City, City Council has caused this report to be prepared pursuant to the Property and Business Improvement Law of 1994 (section 36600 et seq. of the California Streets and Highways Code) (the “Law”).

This report is a summary of activities performed during FY 2019-2020 and the proposed activities and budget for the Tourism Improvement District (TID). The Fiscal Year of Yuba-Sutter Lodging Association is April 1 through March 31. This report contains the following information:

1. Boundaries
2. Summary of activities for FY 2019-2020
3. Proposed activities for FY 2020-2021
4. Financial Review FY 2019-2020 and FY2020-2021 Budget
5. Method and basis of levying the assessment
6. Surplus or deficit revenue carryover from FY 2019-2020
7. Additional contributions

Section 1: Boundaries

The boundaries of the TID include the counties of Yuba and Sutter including the incorporated cities of Live Oak, Marysville, Wheatland and Yuba City. The boundaries will be consistent for FY 2020-2021. There are no benefit zones within the TID.

Section 2: Summary of activities - FY 2019-2020

Two open seats were filled during the physical year to include Delilah Villapando with Hampton Inn and Suite and Meghan McCarthy with Hard Rock Hotel and Casino Sacramento at Fire Mountain.

Board of Directors

There are currently no expiration dates for the terms of office for any director. The following is a list of board members.

Jacob Young, Collins Lake Resort - President
Delilah Villalpando, Hampton Inn and Suites - Vice President
Brynda Stranix, Yuba-Sutter Economic Development Corporation - Treasurer
Lee Jones, Harkey House B&B - Secretary
Meghan McCarthy, Hard Rock Hotel & Casino Sacramento at Fire Mountain - Member
Steve Young, Hampton Inn and Suites - Member
Charles Sharp, Frenchtown Inn B&B - Member
Terrel Locke, City of Yuba City - Member

Committees

Designated board members serve on the following committees.

Request for Funding Development Committee

Jacob Young, Lee Jones and Terrell Locke

Visitors Guide Advisory Committee

Delilah Villalpando, Lee Jones and Charles Sharp

Staffing and Contractors

- Currently partnering with MC2 Design Group, Inc. to provide day to day operations and marketing services for the Yuba-Sutter Lodging Association in marketing Visit Yuba-Sutter. The contract has been extended through June 2021
- Cindy Paine was hired as the Tourism Coordinator for Visit Yuba-Sutter as an employee of MC2 Design Group, Inc. This part time roll began in July 2019 and will be an ongoing position to assist in day to day administrative tasks and marketing efforts for the Visit Yuba-Sutter campaign
- Leased office space/utilities from the Yuba-Sutter Chamber of Commerce at 1300 Franklin Road, Yuba City

Marketing Activities

In FY 2018-2019, a complete redesign was done to the Visit Yuba-Sutter website, this refreshed website launched at the beginning of FY 2019-2020.

Our target market is the San Francisco Bay Area region to attract visitors looking to escape the urban environment and recharge in the relaxed small town feel of the Yuba-Sutter region and enjoy the outdoor recreation opportunities available.

Predominately utilizing Facebook and Google Ads and has generated the following results

- Average monthly website users has built up to 5,000, peaking at more than 6,000 during the winter holiday travel season
- Between 200-300 monthly “Book your stay” clicks, which means while visitors were navigating the website, they initiated a booking with a local lodger
- Average “Add to Trip” items topped 750 local events and attractions that visitors selected to add to an online itinerary of things to do while there are visiting the area
- 91% of the visitors to the website are being generated from within our target market
- Creation of a 44-second version of the marketing video was created and utilized as a YouTube ad. This video ad has a view rate of 46%, which is nearly double the industry average view rate of 28%
- Specific campaigns were launched to reach various niche markets including
 - Affordable weekend getaway
 - Rustic weddings
 - Hunting
 - Fishing
 - Birding
 - Hiking
- Provided funding to support Title Sponsorship and marketing assistance for the California Swan Festival to assist the Yuba-Sutter Chamber of Commerce in relaunching the event
- Attended the Visit California Outlook Forum, an annual conference to network and attend workshops to remain current on tourism marketing trends and best practices

Accounting

Accounting services are currently contracted with Tenney & Company, Certified Public Accountants. All fiscal responsibilities including tax returns have been prepared and submitted to the proper reporting agencies in a timely matter.

Board meetings

Yuba-Sutter Lodging Association held monthly meetings and transitioned to bi-monthly meetings throughout FY2019-2020, posting notices in compliance with the Brown Act.

Section 3: Proposed Activities for FY 2020-2021

Please note, all activities are subject to review and change considering the current Stay-At-Home Order of Governor Newsome and any future Orders that may prevent such activities. At the time of this writing, we have redirected marketing to the San Francisco Bay Area to messaging that is intended to keep Yuba-Sutter “top of mind” in light of the inability to travel at this time.

We have ramped up local marketing to include exposure to local hiking trails or visits to historic sites that can be done in accordance to social distancing protocol. In addition, efforts have included local marketing to encourage dining options to create increased traffic to our local restaurants providing to-go meals.

- Work with MC2 Design Group on building momentum of promoting the region and drive potential visitors to the tourism website VisitYubaSutter.com as well as social media platforms including Facebook, Instagram and Twitter
- Produce and distribute a Visitors Guide that will be provided to local and statewide vendors including visitor centers, hotel rooms, governmental buildings, Yuba-Sutter Chamber of Commerce, directly to potential visitors, etc. This is a 40+ page magazine that will showcase our area and feature outdoor adventures, locally grown and made vendors, restaurants, history, art, culture, annual events among others
- Made commitment of up to \$50,000 to the History Channel, “It’s How You Get There” series to support an episode that will highlight the Yuba-Sutter region.

YSLA will have access and ownership to all footage (including b-roll) as well as rights to use the History Channel logo. This provides an opportunity to showcase the region on a nationally recognized program with a total viewer base of over two million on the History Channel, FYI Channel and Amazon. Production was scheduled for Spring 2020 but has been postponed due to the stay-at-home order of Governor Newsom

- Work with the American Junior Gold Association (AJGA) and Peach Tree Golf and Country Club to host a tournament. This event is set for August 16, 2020 and will host some of the nation’s top youth golfers
- Visit California Destination: Third Thursday presentation. On October 15, 2020, the YSLA will produce an hour-long presentation to Visit California to showcase and educate the statewide marketing platform on the merits of the Yuba-Sutter region. There will be a write up on the Visit California website and will open opportunities for expanded marketing and exposure through the Visit California platforms. As a side note, there is an approximate five year wait for tourism entities to get this opportunity and network through the Visit California organization
- Develop Yuba-Sutter Tourism Ambassador program to engage the community in what the Yuba-Sutter region has to offer and create local spokespeople to expand the message that the Yuba-Sutter is open and welcoming to visitors and what it has to offer

- Work with wedding article writers to produce a promotional story highlighting the rustic wedding opportunities in the picturesque Yuba-Sutter region and submit to wedding publications
- A Request for Funding application and process was created to enable YSLA to engage with community events and provide potential financial support to those meeting the YSLA funding guidelines and allowing for additional exposure of the Visit Yuba-Sutter brand
- Research visitor kiosks in well trafficked locations around the region that can provide information and support material to visitors in addition to the visitor's center located within the Yuba-Sutter Chamber of Commerce offices
- Fulfillment of online and visitor service requests and inquiries through the VisitYubaSutter.com website
- Market and promote Yuba-Sutter within the region, state and nationally. Enhance the tourism presence at through all promotional mediums while expanding social media platforms
- Coordinate one or two Fall media tours focused on outdoor recreation and ag tourism
- Begin the process of a sports feasibility study to assess the potential target for promotion in this specific category
- Research and develop an internal transportation study to address visitor needs for events and other large group opportunities
- Attend up to two educational conferences to network with other destinations and remain current on marketing trends and changes in policy affecting the industry

Yuba-Sutter Lodging Association
Budget vs. Actual - Fiscal Year 2019-2020 at 3/31/2020 and Projected 2020-2021 Budget

	BUDGET	ACTUAL AT 03/31/2020	Variance	Projected 2020- 2021 Budget
REVENUE				
City of Yuba City 2% Assessment	180,000.00	206,711.41	114.8%	108,000.00
County of Yuba 2% Assessment	60,000.00	87,136.10	145.2%	36,000.00
City of Marysville 2% Assessment	20,000.00	28,256.50	141.3%	12,000.00
County of Sutter 2% Assessment	5,000.00	6,258.87	125.2%	3,000.00
Hard Rock Hotel & Casino 2% Assessment				5,000.00
City of Yuba City Additional Contribution	90,000.00	0.00	0.0%	50,000.00
County of Yuba Additional Contribution	unbudgeted	30,000.00	0.0%	0.00
Total Revenue	355,000.00	358,362.88	100.9%	214,000.00
EXPENSES				
Administration & Operations (15%)				
Accounting & Tax Preparation	2,500.00	2,298.49	91.9%	2,500.00
Administration	33,200.00	31,219.55	94.0%	33,200.00
Corporate Filings	200.00	695.00	347.5%	200.00
Drop Box Subscription	450.00	450.00	100.0%	450.00
Insurance	1,200.00	0.00	0.0%	1,200.00
Meeting Expense (includes Brown Act Training & Launch Event)	5,950.00	6,698.74	112.6%	1,000.00
Rent & Utilities	9,000.00	6,000.00	66.7%	9,000.00
Postage	250.00	147.00	58.8%	250.00
Telephone	500.00	398.84	79.8%	600.00
Supplies & Subscriptions (Google, Facebook, etc)	unbudgeted	85.23	0.0%	0.00
Subtotal - Administration & Operations	53,250.00	47,992.85	90.1%	48,400.00
Sales & Marketing (62%)				
Contract Services	220,100.00	136,845.42	62.2%	220,100.00
Program expenses		14,822.39	0.0%	0.00
Program subscriptions		5,351.50	0.0%	0.00
Subtotal - Sales & Marketing	220,100.00	151,667.81	68.9%	220,100.00
Sports & Outdoor Recreation (10%)				
Contract Services	35,500.00	35,007.83	98.6%	35,500.00
Program expenses		2,928.82	0.0%	0.00
Program subscriptions		1,042.50	0.0%	0.00
Program Sponsorships		5,000.00	0.0%	0.00
Subtotal - Sports & Outdoor Recreation	35,500.00	37,936.65	106.9%	35,500.00
Transportation & Visitor Services (8%)				
Contract Services	28,400.00	24,861.86	87.5%	28,400.00
Program expenses		1,488.31	0.0%	0.00
Program subscriptions		572.96	0.0%	0.00
Subtotal - Transportation & Visitor Services	28,400.00	26,923.13	94.8%	28,400.00
Contingency & Renewal (5%)				
Reserve for contingency & renewal	17,750.00	0.00	0.0%	17,750.00
Subtotal - Contingency & Renewal	17,750.00	17,750.00	100.0%	17,750.00
TOTAL EXPENSES	355,000.00	282,270.44	79.5%	350,150.00
NET	0.00	76,092.44		-136,150.00

Section 5: Method and basis of levying the assessment

Except where otherwise defined in the report, all capitalized terms shall have the meanings set forth in the City of Yuba City Municipal Code. Additionally, the following terms shall have the following meanings:

- Gross Occupancy Revenue means the total Rent received from Transients by a Hotel and Motel Business
- Hotel and Motel Business means any operator of a hotel other than an operator of a hotel that is owned by a non-profit corporation and operated as an adjunct to a charitable or educational activity
- Transient Occupancy Tax means the tax imposed by each jurisdiction pursuant to the Municipal Code for each respective city and county within the Yuba-Sutter TID boundary.

The assessment will be levied against each Hotel and Motel Business within the city limits. No other business shall be subject to the Assessment.

The assessment will be calculated as a percentage of each day’s Gross Occupancy Revenue. The rate of the Assessment was set by resolution of the City of Yuba City, City Council adoption pursuant to Section 36625 of the law and will remain 2% for FY 2020-2021.

The assessment calculated based on each day’s Gross Occupancy Revenues shall be paid to each respective jurisdiction no later than the date on which the Hotel and Motel Business is required, pursuant to the Municipal Code of each city and county within the TID boundary, to remit to each jurisdiction the Transient Occupancy Tax collected by the Hotel and Motel Business on that day.

New Hotel and Motel Businesses established in any part of the assessment district after the beginning of any fiscal year shall not be exempt from the levy of the assessment for that fiscal year but shall instead be subject to the assessment.

Section 6: 6. Surplus or deficit revenue carryover from FY 2019-2020

The carryover from 2019-2020 assessments is estimated to be approximately \$76,000. The association will use the carryover for the continued work of YSLA in tourism marketing and support of regional activities that achieve tourism related results.

Section 7: Additional Contributions

In addition to assessments collected for FY 2020-2021, the City of Yuba City, or any other improvements and activities set forth in this report. Assessment proceeds will be spent only on activities authorized in the resolutions of the associated city councils and/or country board of supervisors establishing the TID and/or levying the Assessments.

ATTACHMENT C
YSLA 2020 MARKETING PLAN

YSLA 2020 Marketing Plan



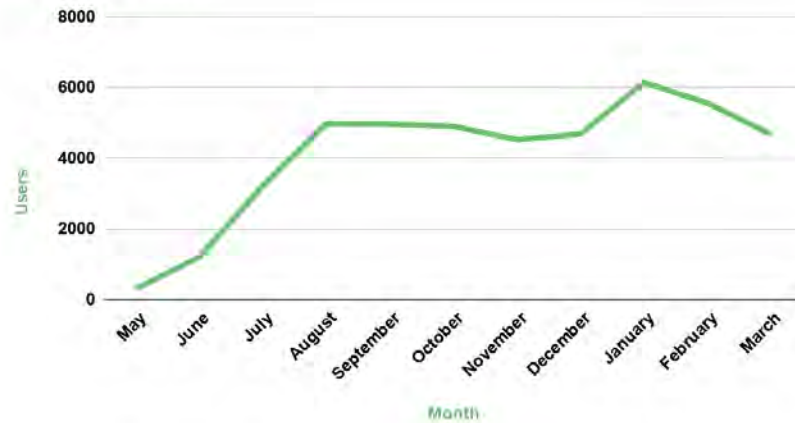
Mission

The purpose of the YSLA is to increase the promotion and marketing of tourism and increase hotel room-night consumption in the cities of Yuba City, Marysville, Live Oak, and Wheatland; and the unincorporated areas of Yuba and Sutter counties.

Heads in Beds

2019 - 2020 Efforts

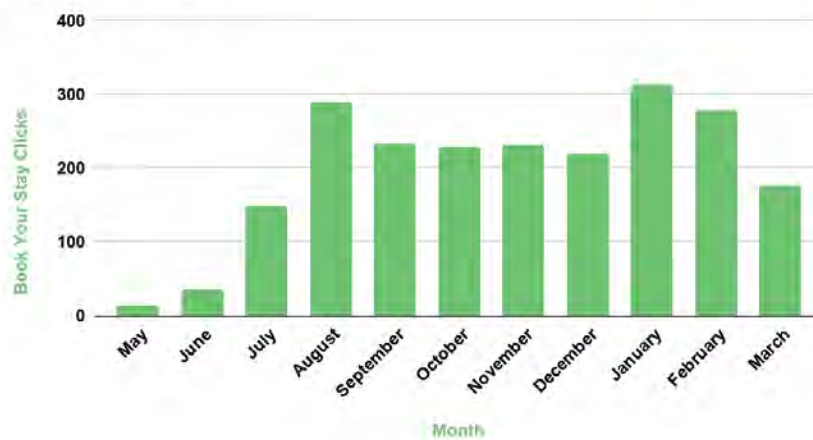
Website Users



5/1/2019 - 3/31/2020

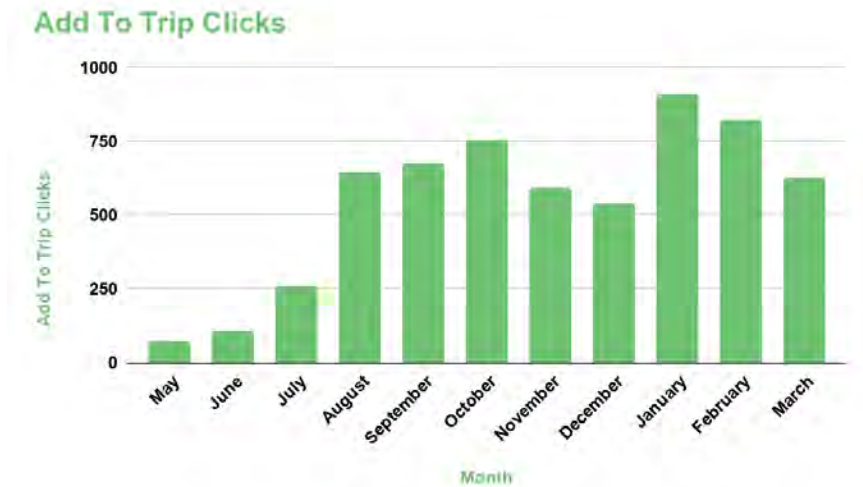
2019 - 2020 Efforts

Book Your Stay Clicks



5/1/2019 - 3/31/2020

2019 - 2020 Efforts



5/1/2019 - 3/31/2020

2019 - 2020 Efforts

TOP CITIES VIEWING WEBSITE	SESSIONS
San Francisco	8,651
Sacramento	6,099
San Jose	2,355
Yuba City	2,103
Oakland	1,415
Fresno	1,372
Reno	904

5/1/2019 - 3/31/2020

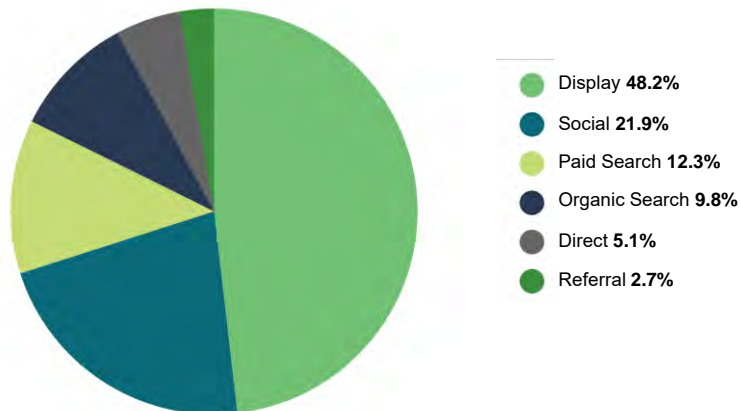
2019 - 2020 Efforts

91% of visitors to the website are from our Target Market

5/1/2019 - 3/31/2020

2019 - 2020 Efforts

TRAFFIC SOURCES



5/1/2019 - 3/31/2020

2019 - 2020 Efforts



10/18/2019 - 3/31/2020

Ad Spend	\$2,459
Views	101,565
Impressions	202,160
Clicks	448
View Rate	46.13%
CTR %	0.20%

Industry Average View Rate: **28%**

→ Our View Rate: **46%**

2019 - 2020 Efforts



6/21/2019 - 3/31/2020

AFFORDABLE WEEKEND GETAWAY

Ad Spend	\$5,445
Impressions	3,524,963
Clicks	9,757
Book Your Stay Clicks	456
Add to Trip Clicks	692

Average Search CTR: **1.91%**

Our Search CTR: **7.94%**

2019 - 2020 Efforts

Google Ads  facebook.



RUSTIC WEDDING

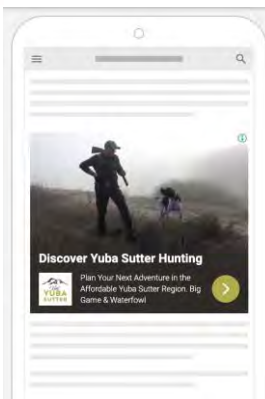
Ad Spend	\$1,841
Impressions	724,723
Clicks	2,131
Book Your Stay Clicks	13
Add to Trip Clicks	187

Average Search CTR: **1.91%**
Our Search CTR: **4.35%**

8/08/2019 - 3/31/2020

2019 - 2020 Efforts

Google Ads  facebook.



HUNTING

Ad Spend	\$5,072
Impressions	2,144,379
Clicks	8,273
Book Your Stay Clicks	473
Add to Trip Clicks	998

Average Display CTR: **.35%**
Our CTR: **.39%**

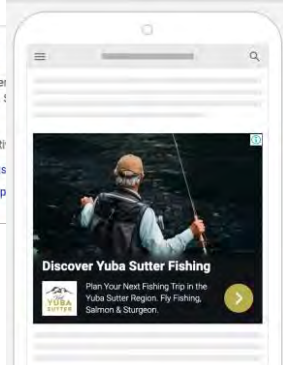
6/21/2019 - 3/31/2020

2019 - 2020 Efforts

Google Ads

Fishing in Northern California | Visit Yuba Sutter
www.visitubasutter.com/Fishing
 Scenic Outdoor Landscapes, Diverse Wildlife, Pristine Mountain River
 Next Fishing Trip in the Yuba Sutter Region. Fly Fishing, Steelhead & !
 Fly Fishing - Salmon - Striper - Sturgeon
 Featured hotels: Hotels, RV & Camping, Bed & Breakfasts, Cabins
 Destinations: Lake Francis, Collins Lake, Bear River, Lower Feather R!

Outdoor Adventures History & Mus
 Wineries & Farms Dining & Shop



FISHING

Ad Spend	\$4,210
Impressions	1,935,448
Clicks	9,395
Book Your Stay Clicks	544
Add to Trip Clicks	1,212

Average Display CTR: **.35%**
 Our CTR: **.49%**

6/21/2019 - 3/31/2020

2019 - 2020 Efforts

Google Ads facebook

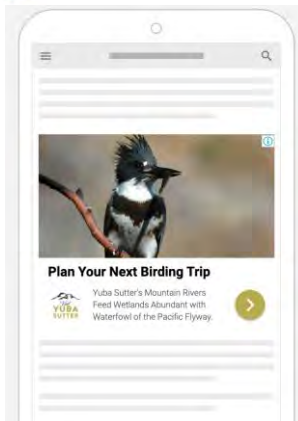
Visit Yuba Sutter
 Sponsored

The Yuba Sutter Region Has the Highest Concentration of Waterfowl in the World & Thousands of Acres of Wildlife Sanctuaries. Find Over 200 Species of Birds Including the Sandhill Crane. Browse Trip Ideas & Activities for Your Next Birding Holiday!

VISITYUBASUTTER.COM
Discover Yuba Sutter
 Birding Trip Ideas Learn More

377 13 Comments 117 Shares

Like Comment Share



BIRDING

Ad Spend	\$4,480
Impressions	1,238,324
Clicks	10,445
Book Your Stay Clicks	457
Add to Trip Clicks	891

Average Display CTR: **.35%**
 Our CTR: **.84%**

6/21/2019 - 3/31/2020

2019 - 2020 Efforts

Google Ads

Northern CA Hiking Adventures | Visit Yuba Sutter
 [Ad] www.visitubasutter.com/Hiking
 Scenic Outdoor Landscapes, Diverse Wildlife, Pristine Mountain Rivers, Lakes & Waterfalls. Experience Beautiful Hiking Trails & Outdoor Adventures Less Than an Hour From Sacramento. Historic Downtown · Farm to Table · Wineries · Museums & Landmarks
 Featured hotels: Hotels, RV & Camping, Bed & Breakfasts, Cabins
 Destinations: Beale Falls, Fairy Falls, Shingle Falls, Sutter Buttes, Bullards Bar Trails

- Outdoor Adventures
- History & Museums
- Wineries & Farms
- Dining & Shopping

HIKING

Ad Spend	\$1,116
Impressions	12,179
Clicks	773
Book Your Stay Clicks	20
Add to Trip Clicks	96

Average Search CTR: **1.91%**
 Our CTR: **6.35%**

6/21/2019 - 3/31/2020

2019 - 2020 Efforts

facebook.

Visit Yuba Sutter
 Sponsored (demo)

Attend Yuba Sutter's annual Swan Festival! Join us for an exceptional line-up of field trips, free presentations, workshops, children's activities, and exhibits. Just 45 miles north of Sacramento, Yuba and Sutter counties are within the Pacific Flyway route, making the area a premier waterfowl viewing location. From the avid birder to the simple appreciator of wildlife, there is something for everyone at the California Swan Festival!

Day 1 California Swan Festival
 1895 Lassen Blvd, Yuba City
 1,847 people interested - 97 people going

439 likes · 38 Comments

2,000 event responses

Another **290** people invited to the event by users

Over **180** clicks to go to the ticket sales page

9/10/2019

2019 - 2020 Efforts

SWAN FESTIVAL

Ad Spend	\$562.57
Impressions	68,700
Event Responses	819
Clicks to Ticket Page	180
Those Invited by Others	290

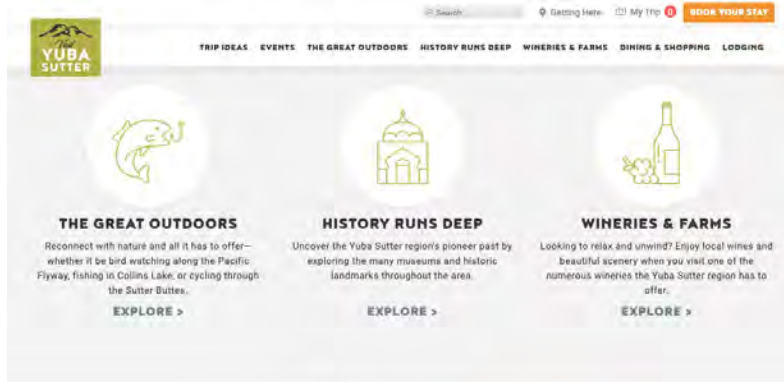
9/10/2019

2019 - 2020 Efforts Summary

- **2,170** 'Book Your Stay' clicks
- **6,013** 'Add To Trip' clicks
- **6,593** Lodging Pageviews

5/01/2019 - 3/31/2020

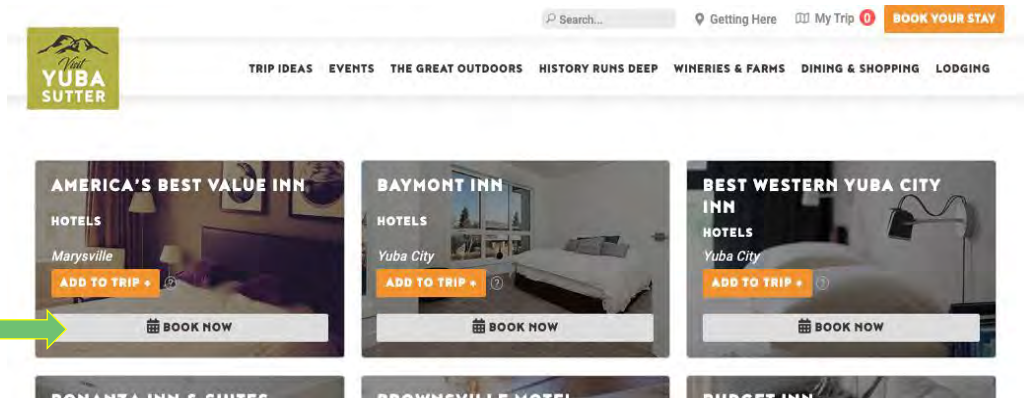
2019 - 2020 Efforts Summary



BOOK YOUR STAY NOW

5/01/2019 - 3/31/2020

2019 - 2020 Efforts Summary



5/01/2019 - 3/31/2020

2019 - 2020 Efforts Summary

Lodging	Estimated Total 'Book Nows'	% Of Total
Collins Lake	130	15.08%
Frenchtown Inn	86	9.98%
America's Best Value Inn Marysville	66	7.66%
Hampton Inn & Suites	50	5.80%
Best Western Yuba City Inn	49	5.68%
Lexington Inn & Suites	49	5.68%
Harkey House	46	5.34%

5/01/2019 - 3/31/2020

2019 - 2020 Efforts Summary

Lodging	Estimated Total 'Book Nows'	% Of Total
Travelodge Yuba City	44	5.10%
Lake Francis Resort	42	4.87%
Econo Lodge Inn and Suites Yuba City	37	4.29%
Willow Creek Campground	35	4.06%
Motel 6 Marysville South	31	3.60%
Comfort Suites Marysville	29	3.36%
Days Inn Yuba City	29	3.36%

5/01/2019 - 3/31/2020

2019 - 2020 Efforts Summary

Lodging	Estimated Total 'Book Nows'	% Of Total
Motel 6 Marysville	28	3.25%
Bonanza Inn & Suites	16	1.86%
Sycamore Ranch	16	1.86%
Lake of the Springs RV Resort	14	1.62%
Yuba-Sutter Fairgrounds	13	1.51%
Brownsville Motel	8	0.93%
Butte Star Ranch	8	0.93%

5/01/2019 - 3/31/2020

2019 - 2020 Efforts Summary

Lodging	Estimated Total 'Book Nows'	% Of Total
California Inn Yuba City	8	0.93%
Emerald Cove Marina	7	0.81%
Lake Minden RV Resort	6	0.70%
Budget Inn	5	0.58%
Camp Far West Lake	4	0.46%
Rio Inn and Suites Marysville	3	0.35%
Town House Motel	2	0.23%
Nice Inn	1	0.12%

5/01/2019 - 3/31/2020

2019 - 2020 Efforts Summary

Grand Total 'Book Nows'

911

2020 - Ongoing

Project
Project Management / Admin (<i>Amanda/Cindy</i>)
On Going Strategy & Consulting
Social Media Maintenance
Digital Ad Maintenance
Website Updates
Videos
Advertorials
Email Marketing

Q1 2020 - Jan/Feb/Mar

Project	Estimated Cost
Create Social Media Content Calendar for next 6 months	NA
Email Nurturing Campaign	\$300/mo Mailchimp Premium
Billboards	\$10,000 - \$13,000
Refresh Digital Ads	NA
Demand driver videos production	\$6,000 - \$8,000
Finish tourism guide book	2,500qty: \$3,475 5,000qty: \$6,750
Advertorial	NA
Total	\$20,375 - \$28,650

Q2 2020 - Apr/May/Jun

Project	Estimated Cost
Refresh Digital Ads	NA
Social Media Photo Contest	NA
WayFinding signs	\$70,000 - \$100,000
Wedding Magazine Article	\$5,000 - \$10,000
Redo Website away from directory	NA
Advertorial	NA
Total	\$105,000- \$160,00

Q3 2020 - Jul/Aug/Sep

Project	Estimated Cost
History Channel 'It's How You Get There'	\$30,000 - \$50,000
Brand Ambassador Program	\$35,000
Refresh Digital Ads	NA
Itinerary Postcards	NA
Association Retreats	NA
Advertorial	NA
Total	\$35,000

Q4 2020 - Oct/Nov/Dec

Project	Estimated Cost
AJGA Golf Tournament Peach Tree	TBD
Social Media Photo Contest	NA
Refresh Digital Ads	NA
Educational tours at Beale Air Force Base	TBD
Advertorial	NA
Total	TBD

2020 Summary

Current Marketing Budget **\$300,000/yr**

Suggested Budget for 2020 **\$360,000/yr** (20% increase)

Potential YSLA Project Expenses **\$44,650/yr**

Potential Shared Expenses **\$185,000/yr**

2020 Projects



California
dream big



MailChimp



It's How You Get There



- Plan to film in July
- Plan to air in Q3 of 2020 (pending Covid-19 updates)
- Potential episode around chase car at Beale AFB, Helicopter ride around the Sutter Buttes, and jet skis on one of the areas lakes
- YSLA and MC2 would get full access and ownership to any logos and footage, including b-roll
- Over 1.14 million views of Season 1 on History Channel
- Over 775,000 views of Season 1 on FYI Channel
- 35 million minutes viewed on Amazon

AJGA Golf Tournament



- August 16, 2020
- Location: Peach Tree Golf Course & Country Club
- Boys & Girls ages 12 - 19
- Bring in at least 75 families
- AJGA coordinating with Hampton Inn for room contracts
- Will be seeking sponsorship from YSLA (amount not yet communicated)

Visit CA – 3rd Thursday



- October 15, 2020
- YSLA to present to Visit CA and educate them about the region
- Highlight key businesses and attractions in Yuba Sutter
- Chance to showcase local cuisine, wine, promo items, etc
- 1 hour presentation including Q&A, followed by a networking lunch
- Results in a write-up about about Yuba Sutter on Visit CA website and potential to be featured on their social media and blog.

Visitor's Guide

- Will be distributed in visitor centers, hotel rooms, and chamber office.
- Features: towns and cities, map, outdoor adventures, history, art, culture, locally grown, food, drink, lodging, trip ideas, and more!



Thank You

