



City Council Agenda Item

City Council Meeting Date: February 21, 2023

TO: Dean Albro, City Manager

FROM: Matthew Adams, Accounting and Revenue Manager
m_adams@ci.lompoc.ca.us

SUBJECT: Lompoc Tourism Improvement District 2022 Annual Report by Visit Lompoc Inc.

Recommendation:

Staff recommends the City Council review and approve the Lompoc Tourism Improvement District 2022 Annual Report submitted by Visit Lompoc, Inc. (VLI) (attached).

Background:

VLI manages the Lompoc Tourism Improvement District (LTID) which provides marketing and sales promotion efforts for assessed businesses. The LTID was formed in 2013 by Resolution No. 5886(13).

VLI entered into a Management Agreement with the City on July 28, 2014, for the management of the LTID for a five-year term. That agreement was later renewed on August 29, 2018, for a ten-year term. The management of the LTID by VLI is subject to both the agreement and the Management District Plan (MDP). The LTID must also comply with Streets and Highways Code § 36600, et seq., which lays out rules and regulations for tourism improvement districts.

As part of the MDP and the Management Agreement, VLI is to submit an Annual Report to the City Council within 60 days of the end of each calendar year until the end of the 2028 calendar year. While an Annual Report is not required in the first year a TID is operating, an Annual Report must be submitted to the City Council during each following year.

Discussion:

According to Section 36650 of the Streets and Highways Code, the Annual 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, and the City Council may approve the report as modified. In addition, the information that is to be provided in each Annual Report must include the following:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district,
- 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 their business for that fiscal year,
- Estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year, and
- An estimated amount of any contributions to be made from sources other than assessments levied.

The 2022 Annual Report (Attachment 1) includes the above, 2022 cost projections and 2021 actual costs.

Fiscal Impact:

There is no fiscal impact to the City. The costs for preparation of the Annual Report were incurred to, and paid by, VLI.

Conclusion:

The 2022 Annual Report is provided to the City Council on an annual basis, aside from the first year of operation, within 60 days of the end of the calendar year. Staff recommends approval of the 2022 Annual Report.

Respectfully submitted,

Matthew Adams, Accounting and Revenue Manager

APPROVED FOR SUBMITTAL TO THE CITY MANAGER:

Christie Donnelly, Management Services Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Dean Albro, City Manager

Attachment: 2022 VLI Annual Report