

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING THE REPORT OF THE ADVISORY BOARD FOR FISCAL YEAR 2015-2016 AND DECLARING ITS INTENTION TO LEVY ASSESSMENTS WITHIN THE PASADENA TOURISM BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2015-2016 AND SETTING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO

WHEREAS, the City of Pasadena is a charter city organized and existing under the laws of the State of California; and

WHEREAS, Ordinance No. 6929 of the City of Pasadena, adopted February 3, 2003, established the Pasadena Tourism Business Improvement District (the "District") pursuant to the Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code sections 36500 et seq.) (the "Law"); and

WHEREAS, in accordance with Section 36533 of the Law, the Pasadena Center Operating Company, serving as advisory board with respect to the District, prepared and filed with the City Clerk a report entitled "Report of the Advisory Board with Regard to the Pasadena Tourism Business Improvement District for Fiscal Year 2015-2016" (the "Report"); and

WHEREAS, in accordance with the Law, the City Council is required to approve a report for each Fiscal Year for which assessments are to be levied and collected to pay the costs of the activities described in the Report; and

WHEREAS, the Pasadena Center Operating Company has heretofore presented to the City Clerk its Annual Report and the City Council desires to approve the report and to adopt this resolution evidencing its intention to levy an annual assessment for the one-year period commencing July 1, 2015 and ending June 30, 2016.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Pasadena as follows:

1. The above recitals are true and correct.
2. The Report filed with the City Clerk by the Pasadena Center Operating Company contains all of the component parts required to be included by Section 36533 of the Streets and Highways Code.
3. Accordingly, the City Council hereby approves the Report as filed by the Pasadena Center Operating Company.
4. The City Council hereby declares its intention, except where funds are otherwise available, to levy and collect assessments within the Pasadena Tourism Business Improvement District for the Fiscal Year commencing July 1, 2015 and ending June 30, 2016. Such assessment shall be in addition to any assessments, fees, charges or taxes imposed by the City. The assessment will be levied against each Hotel and Motel business in the City (as defined in

Ordinance 6929). No other business will be subject to the assessment. New Hotel and Motel Businesses established in the District after July 1, 2015 will not be exempt from the levy of the assessment.

5. The proposed activities authorized by the ordinance (Ordinance No. 6929), which established the Pasadena Tourism Business Improvement District, have not changed substantially since the ordinance was enacted on February 3, 2003. The activities include the promotion of tourism in the District, the promotion of public events that benefit the Hotel and Motel businesses operating in the District, the furnishing of music in any public place in the District and activities that benefit the Hotel and Motel businesses operating in the District.

6. The location of the Pasadena Tourism Business Improvement District is the City boundaries of the City of Pasadena.

7. A public hearing concerning the intention of the City Council to levy an annual assessment for Fiscal Year 2015-2016 will be held on June 22, 2015 at 7:00 p.m., or as soon thereafter as the matter can be heard, in the Council Chamber of the City of Pasadena located at 100 North Garfield Avenue, Pasadena, California.

8. The Report of the Pasadena Tourism Business Improvement District is on file with the City Clerk, 100 North Garfield Avenue, Room S228, Pasadena, California. A full and detailed description of the boundaries of the Pasadena Tourism Business Improvement District and activities to be provided for Fiscal Year 2015-2016 and the proposed assessments to be levied upon the businesses

within the Pasadena Tourism Business Improvement District for Fiscal Year 2015-2016 are contained therein.

9. Written and oral protests may be made at the public hearing. The City Council shall hear and consider all protests against the levy of the proposed annual assessment or the furnishing of specified types of activities within the Pasadena Tourism Business Improvement District. A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made. Every written protest shall be filed with the City Clerk at 100 North Garfield Avenue, Room S228, Pasadena, California, 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 and at the public hearing may correct minor defects in the proceedings. 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. The written protest that does not comply with these requirements shall not be counted in determining a majority protest.

If, at the conclusion of the public hearing, written protests are received from the owners of businesses in the District that will pay 50 percent or more of the Assessment proposed to be levied and protests are not withdrawn so as to reduce the protests to less than that 50 percent (i.e., there is a majority protest), no further proceedings to levy the Assessment, as described in this resolution, shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

If the majority protest is only against the furnishing of a specified type or types of activities within the District, those types of activities must be eliminated.

10. The City Clerk shall give notice of the public hearing by causing this resolution to be published once in a newspaper of general circulation in the City in the manner prescribed by Section 36534(b) of the Streets and Highway Code.

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Adopted at the regular meeting of the City Council on the 8th day of
June, 2015, by the following vote:

AYES:

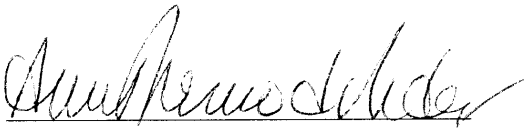
NOES:

ABSENT:

ABSTAIN

Mark Jomsky
City Clerk

APPROVED AS TO FORM:



Ann Sherwood Rider
Assistant City Attorney

0000119742C031

Pasadena Tourism Bureau Improvement District Fiscal Year 2015-2016

Introduction

The Board of Directors of the Pasadena Center Operating Company, acting as advisory board to the Pasadena Tourism Business Improvement District (the "TBID"), has caused this report to be prepared pursuant to Section 36533 of the Parking and Business Improvement Law of 1989 (Section 36500 and following of the California Streets and Highways Code) (the "Law"). This report is for the fiscal year commencing July 1, 2015 and ending June 30, 2016. ("Fiscal Year 2016")

As required by the Law, this report contains the following information:

- (1) Any proposed changes in the boundaries of the TBID or in any benefit zones within the TBID;
- (2) The improvements and activities to be provided for Fiscal Year 2016;
- (3) An estimate of the costs of providing the improvements and the activities for that Fiscal Year;
- (4) 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 Fiscal Year 2016;
- (5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and
- (6) The amount of any contributions to be made from sources other than assessments levied pursuant to the Law.

Submitted by: Gene E. Gregg, Jr., on behalf of the Board of Directors of the Pasadena Center Operating Company on May 27, 2015.

Received on file in the Office of the City Clerk of the City of Pasadena on _____ by
_____.

Section 1: Proposed changes in the boundaries of the TBID or in any benefit zones within the TBID.

There are no changes to the TBID boundaries. The boundaries of the TBID are the City Limits of the City of Pasadena. There are no benefit zones within the TBID.

Section 2: The improvements and activities to be provided for Fiscal Year 2016.

No improvements are proposed to be provided for Fiscal Year 2016. The activities listed in Exhibit 'A' to this Report are proposed to be provided annually.

Section 3: An estimate of the cost of providing the improvements and the activities for Fiscal Year 2016.

The total cost of providing the activities is estimated to be \$3,121,000. The budget for providing the activities is set forth in Exhibit 'B-1' to this Report.

Section 4: 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 Fiscal Year 2016.

Except where otherwise defined in Resolution No. 8215, adopted on February 24, 2003, all capitalized terms shall have the meanings set forth in Section 4.44.020 of the Pasadena Municipal Code. Additionally, the following terms shall have the following meanings:

1. "Gross Occupancy Revenue" means the total Rent received from Transients by a Hotel and Motel Business.
2. "Hotel and Motel Business" means and Operator of a Hotel other than the operator of a Hotel that is owned by a non-profit corporation and operated as an adjunct to a charitable or educational activity.
3. "Transient Occupancy Tax" means the tax imposed by the City pursuant to Section 4.44.030 of the Pasadena Municipal Code.

The Assessment will be levied against each Hotel and Motel Business in the City. 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 will be set annually by resolution of the City Council adopted pursuant to Section 36535 of the Law, and will not exceed 2.89%. For Fiscal Year 2016 the rate is recommended to be 2.89%.

The Assessment calculated based on each day's Gross Occupancy Revenues shall be paid to the City no later than the date on which the Hotel and Motel Business is required, pursuant to Section 4.44.070 of the Pasadena Municipal Code, to remit to the

City the Transient Occupancy Tax collected by the Hotel and Motel Business on that day.

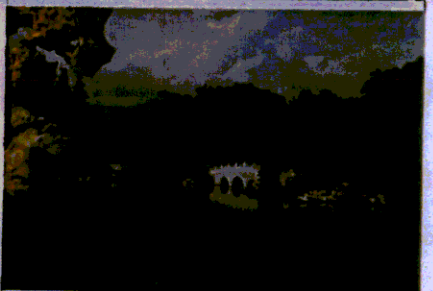
New Hotel and Motel Businesses established in the District after the beginning of any fiscal year shall not be exempt from the levy of the assessment for that fiscal year but shall instead be subject to the assessment.

Section 5: The amount of any surplus or deficit revenues to be carried over from a previous fiscal year

There is no surplus or deficit.

Section 6: The amount of any contributions to be made from sources other than assessments levied pursuant to the Law.

Assessment proceeds will be approximately \$3,121,000 for Fiscal Year 2016. In addition to this amount, the City of Pasadena and the Pasadena Center Operating Company may make contributions to the marketing and promotion programs set forth in this report pursuant to the Agreement between the City and the Pasadena Center Operating Company. Assessment proceeds will be spent only on activities authorized in the Annual Report and Pasadena Municipal Code Chapter 4.101.



PASADENA CENTER OPERATING COMPANY

Exhibit A

Activities, Programs, Expenses and Services
to be funded by the
Pasadena Tourism Business Improvement District
Fiscal Year 2016



MEETING & CONVENTION MARKETING

OBJECTIVE

Contract meetings and events in FY16 that generate 41,200 room nights in the City of Pasadena.

TARGETED GROUP MARKETS

The Pasadena Convention & Visitors (PCVB) sales team focus specifically on the national association (DC/MD/VA) and mid-west central association (Chicago and Dallas) markets. A strong presence is maintained in Sacramento, the headquarters for the CA State Association market, to support an expanding client base with SoCal Associations.

Existing vertical markets will be spread among the team based on geography (scientific, government and third party management). We've added a vertical market (nursing), a segment of the Healthcare industry that shows great potential for Pasadena.

FAMILIARIZATION EVENTS

Showcase Pasadena to well-qualified meeting planners by hosting two major familiarization (FAM) trips. The purpose of the familiarization tours is to have our potential clients experience the destination first hand. There is a higher probability of conversion when the client has visited Pasadena and experiences the ease of traveling to and within Pasadena; the City's meeting facilities, attractions, and shopping, dining and cultural venues.

TRADESHOWS/CONVENTIONS

Attend and exhibit at 19 hospitality industry tradeshows/conventions in our target markets, across the country to increase the amount of qualified leads by 25%.

Examples include:

- ▶ Council of Engineering & Scientific Societies Annual Meeting (Virginia)
- ▶ American Society of Association Executives Annual Meeting & Expo (Detroit)
- ▶ Nursing Alliance Fall Summit (Palm Springs)
- ▶ Association Forum Holiday Showcase (Chicago)
- ▶ International Association of Exhibitions and Events EXPO EXPO (Baltimore)
- ▶ CalSAE Seasonal Spectacular (Sacramento)
- ▶ Professional Convention Management Association's Annual Meeting (Chicago)
- ▶ American Society of Association Executive's Springtime in the Park (Washington DC)



Develop new tradeshow booth designs and on-site promotions that will target our key markets while maintaining a consistent brand image (i.e., Association vs. Corporate, Nurses vs. Scientists).

Use pre-show and post-show attendee lists to implement promotional campaigns, drive more qualified clients to our booth and generate more qualified leads.

CUSTOMER SITE INSPECTIONS

Meeting planners considering Pasadena for a specific event will be encouraged, and in some cases sponsored, to travel to Pasadena. The goal will be for meeting planners to experience first-hand our meeting facilities, attractions, dining, retail and cultural venues. The CVB will underwrite costs for these visits when necessary.

INDUSTRY ASSOCIATIONS

Increase sales manager involvement, including membership and sponsorship, in national meeting organizations like PCMA, CESSE and ASAE to increase contact with prospective clients.

SALES PROSPECTING

Each sales manager will prospect for new business through contacts made at tradeshows, industry events, and through data research to identify potential meetings for Pasadena. In addition, each sales manager will conduct outside sales calls to increase lead production. Sales efforts monitored weekly, reported monthly and annually.

ROSE BOWL OPERATING COMPANY ALLIANCE

Work closely with the Rose Bowl Operating Company to sell and promote citywide events and private event opportunities for the Rose Bowl thru joint sales efforts.





LEISURE AND TOURISM MARKETING

WHY TRAVEL MATTERS

The focus of PCOC's destination marketing & communication plan is to refine the Pasadena brand; deepen the relationship with consumers throughout the travel cycle; and maintain trust as a reputable convention facility and meeting destination.

OBJECTIVES

Objective 1: Increase awareness of Pasadena as a premier meetings and leisure travel destination.

Objective 2: Enhance the Pasadena brand to effectively promote Pasadena as a vibrant authentic city.

Objective 3: Maximize the use of digital and social media to promote Pasadena as a meetings and leisure destination.

Objective 4: Develop strategic co-operative partnerships with industry partners to increase awareness of Pasadena as a travel and meeting destination.

FAMILIARIZATION EVENTS

Provide firsthand experience to domestic and international tour operators with one familiarization event. The event will educate travel buyers on all Pasadena has to offer for the leisure visitor including cultural attractions, hotels, shopping and dining options and the pedestrian-friendly characteristics of the city. In addition to hosting our own familiarization events, the Pasadena CVB will continue partner with the Los Angeles Tourism & Convention Board and Visit California on their familiarization tours.

INDUSTRY ASSOCIATIONS

Develop partnerships with the greater Los Angeles travel community and regional Destination Marketing Organizations (DMOs) to raise awareness of Pasadena as a travel destination. The CVB will participate in co-op marketing opportunities with the Los Angeles Tourism and Convention Board and Visit California.

The CVB will hold memberships in various industry associations and attend industry meetings to increase Pasadena's visibility. These meetings create an opportunity to network with other destination marketing organizations and exchange information and ideas related to best practices. (i.e., Travel & Tourism Marketing Association, Destination Marketing Association International, Cal Travel Association, Visit California)



ADVERTISING/PUBLICATIONS

Advertise in key meeting industry and leisure and travel publications to keep Pasadena top of mind. Target the following publications in an effort to generate group bookings and leisure visits to Pasadena:

Trade Publications (print and online):

Convene
Meetings Focus

CalSAE: The Executive
Association News

Smart Meetings
Associations Now

Consumer Publications:

Sunset
Pasadena Magazine
California Visitors Guide
LA Visitors Guide

Cultural Traveler
AAA / Westways
Food & Wine
Travel + Leisure

Pasadena Weekly
Pasadena Star News
Los Angeles Magazine
Conde Naste

Online Marketing:

VisitPasadena.com
Visit California Co-op
DiscoverLosAngeles.com

Facebook
Twitter
HeritageTravel.com

Pinterest
Instagram
YouTube

COLLATERAL AND PROMOTIONAL MATERIALS

Continue to update all internal and external collateral/promotional pieces to reflect new offerings. Make collateral available online (pdf format) and encourage clients to go to the website and download.

Visitor Guide

The 2016 visitor guide will be produced by Pasadena Magazine Custom Publishing. 100,000 copies distributed in a variety of ways:

- ▶ 40,000 copies distributed to Pasadena Magazine subscribers.
- ▶ 50,000 copies distributed by Certified Folder Display to various California Travel & Tourism Visitor Centers throughout California, regional airports and local hotels.
- ▶ 10,000 copies distributed via the CVB to walk-in visitors and meeting delegates and mailed out upon request.

Website

Continue to enhance and update the newly designed Convention Center, Civic Auditorium and Visit Pasadena websites. Add an enhanced media room, facility map, and unique landing pages for select citywide meetings.

Continue online marketing campaign that provides top placement of the convention center website on all search engines during key word searches related to meetings, conventions, and event space in our region.

Create a tourism landing page in multiple foreign languages as a means to promote Pasadena to international visitors.

Smart Phone App

Continue to promote over 150 points of interest within Pasadena. Areas of focus include local hotels, restaurants, arts and cultural institutions, visitor attractions, retail and entertainment districts, historical sites, popular film locations, special events and discounts. The app includes information on specific points of interest, provides links to websites and provides maps and directions. We promote the app to Rose Parade and the Rose Bowl Game attendees.





COMMUNICATIONS/PUBLIC RELATIONS

MEDIA TOURS

Build media coverage by targeting specific publications and writers/editors to keep Pasadena top of mind as a travel and meeting destination. The CVB host two familiarization events for travel and leisure, and meeting trade journalists to provide firsthand experience of the destination.

Targeted trade publications:

- | | | |
|---------------------|------------------------|--------------------|
| Convene | Smart Meetings | Connect |
| Successful Meetings | Meetings & Conventions | Corporate Meetings |
| Association News | Sports Travel | Rejuvenate |
| Meetings Focus | Trade Show Executive | |

Targeted travel and leisure publications:

- | | | |
|---------------------|-------------------|----------------------|
| Westways / AAA | San Diego Tribune | Los Angeles Magazine |
| Sunset | Travel + Leisure | Inflight Magazines |
| Conde Nast Traveler | Bon Appetit | |

MEDIA EVENTS & PARTNERSHIPS

The annual Visitor Hotline media event promotes the Visitor Hotline as a complimentary service for travelers during the Rose Parade and the Rose Bowl Game.

Invite individual travel writers to Pasadena throughout the year.

Attend the annual Visit California Media Reception in New York and San Francisco to pitch Pasadena to major national travel and trade publications.

NEWS RELEASES

Increase media coverage of the Pasadena Center Operating Company and Pasadena as a preferred leisure and meeting destination. Create and distribute press releases featuring stories to generate media coverage on Pasadena and the Pasadena Convention Center. Stories released to appropriate trade and consumer outlets. Monthly press releases, highlighting special events taking place at the Pasadena Convention Center, distributed on a monthly basis to local and regional media outlets.



SOCIAL MEDIA

Continue efforts to promote Pasadena events, cultural attractions, dining, and entertainment options via social media outlets (Facebook, Instagram, Pinterest, Youtube and Twitter). Encourage local cultural institutions and retail districts to provide us with information to share on social media sites. Continue to expand our social media audience by promoting Pasadena to meeting planners.

SPECIAL EVENTS & COMMUNITY PARTNERSHIPS

Sponsor and support community events that generate tourism and stimulate economic impact for the City of Pasadena.

Sponsored events include:

Make Music Pasadena	Pasadena Art Night
Pasadena Art Weekend	Pasadena Chalk Festival
Old Pasadena Dance Festival	Craftsman Weekend
Pasadena Heritage Walking Tour	Pasadena Restaurant Week
First Tee Pasadena	AMGEN Tour of California

PASADENA CVB MARKETING COMMUNICATIONS MEETINGS

Local museums, business districts, educational institutions, performing arts organizations, hotels, retailers, and others meet to discuss and develop CVB marketing initiatives to promote Pasadena as a premier visitor destination. Educate the community on the value of the convention and visitor industry and our impact on Pasadena's economy.

PASADENA AWARENESS TRAINING

Annually, the CVB holds a training session and Pasadena bus tour to familiarize hotel and convention center employees, city kiosk volunteers and business district guides with Pasadena's visitor attractions.

VISITOR CENTER

The CVB operates a Visitor Center that provides visitors with information on attractions, restaurants, public transportation, events and more. Hours of operation are Monday-Friday, 8:00 a.m. - 5:00 p.m.

We compile databases from information requested via website, email, mail, or phone calls. Current list includes over 14,000 contact names, addresses, and email addresses.

TOURNAMENT OF ROSES VISITOR HOTLINE

Annually, the Marketing & Communications department updates the Visitor Hotline Handbook, detailing all information regarding the Tournament of Roses Parade and the Rose Bowl Game. We distribute the handbook to Pasadena hotels and motels, city officials, local attractions and venues, Chamber of Commerce, and the Pasadena Police Department. The Visitor Hotline utilizes approximately 50 volunteers and answers an average of 2,500 calls during the weeklong celebration surrounding the Tournament of Roses Parade and the Rose Bowl Game.



Attachment B - 1

THE PASADENA CVB & CENTER MARKETING BUDGET
ADOPTED BUDGET FOR PERIOD: JULY 2015 THROUGH JUNE 2016

	FY2016 Budget	FY2015 @ April 2015	FY2014 Actual
ADMINISTRATIVE EXPENSE:			
105300 Marketing Salaries - CVB	\$ 937,301	\$ 737,238	\$ 801,532
Marketing Salaries - Center	285,843	250,049	317,448
Benefits / Taxes	357,286	266,631	274,622
NET SALARY EXPENSE	1,580,429	1,253,918	1,393,602
PROMOTIONAL EXPENSE:			
Advertising - Media	434,000	276,026	364,857
Trade Show / Sales Activities	193,000	106,550	109,174
Local Events / Sponsorship	187,000	86,625	88,384
FAM	68,000	20,607	41,208
Amgen Tour of California	50,000	54,454	50,000
Rose Bowl Sales	48,000	51,687	6,030
Promotional Expense - Other	224,000	191,829	204,280
TOTAL PROMOTIONAL EXPENSE	1,204,000	787,779	863,933
OTHER OPERATING EXPENSE:			
Office Supplies	31,900	14,106	30,201
Postage & Printing	24,800	20,177	24,174
Employee Recruiting	35,000	20,237	21,137
Equipment Purchase, lease, repairs	23,923	15,695	20,092
Professional Fees	25,000	17,863	22,770
Service Agreements	11,500	8,000	8,000
Telephone	17,430	17,353	20,017
Other	-	-	-
TOTAL OTHER OPERATING	169,553	113,432	146,392
TOTAL CVB & CENTER MARKETING EXPENSES	\$ 2,953,982	\$ 2,155,128	\$ 2,403,927
Approved Budget TBID Collections @ 2.89%	3,121,000	2,569,000	2,856,556
	2.89%	2.89%	2.89%
Projected Excess / (Deficit) of TBID Collections over Expenses	\$ 167,018	\$ 413,872	\$ 452,629