



MEMORANDUM

TO: CITY COUNCIL

FROM: JAMES A. BERGMAN, CITY MANAGER

SUBJECT: CONSIDERATION OF ADOPTION OF A RESOLUTION TO REVISE THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD BY-LAWS RELATED TO THE COMPOSITION OF THE BOARD AND THE MEETING SCHEDULE; AND APPOINTMENT OF NEW ADVISORY BOARD

DATE: FEBRUARY 13, 2018

SUMMARY OF ACTION:

The proposed Resolution would increase the Arroyo Grande Tourism Business Improvement District Advisory Board (AGTBID Advisory Board) membership from the current composition of a minimum of three (3), but not more than seven (7) members, to instead allow up to nine (9) members. It would also revise language that currently requires that 2/3rds of the members be owners of lodging businesses and/or appointed representatives of owners of lodging businesses to allow in the alternative others with knowledge of tourism and/or the lodging industry. In addition, it would replace the quarterly meetings with monthly meetings.

Passage of the Resolution will allow the City Council to then appoint the three (3) current AGTBID Advisory Board members and the six (6) Tourism Marketing Committee members to constitute the new AGTBID Advisory Board.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

Converting from quarterly to monthly meetings will have a minimal impact on personnel resources.

RECOMMENDATION:

It is recommended the City Council:

1. Adopt a Resolution revising the AGTBID Advisory Board By-Laws by expanding its allowable membership to up to nine (9) members and substitute the regular quarterly meetings for monthly meetings.
2. Appoint the three (3) current AGTBID Advisory Board members and the six (6) Tourism Marketing Committee members to constitute the new AGTBID Advisory Board.

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BACKGROUND:

As part of the requirements for creation of the Arroyo Grande Tourism Business Improvement District (AGTBID), Streets and Highways Code Section 36530 required the appointment of an advisory board. Accordingly, Section 3.36.100 was included in the Arroyo Grande Municipal Code provisions relating to the AGTBID, and provides for the appointment of an advisory board for the AGTBID. Consistent with this requirement, the City Council has previously adopted Resolution 4516 to establish the Tourism Business Improvement District Advisory Board (AGTBID Advisory Board). The AGTBID Advisory Board makes recommendations to the City Council on the expenditure of revenues derived from the levy of assessments and on the method and basis of levying the assessments related to the AGTBID.

Resolution 4516 and the Bylaws for the AGTBID Advisory Board, as adopted by Resolution 4535, currently provide that the AGTBID Advisory Board is to consist of a minimum of three (3) but not more than seven (7) members, 2/3rds of which shall be owners of lodging businesses and/or appointed representatives of the owners of lodging businesses from within the AGTBID.

ANALYSIS OF ISSUES:

Currently, the AGTBID Advisory Board consists of three (3) members: Dave Kastner (Clark Center), Troi Hoffman (Best Western Casa Grande Inn), and Chuck Fellows (AirBnB). In addition, there is also a six member Tourism Marketing Committee consisting of the following members: Ken Dalebout, Vivian Krug, Bob Lund, Mike Panchal, Michael Joseph Scott and Greg Steinberger.

By amending Resolution 4516 and the AGTBID Advisory Board By-Laws to provide that the AGTBID Advisory Board can consist of up to nine (9) members, the City Council could appoint the three (3) current AGTBID Advisory Board members and the six (6) Tourism Marketing Committee members, many of which have knowledge and expertise of cultural and social institutions related to tourism, to constitute the new AGTBID Advisory Board.

In the past, local lodging businesses found it difficult to devote time to participate on the Advisory Board. Therefore, it is also proposed that the language that currently requires that 2/3rds of the members be owners of lodging businesses and/or appointed representatives of owners of lodging businesses, be expanded to include others with knowledge of tourism and/or the lodging industry.

The proposed revised language would provide as follows:

The City Council shall appoint the AGTBID Advisory Board, which shall consist of a minimum of three (3) but not more than nine (9) members, 2 of which, if

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CONSIDERATION OF ADOPTION OF A RESOLUTION TO REVISE THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD BY-LAWS RELATED TO THE COMPOSITION OF THE BOARD AND THE MEETING SCHEDULE; AND APPOINTMENT OF NEW ADVISORY BOARD

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interested, shall be owners of lodging businesses within the AGTBID or others with knowledge of tourism and/or the lodging industry.”

In addition, the current By-Laws provide that regular Board meetings shall be held quarterly. In accordance with direction previously provided to staff, the Resolution also contains language substituting the regular quarterly Board meetings with regular monthly meetings.

ALTERNATIVES:

The following alternatives are provided for the Council’s consideration:

1. Approve staff’s recommendations;
2. Do not approve staff’s recommendations; or
3. Provide direction to staff.

ADVANTAGES:

Modifying the composition of the AGTBID Advisory Board to include the members of the Tourism Marketing Committee will allow the Board to operate more efficiently, cohesively and in a manner that maximizes the promotion of scenic, recreational, cultural and other attractions in the District as a tourist destination.

DISADVANTAGES:

No disadvantages have been identified.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City’s website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. Resolution No. 4516 (Establishing the Arroyo Grande TBID Advisory Board)
2. Resolution No. 4535 (Current TBID ByLaws)

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ARROYO GRANDE REVISING THE ARROYO GRANDE
TOURISM BUSINESS IMPROVEMENT DISTRICT
ADVISORY BOARD BY-LAWS REGARDING ADVISORY
BOARD MEMBERSHIP AND MEETING SCHEDULE**

WHEREAS, in accordance with the provisions of Streets and Highways Code Section 36530 and Arroyo Grande Municipal Code Section 3.36.100, the City Council of the City of Arroyo has previously adopted Resolution 4516 to establish a Tourism Business Improvement District Advisory Board (“AGTBID Advisory Board”), which makes recommendations to the City Council on the expenditure of revenues derived from the levy of assessments and on the method and basis of levying the assessments related to the Arroyo Grande Tourism Business Improvement District; and

WHEREAS, Resolution 4516 and a related Bylaw for the AGTBID Advisory Board, as adopted by Resolution 4535, provide that the AGTBID Advisory Board consists of a minimum of three (3) but not more than seven (7) members, 2/3rds of which shall be owners of lodging businesses and/or appointed representatives of the owners of lodging businesses from within the -Arroyo Grande Tourism Business Improvement District; and

WHEREAS, currently, the AGTBID Advisory Board consists of three (3) members, and in addition there is also a six member Tourism Marketing Committee; and

WHEREAS, the City Council now desires to amend Resolution 4516 and also the AGTBID Advisory Board Bylaws to provide that the AGTBID Advisory Board can consist of up to nine (9) members, and expand the language that currently requires that 2/3rds of the members be owners of lodging businesses and/or appointed representatives of owners of lodging businesses to include others with knowledge of tourism and/or the lodging industry; and

WHEREAS, the City Council also desires to amend Resolution 4516 and the AGTBID Advisory Board By-Laws to replace the quarterly regular meeting schedule with monthly regular meetings.

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

1. The recitals set forth herein are true and correct.
2. Resolution 4516 establishing the AGTBID Advisory Board is hereby amended to read as follows:

“The City Council shall appoint the AGTBID Advisory Board, which shall consist of a minimum of three (3) but not more than nine (9) members; 2/3rds of which shall be owners of lodging businesses within the AGTBID or others with knowledge of tourism and/or the lodging industry.”

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3. Except as amended herein, all other provisions of Resolution 4516 shall remain in full force and effect.
4. The Bylaws for the AGTBID Advisory Board are hereby amended and replaced in their entirety as set forth in Exhibit A which is attached hereto and incorporated by this reference.
5. This Resolution shall be deemed effective upon its adoption.

On motion by Council Member _____, seconded by Council Member _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

The foregoing Resolution was passed and adopted this ____ day of _____ 2018.

EXHIBIT A

ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT
ADVISORY BOARD BY-LAWS

Section 1: Purpose

The Arroyo Grande Tourism Business Improvement District (AGTBID) Advisory Board (Board) advises the City Council in the administration and use of the assessment funds. The Board recommends projects to the City of Arroyo Grande to promote tourism to directly benefit the City's lodging industry.

Section 2: Membership

Board members shall be appointed by the City Council. The total membership of the Board shall consist of a minimum of three (3) but not more than ~~seven (7)~~ nine (9) members, 2/3rds of which shall be owners of lodging businesses ~~and/or appointed representatives of the owners of lodging businesses from~~ within the AGTBID or others with knowledge or tourism and/or the lodging industry.

Membership on the Board shall be exempt from City residency requirements otherwise applicable to other City Advisory Boards. Criteria and selection for membership shall not discriminate based upon sex, race, religion, creed, color, age, national or ethnic origin, or any other classification protected by law.

Section 3: Term

Board members shall be appointed for four (4) years.

Section 4: Remuneration

The Board shall serve without compensation.

Section 5: Termination of Membership

Any member of the Board serving as an owner of a lodging business within the AGTBID shall be terminated Membership in the Board shall terminate in the event ~~that~~ the member is no longer an owner of a lodging business or someone with knowledge of tourism and/or the lodging industry~~an appointed representative of an owner of a lodging business within the AGTBID.~~

Section 6: Removal of Members

A member may be removed by a majority vote of the City Council.

Section 7: Resignation

Any Board Member may resign at any time by giving written notice to the Chairperson, who shall forward such notice to the Board. Any such resignation will take effect upon receipt by the Chairperson or upon any date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

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Section 8: Filling of Vacancies

In the event of a vacancy on the Board, the City Council shall appoint an individual to fill such vacancy as soon as reasonably practicable. New members must meet the membership qualifications.

Section 9: Functions and Duties

The functions and duties of the Board shall include, but not be limited to, the following:

- a. To study, investigate and determine the need for the Arroyo Grande Tourism Business Improvement District on an annual basis.
- b. To advise the City Council regarding the expenditure of assessment funds on an annual and ongoing basis.
- c. To prepare and file the annual report as described in Streets and Highways Code Section 36533. Such report shall be submitted to the City Council no later than April 30 of each year.
- d. To study, investigate and make proposals regarding the need for any changes to the Arroyo Grande Tourism Business Improvement District on an annual basis be included in the annual report.
- e. To perform any other functions as directed by the City Council from time to time.

Section 10: Officers

- a. At the first regular meeting of the Board wherein newly appointed Members are seated, the Members shall elect a Chairperson and Vice Chairperson who shall hold office for a period of one year.
- b. The Chairperson shall preside over all meetings of the Board, and otherwise perform such duties as directed by the Board or Council. The Chairperson may sign documents necessary to carry out the business of the Board.
- c. The Vice Chairperson shall serve in the absence or incapacity of the Chairperson.

Section 11: Meetings

- a. Regular Board meetings shall be held ~~quarterly~~ monthly, on the 4th ~~Monday~~ of the month at 3:30 ~~p.m.~~ ~~in July, October, January, and April,~~ at ~~a~~ location accessible to the public, in Arroyo Grande, California.
- b. Special meetings may be called at any time by the Chairperson or by a majority of the Board.
- c. A notice, agenda and other necessary documents shall be delivered to the lodging members, personally, by mail or by e-mail, at least seventy-two (72) hours prior for a regular meeting and 24 hours prior for a special meeting.
- d. The meetings shall be open to the public.
- e. A quorum shall consist of a majority of the Board Members then serving on the TBID Board.
- f. All actions of the TBID Board shall be by a majority vote or consensus and shall be directed through the Chairperson.

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- g. Minutes of each meeting shall be taken, shall be available as a public record and forwarded to the Council if needed.

Section 12: Staff Representation

- a. The City of Arroyo Grande City Manager, or the designee of the City Manager, shall be responsible for preparing agendas and reports pertaining to Committee business and shall attend the Board meeting.
- b. The Arroyo Grande Chamber of Commerce Executive Director will prepare and maintain accurate minutes of the official activities of the Committee.

Section 13: Amendments

All amendments to the Bylaws shall be approved by the City Council.

RESOLUTION NO. 4516

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO ESTABLISHING THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD

WHEREAS, the City Council of the City of Arroyo Grande intends to adopt Resolution No. 4515 entitled "A Resolution of the City Council of the City of Arroyo Grande Declaring its Intention to Establish the Arroyo Grande Tourism Business Improvement District, Declaring Its Intention to Levy an Assessment on Lodging Businesses Within Such District, and Fixing the Time and Place of a Public Meeting and a Public Hearing Thereon and Giving Notice Thereof" in order to initiate the process of creating a tourism business improvement district in accordance with the authority and procedures contained in Streets and Highways Code Sections 36500 et seq. ; and

WHEREAS, Streets and Highways Code Section 36530 provides that the City Council shall appoint an advisory board for the business improvement district, which shall make a recommendation to the city council on the expenditure of revenues derived from the levy of assessments and on the method and basis of levying the assessments; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Arroyo Grande as follow:

1. The foregoing recitals are approved and incorporated herein by reference.
2. The Arroyo Grande Tourism Business Improvement District Advisory Board ("AGTBID Advisory Board") is hereby created pursuant to Streets and Highways Code Section 36530 to make recommendations and reports to the City Council as provided by law.
3. The City Council shall appoint the AGTBID Advisory Board, which shall consist of a minimum of three (3) but not more than seven (7) members, 2/3rds of which shall be owners of lodging businesses and/or appointed representatives of the owners of lodging businesses from within the Arroyo Grande Tourism Business Improvement District.
4. The AGTBID Advisory Board shall exist for the duration of the existence of the Arroyo Grande Tourism Business Improvement District. If the Arroyo Grande Tourism Business Improvement District is disestablished for any reason, the AGTBID Advisory Board shall also be dissolved unless the City Council directs otherwise.
5. The AGTBID Advisory Board shall serve without compensation.

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6. The AGTBID Advisory Board shall meet no less than quarterly. It shall submit an annual report to the City Council pursuant to Section 36533 of the Streets and Highways Code, which shall detail expenditures for the prior year and include a budget for operations and identification of marketing efforts and other activities to be undertaken by the Arroyo Grande Tourism Business Improvement District for the ensuing fiscal year.
7. The AGTBID Advisory Board shall have the following duties:
 - a. To study, investigate and determine the need for the Arroyo Grande Tourism Business Improvement District on an annual basis;
 - b. To advise the City Council regarding the expenditure of assessment funds on an annual and ongoing basis;
 - c. To prepare and file the annual report as described in Streets and Highways Code Section 36533. Such report shall be submitted to the City Council no later than March 31 of each year;
 - d. To study, investigate and make proposals regarding the need for any changes to the Arroyo Grande Tourism Business Improvement District on an annual basis be included in the annual report; and
 - e. To perform any other functions as directed by the City Council from time to time.
8. This Resolution shall be deemed effective upon its adoption.

On motion of Council Member Ray, seconded by Council Member Guthrie, and by the following roll call vote, to wit:

AYES: Council Members Ray, Guthrie, Brown, and Mayor Ferrara
NOES: None
ABSENT: Council Member Costello

the foregoing Resolution was passed and adopted this 26th day of February 2013.

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TONY FERRARA, MAYOR

ATTEST:


KELLY WETMORE, CITY CLERK

APPROVED AS TO CONTENT:


STEVEN ADAMS, CITY MANAGER

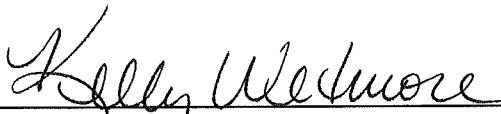
APPROVED AS TO FORM:


TIMOTHY J. CARMEL, CITY ATTORNEY

OFFICIAL CERTIFICATION

I, **KELLY WETMORE**, City Clerk of the City of Arroyo Grande, County of San Luis Obispo, State of California, do hereby certify under penalty of perjury, that the attached Resolution No. 4516 is a true, full, and correct copy of said Resolution passed and adopted at a Regular meeting of the City Council of the City of Arroyo Grande on the 26th day of February, 2013.

WITNESS my hand and the Seal of the City of Arroyo Grande affixed this 28th day of February 2013.



KELLY WETMORE, CITY CLERK

RESOLUTION NO. 4535**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ESTABLISHING AND ADOPTING BYLAWS FOR THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD**

WHEREAS, on February 26, 2013, the City Council adopted Resolution No. 4516 establishing the Arroyo Grande Tourism Business Improvement District Advisory Board ("Advisory Board"); and

WHEREAS, the purpose of the Advisory Board is to consult with and advise the City Council on those matters dealing with the method and basis of levying assessments within the Arroyo Grande Tourism Business Improvement District; expenditures of revenues derived from such assessments; and programs, services, improvements, and activities intended to promote lodging establishments within the District; and

WHEREAS, the City Council may, by resolution, adopt bylaws governing the membership and operations of the Advisory Board.


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

1. The recitals set forth herein are true and correct.
2. The City Council hereby adopts Bylaws for the Advisory Board attached hereto as Exhibit A and incorporated herein by this reference.

On motion by Council Member Guthrie, seconded by Council Member Brown, and on the following roll call vote, to wit:

AYES: Council Members Guthrie, Brown, Costello, and Mayor Ferrara
NOES: None
ABSENT: Council Member Ray

The foregoing Resolution was passed and adopted this 9th day of July 2013.



TONY FERRARA, MAYOR

ATTEST:

for 

KELLY WETMORE, CITY CLERK

APPROVED AS TO CONTENT:



STEVEN ADAMS, CITY MANAGER

APPROVED AS TO FORM:



TIMOTHY J. CARMEL, CITY ATTORNEY

**ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT
ADVISORY BOARD BY-LAWS**

Section 1: Purpose

The Arroyo Grande Tourism Business Improvement District (AGTBID) Advisory Board (Board) advises the City Council in the administration and use of the assessment funds. The Board recommends projects to the City of Arroyo Grande to promote tourism to directly benefit the City's lodging industry.

Section 2: Membership

Board members shall be appointed by the City Council. The total membership of the Board shall consist of a minimum of three (3) but not more than seven (7) members, 2/3rds of which shall be owners of lodging businesses and/or appointed representatives of the owners of lodging businesses from within the AGTBID.

Membership on the Board shall be exempt from City residency requirements otherwise applicable to other City Advisory Boards. Criteria and selection for membership shall not discriminate based upon sex, race, religion, creed, color, age, national or ethnic origin, or any other classification protected by law.

Section 3: Term

Board members shall be appointed for four (4) years.

Section 4: Remuneration

The Board shall serve without compensation.

Section 5: Termination of Membership

Membership in the Board shall terminate in the event that the member is no longer an owner of a lodging business or an appointed representative of an owner of a lodging business within the AGTBID.

Section 6: Removal of Members

A member may be removed by a majority vote of the City Council.

Section 7: Resignation

Any Board Member may resign at any time by giving written notice to the Chairperson, who shall forward such notice to the Board. Any such resignation will take effect upon receipt by the Chairperson or upon any date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

Section 8: Filling of Vacancies

In the event of a vacancy on the Board, the City Council shall appoint an individual to fill such vacancy as soon as reasonably practicable. New members must meet the membership qualifications.

Section 9: Functions and Duties

The functions and duties of the Board shall include, but not be limited to, the following:

- a. To study, investigate and determine the need for the Arroyo Grande Tourism Business Improvement District on an annual basis.
- b. To advise the City Council regarding the expenditure of assessment funds on an annual and ongoing basis.
- c. To prepare and file the annual report as described in Streets and Highways Code Section 36533. Such report shall be submitted to the City Council no later than April 30 of each year.
- d. To study, investigate and make proposals regarding the need for any changes to the Arroyo Grande Tourism Business Improvement District on an annual basis be included in the annual report.
- e. To perform any other functions as directed by the City Council from time to time.

Section 10: Officers

- a. At the first regular meeting of the Board wherein newly appointed Members are seated, the Members shall elect a Chairperson and Vice Chairperson who shall hold office for a period of one year.
- b. The Chairperson shall preside over all meetings of the Board, and otherwise perform such duties as directed by the Board or Council. The Chairperson may sign documents necessary to carry out the business of the Board.
- c. The Vice Chairperson shall serve in the absence or incapacity of the Chairperson.

Section 11: Meetings

- a. Regular Board meetings shall be held quarterly, on the 4th Monday of the month at 3:30 p.m. in July, October, January, and April, at a location accessible to the public, in Arroyo Grande, California.
- b. Special meetings may be called at any time by the Chairperson or by a majority of the Board.
- c. A notice, agenda and other necessary documents shall be delivered to the lodging members, personally, by mail or by e-mail, at least seventy-two (72) hours prior for a regular meeting and 24 hours prior for a special meeting.
- d. The meetings shall be open to the public.
- e. A quorum shall consist of a majority of the Board Members then serving on the TBID Board.
- f. All actions of the TBID Board shall be by a majority vote or consensus and shall be directed through the Chairperson.

- g. Minutes of each meeting shall be taken, shall be available as a public record and forwarded to the Council if needed.

Section 12: Staff Representation

- a. The City of Arroyo Grande City Manager, or the designee of the City Manager, shall be responsible for preparing agendas and reports pertaining to Committee business and shall attend the Board meeting.
- b. The Arroyo Grande Chamber of Commerce Executive Director will prepare and maintain accurate minutes of the official activities of the Committee.

Section 13: Amendments

All amendments to the Bylaws shall be approved by the City Council.

OFFICIAL CERTIFICATION

I, **KELLY WETMORE**, City Clerk of the City of Arroyo Grande, County of San Luis Obispo, State of California, do hereby certify under penalty of perjury, that Resolution No. 4535 is a true, full, and correct copy of said Resolution passed and adopted at a regular meeting of the City Council/Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency of the City of Arroyo Grande on the 9th day of July 2013.

WITNESS my hand and the Seal of the City of Arroyo Grande affixed this 11th day of July 2013.

Kitty Norton, Deputy City Clerk,
for **KELLY WETMORE, CITY CLERK**