



Agenda Report

19-1051

Agenda Date: 10/8/2019

REPORT TO COUNCIL

SUBJECT

Action on the Appointment of Additional Members to the Tourism Improvement District (TID) Advisory Board

BACKGROUND

In 1989, the State Legislature passed the Parking and Business Improvement Area Law, which added Sections 36500, et seq., to the California Streets and Highways Code ("Code"). The Code was created to "promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent erosion of the business districts." The Code had the further goal of promoting tourism. To achieve this goal, the Code allowed cities to fund property related improvements and activities through the levy of assessments upon the businesses which benefit from those improvements and activities.

Pursuant to the authority granted under the Code, on January 11, 2005, City Council adopted Ordinance No. 1797 (the "Ordinance") amending the Santa Clara City Code to add Article IX entitled "Santa Clara Tourism Improvement District" to Chapter 16.10 ("Local Improvements -Acquisition and Improvement Procedure"), establishing the Tourism Improvement District ("TID") and its boundaries.

Section 16.10.1140 of the City Code creates the TID Advisory Board, which shall be constituted of representatives of businesses within the TID. On December 11, 2018, City Council appointed the members of the TID Advisory Board to include the general managers of the nine hotels that were then within the TID boundaries: Mark Salquist (Avatar Hotel), Jon Siebring (Biltmore Hotel & Suites), Peter Hart (Embassy Suites), Joseph Eustice (Hilton Santa Clara), Alan Mass (Hyatt House), Eron Hodges (Hyatt Regency), Callette Nielson (Marriott Santa Clara), Jean-Philippe Rolle (The Plaza Suites), and Virginia Scimeca (TownPlace Suites by Marriott).

DISCUSSION

Since Council action on December 11, 2018, two new hotels have recently opened within the TID boundaries. The Element Santa Clara opened August 9, 2019 and the AC Hotel Santa Clara opened September 5, 2019. As the hotels are subject to the current TID assessment of \$1.00 for hotel guests on each occupied hotel/motel room night, staff is recommending that the hotel general managers, Jordan Austin (Element Santa Clara) and Mike Lerman (AC Hotel Santa Clara), be formally appointed to the TID Advisory Board, effective September 1, 2019 to assist with the administration of TID affairs. If approved, the number of board members will increase from nine to 11.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

There is no fiscal impact.

COORDINATION

This report was coordinated with the City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Appoint Additional Members Representing AC Hotel and Element Santa Clara Hotel to the Tourism Improvement District (TID) Advisory Board.

Reviewed by: Ruth Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager