

**Santa Clara Tourism Business Improvement District
Conversion Timeline**
 June 20, 2019

| Action | Date | Responsible Party |
|--|---------------------|-----------------------------------|
| Initiate project | July 2019 | Civitas, City |
| Initial Steering Committee Meeting | July 2019 | Civitas, Steering Committee, City |
| Outreach and consensus building | July - October 2019 | City, Steering Committee, Civitas |
| Develop initial draft Management District Plan (MDP) | July 2019 | Civitas |
| Submit draft MDP to Steering Committee; ongoing review | August 1, 2019 | Civitas, Steering Committee |
| Submit draft MDP and Petition to City; ongoing review | August 15, 2019 | Civitas, City |
| Final MDP and Petition approved by City | September 1, 2019 | City |
| Petition Drive | September 2019 | Steering Committee |
| Submit Petitions totaling over 50% of assessment to City | October 1, 2019 | City, Steering Committee |
| City Council – Resolution of Intention <ul style="list-style-type: none"> Resolution of Intention to Renew District (<i>Can be on Consent Calendar</i>) | October 8, 2019 | City |
| Mail <ul style="list-style-type: none"> Notice of Public Meeting/Hearing - <i>Should be mailed 1 day after ROI is adopted. Must be mailed 45 days before public hearing. Clerk certification of mailing is required.</i> | October 9, 2019 | Civitas, City |
| City Council – Public Meeting <ul style="list-style-type: none"> Public Meeting – No action required - <i>Must be held at least 10 days after Notice of Public Meeting/Hearing is mailed and at least 7 days before Public Hearing is held.</i> Disestablishment Resolution of Intention – <i>Mail and Publish - Must be mailed within 7 days of adoption and must be published at least 7 days before public hearing</i> | November 5, 2019 | City |
| City Council – Public Hearing <ul style="list-style-type: none"> Public Hearing & Adopt Resolution of Formation - <i>Must be held at least 45 days after Notice is mailed.</i> Disestablishment Public Hearing, Disestablishment Ordinance first reading | November 19, 2019 | City |
| City Council <ul style="list-style-type: none"> Disestablishment Ordinance second reading and adoption | December 17, 2019 | City |

| | | |
|--|-------------------|---------|
| Publish <ul style="list-style-type: none"> • Notice of disestablishment – <i>Must be published in newspaper of general circulation once, not later than 15 days after disestablishment ordinance is adopted</i> | December 18, 2019 | City |
| Old '89 district ceases to exist | December 31, 2019 | |
| District begins collecting new assessment | January 1, 2020 | Lodging |

*Proposed Timeline – Timeline subject to change



Santa Clara Tourism Improvement District Formation

Service Plan

August 9, 2019

SUMMARY

Developed by Visit Santa Clara (VSC), the Santa Clara Tourism Improvement District (SCTID) is an assessment district proposed to provide specific benefits to payors, by funding marketing efforts for assessed businesses.

ESTIMATED BUDGET

| Services | % | \$ |
|--|-------------|--------------------|
| Convention Sales, Incentives, and Services | 50% | \$1,700,000 |
| Marketing & Communication | 30% | \$1,020,000 |
| Administration | 15% | \$510,000 |
| Contingency & Renewal | 3% | \$102,000 |
| City Collection | 2% | \$68,000 |
| TOTAL | 100% | \$3,400,000 |

PROPOSED SERVICES

Convention Sales, Incentives, and Services

This program will promote sales activity for the booking of Convention Center events, and increased room night sales of Convention Center attendees. The budget will be dedicated to providing financial incentives to maintain, and attract new meetings, conventions, and sporting and other events that have significant impact on hotel room demand in Santa Clara. This could include providing incentives to attract marquee events that previously could not be pursued due to insufficient funding. Services may include any maintenance related to the facility or performance of booking Convention events.

Marketing & Communication

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

- Internet marketing efforts targeted directly at potential visitors to increase awareness and optimize internet presence;
- Attendance at trade shows to drive room night sales to assessed businesses;
- Marketing and promotions programs designed to increase room night and lift ticket sales at assessed businesses;

- Familiarization tours featuring assessed lodging businesses;
- Lead generation activities designed to attract tourists;
- Supporting special events designed to increase room night sales at assessed businesses;
- Visitor Center and Information phone answering designed to increase room night sales at assessed businesses;
- Tourism related investments designed to increase room night sales at assessed businesses;
- Production and distribution of tourist-related marketing collateral featuring assessed businesses; and
- Maintaining industry public relations and communications featuring assessed businesses;
- Marketing efforts to promote assessed businesses as desirable leisure, meeting, and event destinations.

Administration

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

Contingency & Renewal

A prudent portion of the budget will be allocated to a contingency fund, to account for lower than anticipated collections or higher than anticipated program costs. If there are contingency funds collected and near the expiration of the district there are contingency funds remaining, and business owners wish to renew the district, the contingency funds may be used for renewal costs.

City Collection Fee

The City of Santa Clara shall be paid a fee equal to two percent (2%) of the amount of assessment collected to cover its costs of collection and administration. If there are funds remaining in the city collection fee budget at the end of the fiscal year, those funds shall be allocated to the marketing budget.

TERM

The SCTID will be formed for a five (5) year period, beginning January 1, 2020 through December 31, 2024. After five (5) years, the SCTID may be renewed if business owners support continuing the SCTID programs.

ASSESSMENT RATE

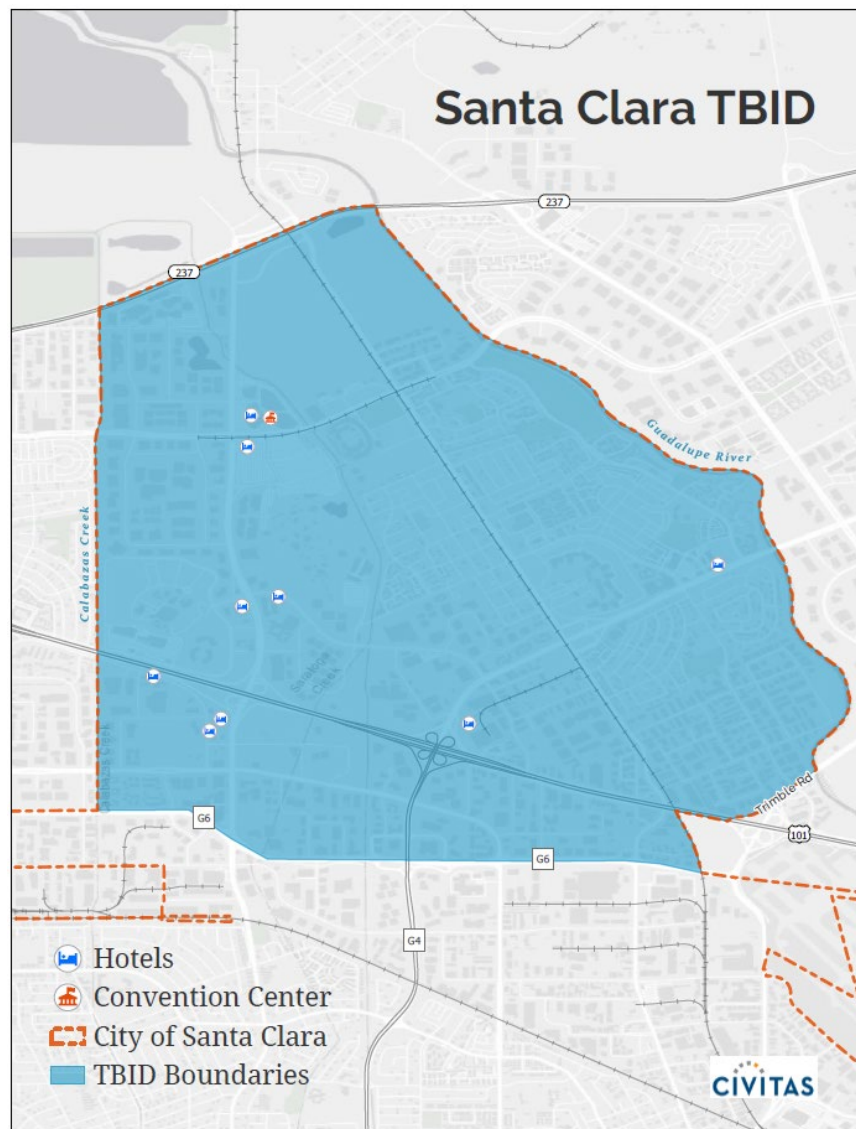
The lodging business annual assessment rate is two percent (2%) of gross short term (stays less than 31 days) room rental revenue. Based on the benefit received, assessments will not be collected on lodging business stays of more than thirty (30) consecutive days.

MANAGEMENT

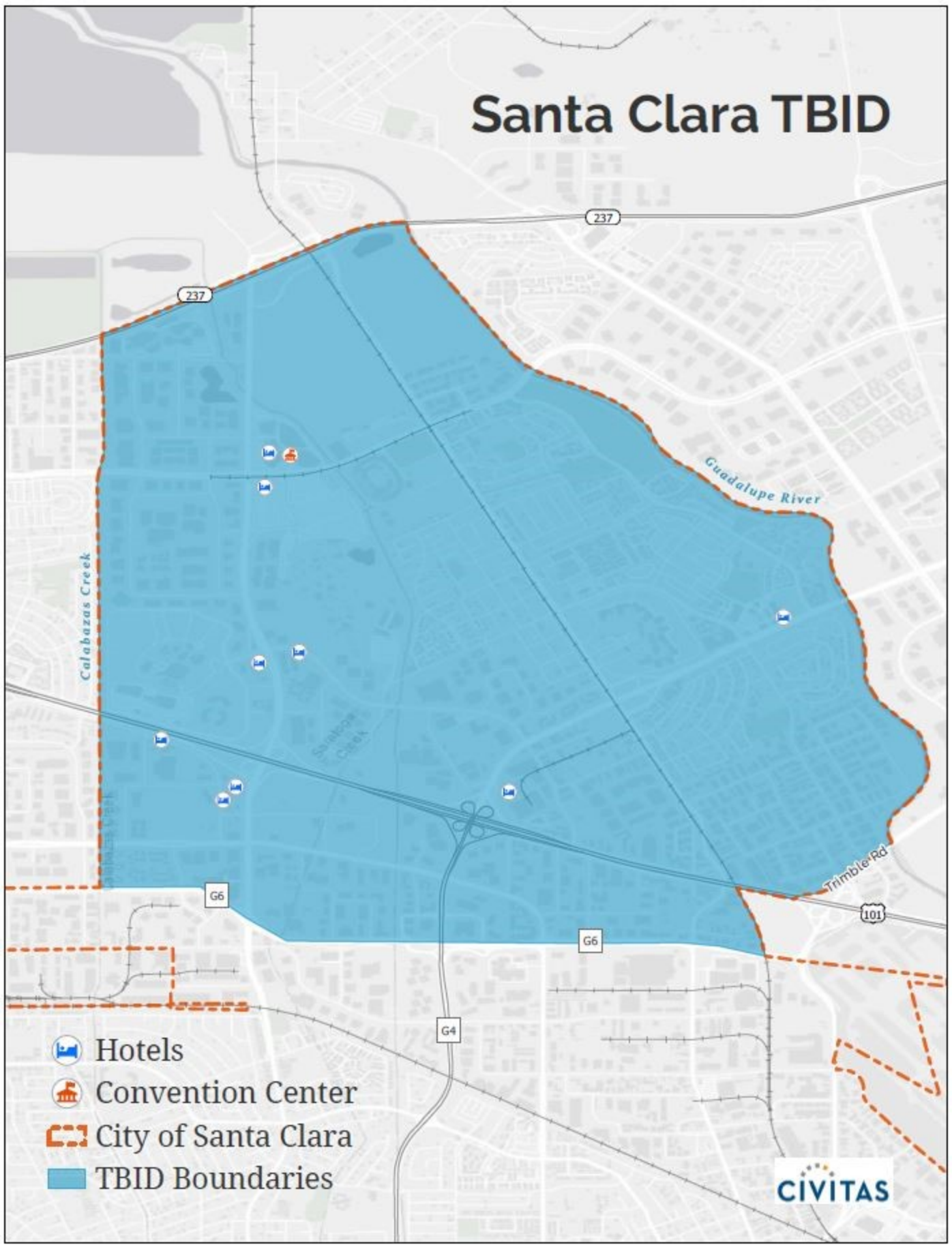
Visit Santa Clara (VSC) will serve as the SCTID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with the Management District Plan (MDP) and must provide annual reports to the City of Santa Clara. VSC must also hold open meetings and make records available pursuant to the Brown Act and Public Records Act.

BOUNDARY

The SCTID will include all lodging businesses, existing and in the future, available for public occupancy or use within the boundaries as exhibited in the map below:



Santa Clara TBID



-  Hotels
-  Convention Center
-  City of Santa Clara
-  TBID Boundaries