



## Staff Report

---

**File #:** 19-2290, **Version:** 1

---

### Yountville Town Council Staff Report

**DATE:** October 1, 2019

**TO:** Mayor and Town Council

**FROM:** Julie Baldia, Human Resource Manager and Steven Rogers, Town Manager

**TITLE**

NVTID-Yountville Annual Work Plan for Tourism Improvement District Assessment Fund 22 (1015).

**DISCUSSION/BACKGROUND**

In 2010 lodging property owner's supported the establishment of the proposed Napa Valley Tourism Improvement District (NVTID). In March of 2010 the Town Council agreed to support the formation of the proposed NVTID by the Napa County Board of Supervisors to provide funding for much needed marketing efforts for the Napa Valley. The Napa County Board of Supervisors approved establishment of the County-wide District and it became effective as of July 1, 2010. The NVTID is a voluntary self-assessment imposed on lodging stays by the lodging property owners similar to that of the Transient Occupancy Tax (TOT).

The NVTID includes a component to provide funding to support local activities which promote, support and enhance locally based tourism efforts in each local jurisdiction within the NVTID. Each local jurisdiction shall receive .5% of the total 2.0% assessment collected within the local jurisdiction to fund eligible programs and activities. The local jurisdiction agency shall be responsible for the administration of the local portion of the TID and serve as its fiduciary agent.

As a result, the proposed NVTID-Yountville has had an overall positive impact on the Town of Yountville. One significant benefit to the Town is that 25% of the assessment revenue collected within the Town of Yountville is earmarked to be spent to promote "Yountville" focused tourism and marketing related programs.

It is conservatively estimated that in FY 2019-20, the local share will be approximately \$291,667 this fiscal year based on our projected total of \$7,000,000 in TOT revenue.

The local option TBID funding is designed to support local activities which promote, support and enhance locally based tourism efforts, including but not limited to:

- Locally specific market niche advertising and marketing efforts.
- Tourism marketing and promotional information: including website, print and other collateral material and technology applications.
- Local special event programming, underwriting and promotion.

- Operation of local visitor information center.
- Community and cultural arts programming activities, such as music on the plaza, movie nights, sculpture walks, film festivals, etc.
- Tourism related streetscape enhancement and maintenance.
- Seasonal and other tourism and visitor related programs.
- Local tourism shuttle or other visitor transportation programs.
- Seed funding for community based programs which support or enhance tourism.
- Trails, pedestrian paths, signage, bike paths, etc. which enhance and improve upon the visitor experience and access to lodging properties.
- Enhanced levels of maintenance above what the local entity normally provides.

Each local NVTID jurisdiction receiving a .5% allocation in funding is governed by a seven (7) member body comprised of:

- Four (4) members selected by eligible lodging property members within the local jurisdiction.
- One (1) member from the local Chamber of Commerce (can be either appointed staff or a board member of the Chamber in the local jurisdiction)
- One (1) member who is an elected official from the local jurisdiction.
- One (1) member who is the City/Town Manager or designee from the local jurisdiction.

The NVTID-Yountville Oversight Committee is comprised of, Steve Davino (Vintage Estates), Max Compagnon (Napa Valley Lodge), Sileshi Mengiste (Bardessono), Ty Accornero (North Block Hotel), Arik Housley (Yountville Chamber of Commerce), John F. Dunbar (Mayor) and Steven Rogers (Yountville Town Manager).

According to the approved bylaws of the NVTID, the Local Jurisdiction NVTID Oversight Committee is responsible for the following activities:

- Development of an annual work plan and budget.
- Approval of annual work plan and budget.
- Periodic meetings as necessary to provide oversight of the expenditures to ensure consistency with approved annual work plan and budget consistent with the NVTID Management Plan.
- Preparation of a six month progress report and annual year end progress report which is provided to the NVTID governing board, local jurisdiction city/town council, and County Board of Supervisors.

The local NVTID - Yountville oversight committee is considered a legislative body under the Ralph M. Brown Act (Government Code Section 54950 et seq.) and as such all meetings of the Local Jurisdiction NVTID Oversight Committee must be held in compliance with the public notice and other requirements of the Brown Act.

The Town's adopted FY 2019/20 budget includes the Tourism Improvement District Assessment Fund 22 and

includes an estimated revenue of \$291,667 and a transfer out of the 1% NVTID administration fee to the Town's General Fund of \$11,667. These amounts may increase or decrease depending on TOT revenue. The purpose and establishment of this fund was reviewed with the Town's auditor and this fund is classified as an Agency Fund, a fiduciary fund held in a custodial capacity.

The NVTID - Yountville has adopted an Expenditure Plan of \$364,800 for fiscal years 2019/20 and will draw on its estimated unassigned Fund Balance of \$359,779.

The NVTID-Yountville oversight committee has met formally throughout the year to discuss the outcome of FY 2019-20 promotional efforts, i.e., Yountville Trip Advisor sponsorship, Social Media Management & Oversight, Napa Valley Film Festival, Napa Valley Museum, Vine Trail, Lincoln Theater, Yountville Short Film Festival marketing support; off season FAM Trip promotion, Arts in April (Arts, Sip and Stroll),

NVTID-Yountville began development of its annual work plan and budget allocation for this fiscal year and approved its work plan effective at its June 6, 2019. There is the potential for budget amendments during the year.

NVTID-Yountville's promotional events and expenditures for FY 2019-20 include:

- Yountville Chamber - Trip Advisor sponsorship, Social Media program, FAM Trip Support
- Art, Sip and Stroll event sponsorship (Arts in April) produced by Arts Commission
- Annual Contingency for unplanned projects and other marketing support throughout the year.
- Funding sponsorships: Napa Valley Performing Art Center (Lincoln Theater), Napa Valley Vine Trail Coalition, Napa Valley Museum, Yountville Short Film Festival, Napa Valley Film Festival.

At NVTID-Yountville's June 6, 2019 meeting, the committee finalized and approved the attached Fiscal Year 2019/20 Work Plan and budget expenditure allocation.

## **ENVIRONMENTAL REVIEW**

N/A

## **FISCAL IMPACT**

Is there a Fiscal Impact? No

Is it Currently Budgeted? Yes

Where is it Budgeted? Tourism Improvement District Assessment Fund 22(1015)

Is it Mandatory or Discretionary? Mandatory

Is there a Staff Resource Impact? Yes

## **STRATEGIC PLAN GOAL**

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Premier Destination:** The Town values its residents, rich history, natural environment, culinary excellence, arts, and distinguished businesses that make our home a place people love.

Briefly Explain Relationship to Strategic Plan Goal and Objective.    Business Outreach and Education, Community Engagement

**ALTERNATIVES**

Provide Feedback related to NVTID-Yountville Board on program initiatives.

**RECOMMENDATION**

Receive and file NVTID-Yountville Approved Expenditures and Work Plan for FY 2019/20.