

## ATTACHMENT 1

### LANCASTER TOURISM BUSINESS IMPROVEMENT DISTRICT (LTBID) MANAGEMENT DISTRICT PLAN SUMMARY

- Location:** The proposed LTBID includes all lodging businesses with gross annual revenue over \$500,000 and an average daily rate over \$50 located within the boundaries of the City of Lancaster.
- Services:** Marketing and sales promotions to increase tourism and to market Lancaster lodging businesses as tourist, meeting and event destinations.
- Budget:** The total LTBID annual budget for each year of its five (5) year operation is anticipated to be approximately \$260,000.
- Cost:** Annual assessment rates are 2% of gross short term (stays less than 31 days) room rental revenue on lodging businesses. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days, nor on any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty. Assessments pursuant to the LTBID shall not include room rental revenue resulting from stays pursuant to contracts executed prior to February 1, 2013. Lodging businesses with an average daily rate under \$50 shall not be subject to the assessment; average daily rate figures will be updated annually.
- Formation:** TBID formation first requires submittal of petitions supporting district formation from lodging businesses representing more than 50% of the total annual assessment.
- Timeline:**
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|--------------------------|---|
| <b>November 13, 2012</b> | City Council approves Staff Report and <i>Resolution of Intention</i>                           |
| <b>December 11, 2012</b> | Public Hearing to discuss the formation of the new TBID and the Management District Plan (MDP). |
| <b>January 8, 2012</b>   | Council Meeting to approve the <i>Resolution of Formation</i> .                                 |
| <b>February 1, 2013</b>  | New Tourism Business Improvement District takes effect  |
- Duration:** The proposed LTBID will have a five-year life. The LTBID assessment will be implemented beginning February 1, 2013. Once per year beginning on the anniversary of the formation of the district there is a 30-day period in which owners paying more than 50% of the assessment may protest and terminate the district.
- Collection:** The LTBID assessment will be implemented beginning February 1, 2013 and will continue for five years. The City of Lancaster will be responsible for collecting the assessment on a quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the LTBID.