



Date: April 1, 2003
To: Tonia Reyes Uranga, Councilmember, 7th District
From: Gerald R. Miller, Acting City Manager
Subject: Long Beach Area Convention and Visitors Bureau Requested Information

In response to your questions regarding the Long Beach Area Convention and Visitors Bureau, Inc. (CVB), this memorandum is intended to provide some additional information on the City's contractual relationship with the CVB.

The City contracts with the CVB to develop a program to meet the goals and objectives of "establishing the City as a site for conventions and tourism, which program advertises and publicizes the City, its natural advantages, resources, attractions, climate, and facilities." The CVB has a defined scope of services to carry out the objectives noted above.

The CVB receives funding to achieve these goals from a number of sources, including the City, dues from all of its members (including the Board), and area hotels, to name a few. The City's financial support to the CVB, in the amount of \$3,729,000 this fiscal year, is derived from Transient Occupancy Taxes accruing to the Special Advertising and Promotions Fund. A portion of the City's 12% Transient Occupancy Tax is deposited into this fund for "advertising, promotional, and public relations projects calling attention to the city, its natural advantages, resources, enterprises, attractions, climate, and facilities." These funds are not restricted to the CVB and can be used to support other activities or agencies that market or promote the City. The City could choose to contract with another agency to perform the same services, though we obviously believe that the CVB is uniquely qualified to implement the City's convention and tourism marketing plan.

The board members of the CVB do not currently file the Statement of Economic Interest (Form 700). They have not been required to file because they do not act as a formal advisory board to the Council. In a recent survey of four California CVBs (Los Angeles, San Diego, San Francisco, and San Jose), my office found that none of the four file Form 700s.

There are, however, other agencies contracting with the City that do file a Form 700. For example, the Public Corporation for the Arts (PCA) board members file the Form 700. The PCA serves as a formal advisory board to the Redevelopment Agency for the Percent for Arts program. The Downtown Long Beach Associates, however, have not filed the Form 700 in the past but will be required to file from this point forward as they, too, serve in a formal advisory capacity.

Tonia Reyes Uranga, Councilmember, 7th District

April 1, 2003

Page 2

Should you have any questions or concerns regarding this information, please feel free to contact me at 8-6916 or Stephen Scott, Administrative Assistant to the City Manager, at 8-6835.

GRM:sps

**cc: Mayor and Members of the City Council
Robert E. Shannon, City Attorney
Heather A. Mahood, Assistant City Attorney**