



Town of Yountville

6550 Yount Street
Yountville, CA 94599

Staff Report

Agenda Item #: {{section.number}}C

Yountville Town Council Staff Report

DATE: September 21, 2021

TO: Mayor and Town Council

FROM: Julie Baldia, Human Resources Manager

PREPARED BY: Julie Baldia, Human Resources Manager

SUBJECT:

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

DISCUSSION/BACKGROUND

In 2010, lodging property owners supported the establishment of the proposed Napa Valley Tourism Improvement District (NVTID). In March of 2010, the Town Council agreed to support the formation for the proposed NVTID by the Napa County Board of Supervisors to provide funding for the 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 2021-22, the local share will be approximately \$218,750 this fiscal year based on our projected total of \$5,250,000 in TOT revenue

The local option TBID funding is designed to support local activities with 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 Steven Rogers, (Town Manager, Town of Yountville), John Dunbar (Mayor, Town of Yountville), Hillary Walsh (North Block Hotel), Alain Negueloua (Bardessono), Fred Kreisner, (Vintage House/Villagio) Max Compagnon (Napa Valley Lodge) and Arik Housley (Chamber of Commerce)

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 Count 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 2021/22 budget includes the Tourism Improvement District Assessment Fund 22 and includes an estimated revenue of \$218,750 and a transfer out of the 1% NVTID administration fee to the Town's General Fund of \$8,750. These amounts may increase or decrease depending on TOT revenue. The purpose and establishment of the 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 \$273,000 for fiscal years 2020/21 and will draw on its estimated unassigned fund balance of \$270,256.

The NVTID – Yountville Oversight Committee has met formally throughout the year to discuss the outcome of FY 2020/21 promotional efforts, i.e., Yountville Trip Advisor sponsorship, Social Media Management & Oversight, Napa Valley Museum, Vine Trail, Yountville Short Film Festival marketing support, off season FAM trip promotion, Art, 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 the June 30, 2021, meeting. There is the potential for budget amendments during the year:

- NVTID-Yountville's promotional events and expenditures for FY 2021/22 include:
- Yountville Chamber – Trip Advisor sponsorship, Social Media program, FAM Trip Support
- Art, Sip and Stroll event

- Funding sponsorships: Napa Valley Vine Trail Coalition, Napa Valley Museum and Yountville International Short Film Festival

At NVTID-Yountville's June 30, 2021, meeting, the committee finalized and approved the attached Fiscal Year 2021/22 Work Plan and Budget expenditure Allocation.

ENVIRONMENTAL REVIEW

Not Applicable

FISCAL IMPACT

Is there a Fiscal Impact? Yes Is it Currently Budgeted?

Yes Where is it Budgeted? Fund 2 (1015)

Is it Mandatory or Discretionary? Mandatory

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Indirectly

If yes, Identify Strategic Goal and Objective. **Exceptional Town Services and Staff:** The Town supports its talented staff who deliver high quality municipal programs and services while maintaining public infrastructure for the benefit of the community.

Briefly Explain Relationship to Strategic Plan Goal and Objective. **Responsible Fiscal Policy:** The Town maintains its fiscal health through policies designed to maximize economic opportunities, manage expenses, and ensure prudent reserves.

RECOMMENDATION

Receive and File