



Date: December 13, 2022

Honorable Mayor and Council Members:

Author and title: Hilary Hobbs, Assistant to the Town Manager

Title: **Truckee Tourism Business Improvement District 2022-23 Annual Report**

Approved By: _____ Jen Callaway, Town Manager

Recommended Action: Approve Truckee Tourism Business Improvement District 2022-23 Annual Report

Discussion:
Background

Established in 2015, the Truckee Tourism Business Improvement District (TTBID) is a benefit assessment district originally created to promote Truckee as an overnight visitor destination. The recently adopted 2020-2025 TTBID Management District Plan authorizes the owners association (Visit Truckee-Tahoe) to utilize TTBID funds to conduct a broader scope of activities related to visitor communications and destination stewardship.

The TTBID is governed by the Property and Business Improvement District Law of 1994 (Streets & Highways Code § 36600 et seq). Unlike Transient Occupancy Tax, which contributes to the Town's General Fund, the TTBID assessment is a self-assessment by lodging properties. The Town uses its taxing authority to collect this assessment on behalf of the TTBID owners' association at the same time that Transient Occupancy Tax is collected. The Town then remits these funds to the owner's association, with the exception of a 2% administrative fee to offset the cost of collections. Use of these funds is legally restricted to specific purposes that provide a special *benefit* to the assessed properties.

The TTBID operates under a 4-year and 9-month Management District Plan, which is the governing document that establishes the method and rate of assessment, board makeup, and permitted activities (see **Attachment 1: 2020-25 Management District Plan**). Renewal of the TTBID and approval of the Management District Plan required a vote of all assessed properties and approval of the Town Council.

What is Council's Role?

The owners' association (Visit Truckee-Tahoe) oversees day-to-day decision making for the TTBID. Yet, Town Council maintains a significant role in approving TTBID activities. First, the Council must approve the formation or renewal of a Business Improvement District, including approval of the Management District Plan.

Second, if changes are desired to the Management District Plan during the term of the TTBID, Streets and Highways Code allows the owners' association to request that the Town Council amend the plan at any time and provides a process for Council to consider such amendments.

Finally, The Property and Business Improvement District Law of 1994 requires that the owners' association prepare a report each fiscal year detailing, among other things, the improvements/activities to be provided for that fiscal year and cost estimate for these improvements/activities. Section 36650(c) provides that "The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636."

As required, Visit Truckee-Tahoe has submitted the 2022-2023 Annual Report for Council approval (See **Attachment 2: 2022-2023 Truckee Tourism Business Improvement District Annual Report**).

Priority:

| | | |
|--|---|--|
| <input type="checkbox"/> Enhanced Communication | <input type="checkbox"/> Climate and Greenhouse Gas Reduction | <input type="checkbox"/> Housing |
| <input type="checkbox"/> Infrastructure Investment | <input type="checkbox"/> Emergency and Wildfire Preparedness | <input checked="" type="checkbox"/> Core Service |

Fiscal Impact: None

Public Communication: Agenda posting

Attachments:

1. 2020-2025 TTBD Management District Plan
2. 2022-2023 Truckee Tourism Business Improvement District Annual Report submitted by Visit Truckee-Tahoe