

**City of Culver City, California
Agenda Item Report**

Meeting Date: 08/08/2011		Item Number: <u>A-2</u>	
CITY COUNCIL AGENDA ITEM: Consideration of Creating, Providing a Charge and Target Return Date, and Appointing Two Council Members to an Ad-Hoc Subcommittee on Hotel and Transient Occupancy Tax Revenue Enhancement Opportunities			
Contact Person/Dept.: Martin R. Cole		Phone Number: 310-253-6000	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Agenda and Meetings – City Council (08/03/11); Mr. Steven Rose, President of the Chamber of Commerce (08/03/11)			
Department Approval: Martin R. Cole (08/03/11)		City Attorney Approval: Carol Schwab (by H. Baker) (08/03/11)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (08/03/11)		City Manager Approval: John M. Nachbar (08/03/11)	
<u>RECOMMENDATION:</u> Staff recommends the City Council consider creating, providing a charge and target return date, and appointing two Council Members to an Ad-Hoc Subcommittee on Hotel and Transient Occupancy Tax (TOT) Revenue Enhancement Opportunities. <u>BACKGROUND:</u> At the City Council meeting of July 25, 2011, the City Council considered (and ultimately unanimously approved) a proposal to place before the voters an increase in the City's TOT from 12% to 14%. During that discussion, the City Council directed staff to agendize the creation of an ad hoc subcommittee for the purposes of discussing, with the Culver City Chamber of Commerce and hotel operators, ways the hotels in Culver City could potentially increase their revenues (which, in turn, could potentially increase revenues to the City via the TOT). <u>DISCUSSION:</u> Should the City Council determine to create an ad hoc subcommittee for this purpose, the City Council may (and staff recommends) the City Council provide the Subcommittee with a specific charge and completion date, at which time the Subcommittee's recommendation will be presented to the full City Council for consideration. In general, it is recommended that the duration of an ad hoc subcommittee be limited to not more than one year.			

City of Culver City, California
Agenda Item Report

The City Council may wish to consider an alternative to the immediate creation of a City Council Subcommittee. This issue, which may involve significant data gathering and preliminary analysis, may be best initially coordinated between the staff of the Chamber and the City. Once this initial analysis is complete, staff can provide the results to the City Council, and the City Council could, at that time, determine if it desires to form a Subcommittee on this subject.

FISCAL ANALYSIS:

Creation of new Subcommittee would involve the allocation of staff and other resources to assist the Subcommittee with preparing its recommendation to the City Council. The cost of those resources is difficult to estimate at this time.

ATTACHMENTS:

None

MOTIONS:

That the City Council:

- 1A. Consider creation of the Ad Hoc Subcommittee on Hotel and TOT Revenue Enhancement Opportunities; and,
- 1B. Consider the specific charge and target date for the Ad Hoc Subcommittee to return to the City Council with its recommendations (if desired); and,
- 1C. Create the Ad Hoc Subcommittee on Hotel and TOT Revenue Enhancement Opportunities (if desired); and,
- 1D. Appoint Council Member _____ and Council Member _____ to the Ad Hoc Subcommittee (if created); and,
- 1E. Determine the charge of the Ad Hoc Subcommittee to be _____ and the target date for the Ad Hoc Subcommittee to return to the City Council with its recommendations to be _____ (recommended to not be more than one year).

City of Culver City, California
Agenda Item Report

OR

2. Direct the City Manager to coordinate initial data gathering and analysis with the Chamber of Commerce and provide the City Council with the results of such efforts at a future date.