

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, APRIL 29, 2014**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 29, 2014, commencing at 7:00 a.m.

Present: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, and Mayor Katzakian

Absent: Mayor Pro Tempore Hansen

Also Present: Interim City Manager Schwabauer, Interim City Attorney Magdich, and City Clerk Johl-Olson

B. Topic(s)

B-1 Discussion Regarding Visit Lodi! Memorandum of Understanding Renewal (CM)

Deputy City Manager Jordan Ayers provided a brief PowerPoint presentation regarding the Visit Lodi! Memorandum of Understanding (MOU) renewal. Specific topics of discussion included the history of the MOU and funding from previous years.

In response to Council Member Mounce, Mr. Ayers stated that, since the beginning of the contract in 2009/10, the Transient Occupancy Tax (TOT) has increased by over \$100,000 as shown on the slide.

In response to Council Member Johnson, Interim City Manager Schwabauer stated the assessments are paid by hotels within the City and hotels located in Flag City.

Discussion ensued among Council Member Mounce, Council Member Nakanishi, and Mr. Schwabauer regarding increasing the TOT to make it more comparable to other communities, options for replacing or offsetting City contribution to Visit Lodi!, the economic development position, and retaining and increasing tourism interest in the area.

Discussion ensued regarding Council Member Johnson and Mr. Schwabauer regarding the challenges associated with attracting industrial and commercial businesses to the community without having access to readily available land and infrastructure.

Nancy Beckman, representing Visit Lodi!, spoke in regard to the history of the partnership between the City and the visitor's bureau, the history of funding provided by the City, and recommended renewing the contract for an additional five-year period.

In response to Council Member Nakanishi, Ms. Beckman stated the current contribution from the City through TOT revenue is \$105,963.

In response to Mayor Katzakian, Ms. Beckman confirmed that the annual operating budget for Visit Lodi! is approximately \$468,000.

In response to Council Member Nakanishi, Ms. Beckman stated other business improvement districts in comparison have a variety of arrangements including some, partial, or no funding through the City.

In response to Mayor Katzakian, Ms. Beckman stated the funding from the City helps with increased room revenues, TOT revenues, visitor information inquiries, advertising and marketing, group sales, and public relations.

In response to Council Member Mounce, Ms. Beckman confirmed that the Hampton Inn opened in 2008 and the Holiday Inn Express opened in 2009.

Beth Kim, representing the Holiday Inn Express, spoke in regard to the challenges associated with properly communicating the benefits of an increased TOT to the voters and citizens of the community. Ms. Kim indicated her preference for extending the contract while exploring other funding options including increasing the TOT or assessment amounts.

In response to Council Member Nakanishi, Mr. Schwabauer indicated the assessment is approved by the City Council.

Council Member Nakanishi requested information regarding how the increase in sales tax revenue since 2009 correlates with the TOT numbers since 2009.

In response to Council Member Johnson, Mr. Schwabauer indicated that next year's proposed budget incorporates the terms of the existing agreement already and he is planning on bringing the item back for final discussion and approval before budget adoption.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:50 a.m.

ATTEST:

Randi Johl-Olson
City Clerk