



City of Fort Bragg

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Meeting Minutes Finance and Administration Committee

Thursday, March 26, 2015

1:30 PM

Town Hall, 363 N. Main Street

Special Meeting - BID

MEETING CALLED TO ORDER

Chair Turner called the meeting to order at 1:40 p.m.

ROLL CALL

Present: 3 - Doug Hammerstrom, Dave Turner and Linda Ruffing

Others In Attendance:

Mendocino County Supervisors Dan Gjerde and John McCowen, Pam Amante (Beachcomber, Surf and Sand), C.K. (Holiday Inn Express), Debra DeGraw, Mary Knoerdel (Atrium B&B)

APPROVAL OF MINUTES

PUBLIC COMMENTS ON NON-AGENDA ITEMS

CONDUCT OF BUSINESS

1. [15-077](#) Receive Oral Report Regarding Proposed Changes to Lodging Business Improvement District (BID), Obtain Public Comment, and Consider Making Recommendation to City Council

Dave Turner opened, explained the meeting as convened to hear from lodging regarding the changes to the Business Improvement District (BID). He also wanted to have a dialogue about possibly increasing Transient Occupancy Tax (TOT) by 1% for parks (maintenance, safety) and marketing.

The following was noted during discussion of this item:

* BID is an assessment. Because it was established in incorporated cities, it required approval of cities. Cities reserved the right to approve future in reared BID assessments. John McCowen noted that the cities will need to concur with the assessment change, but not the governance changes that are proposed.

* It was noted that all cities in County have 10% TOT, 14-17% is becoming the norm.

* Debra DeGraw stated the Chamber did a survey of 100 lodging members. The majority were against it going up 2%. We could do another survey of 25 Fort Bragg lodging properties.

* Mary Knoerdel stated they have spoken to inns and five of the B&B's in Fort Bragg did not want the BID increase. Everyone would love to have more marketing and promotion. However, small to medium sized businesses are concerned.

* C.K. noted the Mendocino Coast was named the best coastline in America, and the 3rd best coast in the world, behind Christchurch and Cape Town.

* Supervisors Dan Gjerde and John McCowen described the process which produced the 17 points of agreement about changes in governance. The points were unanimously approved by the ad hoc group. The first step would be to move forward with the normal BID reauthorization process. Mendocino County Promotional Alliance (MCPA) endorsed the 17 points, Visit Mendocino County (VMC) and Mendocino County Lodging Association (MCLA) have previously supported the 12 points and will.

* On April 21, first reading; May 2, second reading, then 30 days. The new Board would take over July 1. Change the name from VMC to Mendocino County Visitors Bureau.

* Doug Hammerstrom asked for explanation of the distinction between the advisory board and the governance board. Advisory board members will be nominated by the MCLA. Conversation ensued regarding the Board seated, inland v. coastal representation, chamber representation, large lodging seats.

* John McCowen showed a letter dated November 10, 2014, signed by seven Fort Bragg lodging establishments supporting the changes, representing ten: Beachcomber Motel, Surf And Sand Lodge, Beach House Inn, Motel 6, Travelodge Fort Bragg, Glass Beach Inn, Country Inn B&B, Oceanside Inn & Suites, The Weller House, Surf Motel & Gardens.

* Discussion ensued regarding concerns over administrative costs for VMC. It was agreed that measurable performance standards should be established and a clear and transparent definition should be established regarding definition of administrative costs. It was suggested that an annual audit should be performed to provide financial transparency. The auditor could also serve as a financial consultant to assist in setting up the books of the new organization to ensure that administrative costs can be tracked in accordance with whatever definition is selected.

* It was questioned, who will staff the governing board? Will it be the MCVB staff?

* The meeting concluded with a discussion of interim modifications to the MCLA contract with VMC to address concerns in return for a one year contract extension.

This was an Oral Report and was received; no action was required as it was information only.

MATTERS FROM COMMITTEE / STAFF

ADJOURNMENT

Chair Turner recessed the meeting at 3:40 p.m.