# STAFF REPORT



**DATE:** November 18, 2025

**TO:** Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director

VIA: Simone McFarland, Assistant Community Development Director

BY: Mary Hamzoian, Economic Development Manager

**SUBJECT:** Adoption of a Resolution Declaring Results of Majority Protest Proceedings

and to Renew the Burbank Tourism Business Improvement District

#### RECOMMENDATION

Adopt A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK DECLARING RESULTS OF MAJORITY PROTEST PROCEEDINGS AND RENEWAL OF THE BURBANK TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID).

### **BACKGROUND**

In 2011, City Council (Council) established Burbank's TBID to market and promote Burbank and its hotels as a desirable national and international destination. The TBID has successfully operated for more than 14 years and is currently on the final step of the process to renew the district for a new 10-year term. On September 9, 2025, Council adopted a Resolution of Intention to Renew the TBID. On October 14, 2025, a public meeting was held to accept public comment on the proposed renewal of the TBID, and on November 18, 2025, a final public hearing will be held for the Resolution of Renewal (Attachment 1).

#### DISCUSSION

The purpose of the final public hearing is to declare results of majority protest (if any) from members of the lodging<sup>1</sup> community and adopt the Resolution to Renew resulting in the renewal of the TBID for a new 10-year term beginning July 1, 2026.

<sup>&</sup>lt;sup>1</sup> Hotels are also commonly referred to as lodging businesses.

#### TBID Renewal Process

For the TBID to renew, a majority of Burbank hotels representing more than 50% of the total districts assessment must have signed a petition in favor of the renewal. A total of 14 hotels, representing 91.33% of the total district assessments have signed a petition in favor of renewing the TBID (Attachment 2). The four hotels who did not elect to sign a petition were, Ramada Inn, Burbank Inn and Suites, Best Western Media Center Inn & Suites, and Extended Stay America Los Angeles Burbank Airport. A majority of Burbank's lodging businesses have elected to pursue renewal of the TBID to continue having a stable revenue source devoted to marketing Burbank as a tourist, meetings, and events destination. This overwhelming support from the hotels provides Council the opportunity to adopt the Resolution of Renewal to renew the TBID for a new 10-year term.

If renewed, the TBID would generate approximately \$2,275,000<sup>2</sup> on an annual basis for promotion of travel and tourism, specific to Burbank (amount based on 1.75% of rental room revenue generated during Fiscal Year 2026-27). This is approximately \$875,000 more than is currently collected and will allow for increased marketing and destination development projects that enhance the visitor experience.

### Management District Plan

The Management District Plan (MDP) (Attachment 3) is the governing document which provides the framework for the TBID's operations and ensures that the funds are used exclusively based on the services noted in the MDP. Key components of the MDP are the following:

- Boundaries All lodging businesses existing or new with 25 or more rooms located within the boundaries of the City of Burbank;
- Budget Approximately \$2,275,000 annually;
- Assessment The initial annual assessment rate is 1.75% of gross short-term room rental revenue;
- Term 10-year life beginning July 1, 2026 through June 30, 2036; and
- Services Sales and Marketing and Destination Development. Sales and Marketing promotes Burbank as a tourist, meetings, and events destination through domestic, national and international marketing campaigns. Destination Development enhances the visitor experience through art exhibits, superhero statues, monument signage, gateway enhancements, and a visitor shuttle.

## <u>Timeline for Renewal</u>

- September 9, 2025 Council adopted the Resolution of Intention to Renew the TBID.
- September 12<sup>th</sup>, 2025 Written notice was sent to all hotel owners notifying them of the approval of the Resolution of Intention and providing them with the opportunity to protest the renewal.

<sup>&</sup>lt;sup>2</sup> Current assessment is 1% and generates approximately \$1,400,000 annually.

- October 14, 2025 A Public Hearing was held for Council to accept public comment regarding the proposed renewal of the TBID.
- November 18, 2025 A Public Hearing was scheduled to declare results of majority protest or opposition (if any) from hotels which represent more than 50% or more of the proposed assessments. If written opposition is received, and not withdrawn, the renewal process will end and no further action to renew the TBID can be taken for a period of one year from the date of the final public hearing date.
- If no opposition is received, or opposition representing less than 50% of the proposed assessment is received up until the close of the final hearing, Council may consider the renewal of the TBID on November 18, 2025.
- If renewed the new term of the TBID will begin July 1, 2026.

### **ENVIRONMENTAL REVIEW**

This report has no potential for resulting in a direct or reasonably foreseeable indirect physical change to the environment and falls outside the definition of a "project" under the California Environmental Quality Act (CEQA) and is therefore not subject to CEQA review pursuant to § 15378 of Title 14 of the California Code of Regulations (CEQA Guidelines).

### **FISCAL IMPACT**

The TBID currently contributes approximately \$234,600 annually towards Economic Development staff salaries. With the renewal, the proposed amount will be approximately \$386,750 annually. Should the Council elect not to renew the TBID, the City would forego the proposed \$386,750 salary funding as well as the potential to continue increasing Transient Occupancy Tax, Transient Parking Tax, and sales tax revenue for the City.

#### CONCLUSION

The TBID has a successful track record of enhancing Burbank's presence as a business and leisure tourist destination. Since 2011, the TBID has maintained the same 1% assessment rate, utilizing approximately \$1.4 million annually to promote Burbank as a top tourist destination through marketing and destination development. With the renewal of a new 10-year term, the assessment rate increase will support marketing and destination development initiatives like the design and implementation of monument/wayfinding signage, additional art exhibits like the Elephant Parade, and a possible trolley or shuttle service to enhance the visitor experience in Burbank. By moving forward with the renewal of the TBID, Council is reinforcing its commitment to enhance and grow the tourism sector in Burbank.

#### **ATTACHMENTS**

Attachment 1 – Resolution

Attachment 2 – Signed Petitions

Attachment 3 – Management District Plan

Correspondences