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December 16, 2016

Ms. Jill Lederer
President / CEO
Greater Conejo Valley Chamber of Commerce
600 Hampshire Road, Suite 200
Westlake Village, CA 91361

Re: Proposal to Renew the Conejo Valley Tourism Improvement District

Dear Ms. Lederer:

I am pleased to present to you our enclosed proposal for services to renew the Conejo Valley Tourism Improvement District ("CVTID"). Civitas is California's premier consultant in TID formation and renewal. We will bring to Conejo Valley the experience and expertise necessary to guide a successful TID renewal process.

Civitas has served as consultant to 80 of California's 98 TIDs. We have been forming and renewing special districts since 1995, and assisting in the operation of those districts since 2000. Our track record in successfully forming and renewing districts is California's best.

Our proposal outlines the necessary steps for a successful TID renewal process. Our process is designed to secure significant support for the project while complying with applicable laws. Throughout the process we will work closely with your staff, business owners, and local officials to create a specialized district meeting Conejo Valley's needs. We will guide a process that will be promptly responsive to the needs and concerns of Conejo Valley stakeholders.

Thank you for the opportunity to submit this proposal. I look forward to working with you on this exciting project.

Best Regards,

John Lambeth, Esq.

1102 Corporate Way, Suite 140
Sacramento, CA 95831
(800)999-7781 • www.civitasadvisors.com

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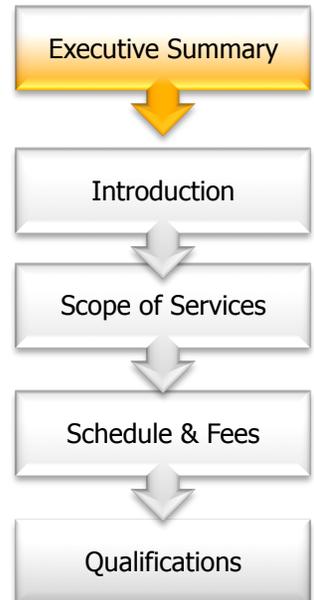


I. Executive Summary

Civitas proposes to assist the Greater Conejo Valley Chamber of Commerce (“the Chamber”) with renewal of the Conejo Valley Tourism Improvement District (“CVTID”). Civitas has formed or renewed a majority of California’s tourism Improvement districts, and will provide expert advice and guidance throughout the project.

Our proposal encompasses five steps leading to successful CVTID renewal. Civitas will update the database of district businesses, assist in consensus building, prepare and revise documents, and guide the City Council hearing process. Throughout the project Civitas will work closely with business owners and City officials.

We anticipate completion of the project in six months. If started in January 2017, the project could be completed by June 2017. If the project is completed during this time period, Civitas’ fees and expenses would not exceed \$25,500.



"The Santa Ynez Valley Hotel Association worked closely with the staff of Civitas to establish the first TBID in Santa Barbara County. We found John and his staff to be knowledgeable and efficient, working within our budget and timeline, always with integrity and patience. Their extensive TBID experience throughout the state, and their ability to work directly with city and county governments, gave our hoteliers confidence that the TBID we crafted together would meet our needs."

-Bill Phelps, Board Chair
Santa Ynez Valley Hotel Association



II. Introduction

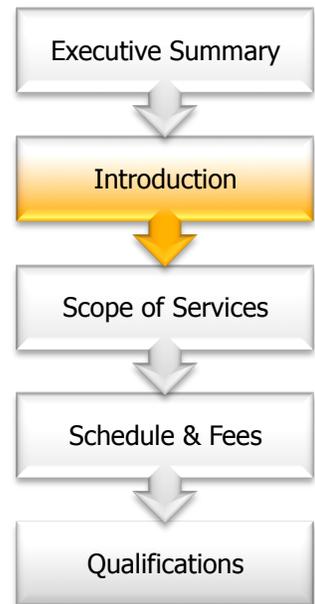
Thousands of business owners in cities throughout the United States are successfully using business improvement districts to improve their businesses. The proven track records of those districts led to implementation of BIDs for tourism promotion in California. Businesses in Conejo Valley have expressed interest in using this model to form and grow a stable funding source that will help support them.

The Property and Business Improvement District Law of 1994 (“1994 Law”) is a powerful tool available to business owners and local governments. This law empowers private business owners to work closely with local government officials and establish a new funding source dedicated to providing services which benefit the businesses.

As with most areas, there is a greater need for tourism promotion services in Conejo Valley than can be provided with limited government funding. The TID can address this need and provide a dependable source of revenue for marketing Conejo Valley lodging businesses.

In concert with the Chamber, the Civitas team will guide a renewal process that includes developing and manipulating data, obtaining feedback from business owners, preparing legal documents including a Management District Plan, guiding the petition drive, and attending City Council hearings.

This proposal is based on the understanding that business owners and the Chamber will provide assistance and time needed to facilitate the process on the local level, including some database work, substantial time devoted to outreach meetings, and gathering support and signed petitions from businesses.





III. Scope of Services

Overview

Five steps are anticipated over five months, resulting in successful CVTID renewal. The five steps are briefly described below and outlined in further detail on the following pages.

Step One: Initiation/Infrastructure

This step creates the necessary leadership structure to carry out the project. During this step Civitas, the Chamber, and business owners will identify their respective roles in the formation process. This step also includes gathering information on the district.

Step Two: Outreach and Consensus Building

Outreach efforts are undertaken in step two to connect with business owners and City officials and gain their support for the district.

Step Three: Document Preparation

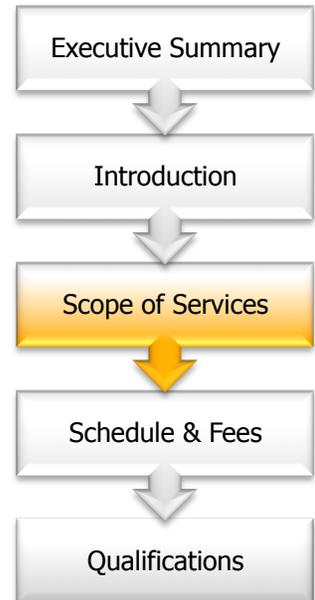
In step three documents necessary to form the district are drafted. Civitas will work closely with business owners, the Chamber, and the City to ensure documents reflect the needs and priorities of assessed businesses.

Step Four: Document Revision

Documents drafted by Civitas will be submitted to the Chamber, business owners, and the City for review. Based on their input, Civitas will revise documents as necessary and prepare final documents.

Step Five: Hearing Process

Finally, Civitas will guide the Chamber through the City Council hearing process to renew the district.





Step One: Initiation and Infrastructure

This task includes development of program infrastructure necessary to carry out a successful renewal project. Civitas will work with the Chamber to update the database of district businesses.

1.1 Develop Project Parameters

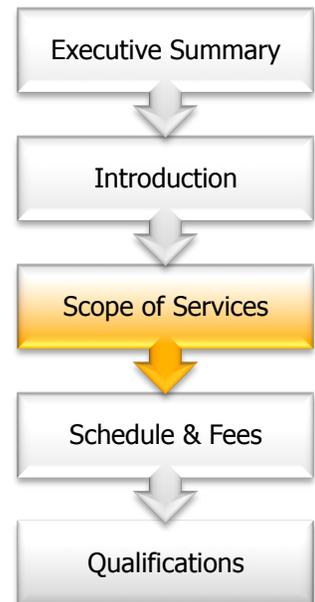
Civitas will work with the Chamber and business owners to clarify the project parameters. Assignments for Civitas, the Chamber, and business owners will be established.

1.2 Leadership Infrastructure

A project steering committee composed of the Chamber staff, business owners, and City staff, will be formed. We will work with the steering committee to provide guidance and keep the project on track.

1.3 Database

Civitas will work with the Chamber to update the district database. The database will be used for various purposes throughout the project, including calculating assessments and mass mailings. Variables that may need to be assembled include business name and address, owner name, business type or occupancy, and revenue. Revenue is proprietary information; Civitas will sign a non-disclosure agreement if necessary, or work with the City to determine the petition and protest weight of each business.





Step Two: Outreach and Consensus Building

It is our understanding that the steering committee will conduct outreach to, and build consensus among, business owners within the district. Reaching out to business owners and City staff and officials is a crucial piece of the renewal process. This step includes one trip by Civitas to Conejo Valley to meet with business owners and City staff and officials.

2.1 Develop Outreach Program

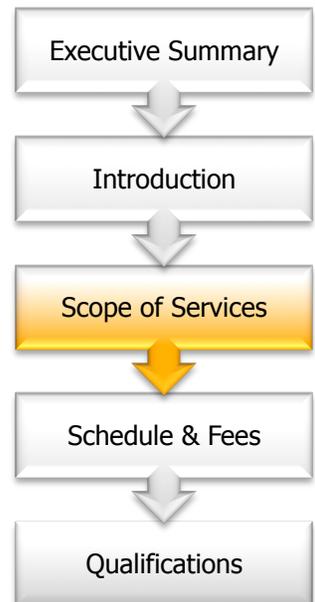
Civitas and the Chamber will work together to develop an effective outreach program. The program will include educating City staff and officials and business owners about TIDs, and seeking their input on the best strategy for Conejo Valley.

2.2 Establish District Parameters

During the outreach process, priorities for services will be established. An assessment rate which will be proportional to the services received by each business will be developed. Other elements of the district, such as governance provisions and service priorities, will also be determined.

2.3 Database

The initial database will be updated and manipulated throughout the outreach process. Civitas and the Chamber will build on previously obtained information to maintain a complete and current database of district businesses.



"John Lambeth and his team at Civitas are the 'go to' people for creating marketing districts. Their knowledge and professionalism not only made this complicated process easier to maneuver, they were instrumental in helping us achieve success in creating our district."

-Leslee Gaul, CEO and President
Visit Oceanside Conference and Visitors Bureau



Step Three: Document Preparation

Civitas will utilize information gathered in the outreach and consensus building process to prepare documents required for CVTID renewal.

3.1 Management District Plan

Civitas will prepare a Management District Plan that complies with California law and serves as a user-friendly educational tool. The Management District Plan will include:

- District rationale and objectives
- District boundaries, benefit zones, and business classifications
- Service plan and annual budget
- Proposition 26 compliance provisions
- Assessment rate
- Governance structure
- District rules and regulations
- Exhibits including a map and list of businesses

3.2 Petition

The 1994 Law requires signed petitions from businesses to begin the district renewal process. Civitas will draft the petition based on the Management District Plan.

3.3 Resolutions and Notice

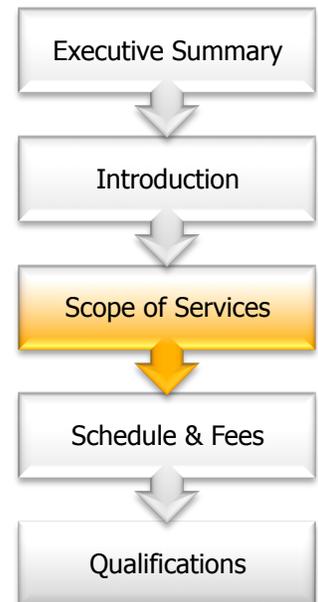
Civitas will draft the two resolutions necessary to renew the district: a Resolution of Intention and a Resolution of Formation. The resolutions will include parameters from the Management District Plan and other legally required elements. A notice must also be sent to businesses proposed to be in the district; Civitas will draft the notice.

3.4 Consent Resolutions

Because the District spans multiple cities, each will need to grant consent to the renewal. Civitas will draft the necessary resolutions and provide them to the respective jurisdictions.

3.5 Modification Documents

We will prepare the documents needed to modify the District's termination date.





Step Four: Document Revision

Draft documents will be submitted to the steering committee, the Chamber, and City for review. Civitas will revise drafts as necessary.

4.1 Steering Committee Review

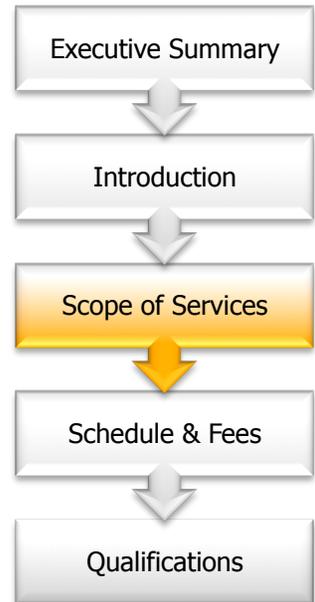
Civitas will submit draft documents to the steering committee for review. Civitas will revise documents to incorporate any comments from the steering committee.

4.2 Consultation with Counsel

Civitas' staff will work with the City Attorney's office to obtain their review and approval of documents. Civitas will incorporate their comments as necessary, and prepare finalized documents.

4.3 Finalization

Based on comments from the steering committee and City Attorney, Civitas will prepare a final version of the Plan. Finalization may require several rounds of edits and negotiation between the parties.





Step Five: Hearing Process

Once the steering committee and City have approved final documents, Civitas will assist in submitting the project to the City Council.

5.1 District Finalization

Civitas will take all necessary steps to prepare for district renewal. This will include coordinating with City staff to set and prepare for hearings and discussing legal matters with the City Attorney. Frequent phone calls, email correspondence, and other communications will be necessary throughout this step. The City will undergo two concurrent processes; modifying the current district and renewing it. We will work with the City to conduct the hearing process accordingly.

5.2 Petition Collection

Civitas will work with the steering committee to ensure adequate petition support has been garnered. This will include working with the City to devise a calculation method, and working with the steering committee to identify the most influential businesses. The steering committee and the Chamber will be responsible for collecting signed petitions from businesses.

5.3 Resolution of Intention

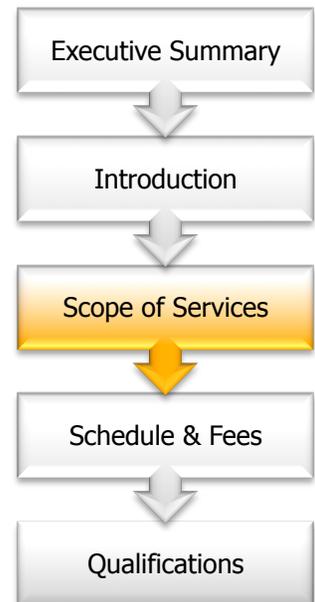
Civitas will attend the City Council hearing on the Resolution of Intention, if requested. If necessary, Civitas will be prepared to make a brief presentation about the district to the City Council. After the Resolution of Intention is adopted, Civitas will coordinate with City staff to ensure notice is given to district businesses in accordance with the 1994 Law.

5.4 Public Meeting

Civitas will help the Chamber prepare for the public meeting. Civitas will outline the requirements of the meeting and work with counsel to ensure compliance with the 1994 Law.

5.5 Public Hearing

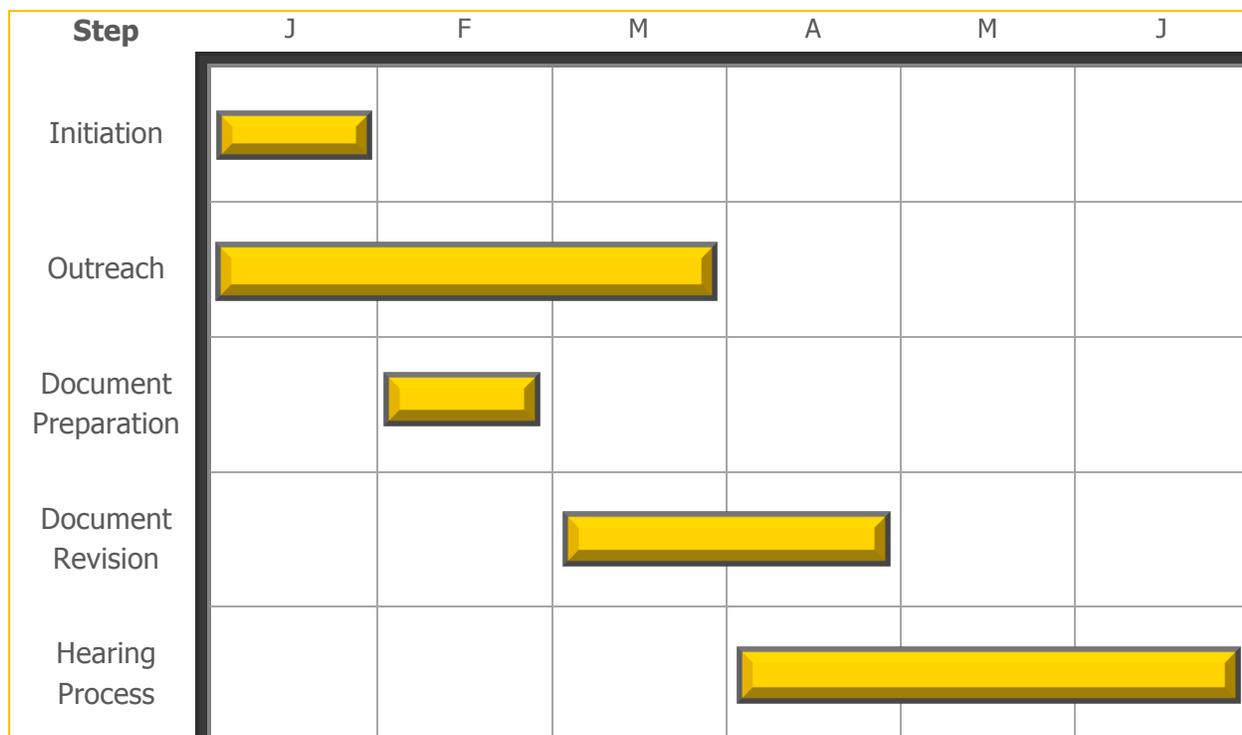
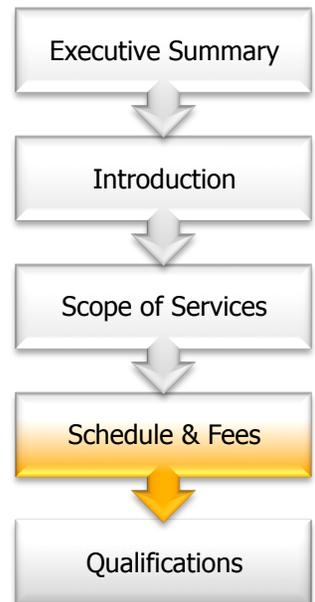
Civitas will attend the public hearing, if requested, and be prepared to make presentations and address any issues that may arise.



IV. Schedule and Fees

Schedule

We estimate that the project can be completed in six months. If started in January 2017, the project could be finished by June 2017. As you know, there are many unknown variables in a project of this nature. Although we would work diligently to renew the district, factors outside Civitas and the Chamber’s control could delay or thwart even the best-developed plans. We will work to minimize risks and complete the project at the earliest possible date. Our expected progress for the project is below.





Fees

Fees

Civitas' fees for the scope of work in this proposal reflect our professional team's quality and experience. Our professional fees for the scope of services and timeline described herein shall be \$24,000. Fees and expenses include one trip to Conejo Valley. If additional trips are necessary, we would be happy to make additional trips for a professional fee of \$750 per trip.

Expenses

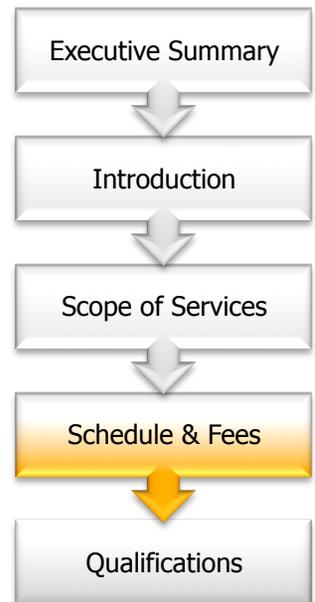
Civitas will incur various costs and expenses in performing services described in this proposal. The Chamber will be responsible for all costs and expenses in addition to the professional fees. Ordinary costs and expenses, including telephone charges, postage, and photocopying will be billed at 4% of professional fees. Other costs, such as travel, overnight shipping, bulk mailing, and bulk printing costs (over 100 pages) shall be billed at Civitas' actual cost. Expenses are not expected to exceed \$1,500.

Staff

It is anticipated that Gina Trechter, Melanee Cottrill, and Nathan Hyde will work on this project.

Billing

Civitas proposes a fixed monthly fee of \$4,000 per month for six months. A start-up fee of 10% of project costs, \$2,550, will be due and payable upon execution of an agreement for services between Civitas and the Chamber. The amount of the start-up fee will be deducted from the final invoice, which will also be adjusted to account for the total contract price. Civitas will send the Chamber a monthly invoice for fees and costs incurred. Invoices will include the fixed professional fee and expenses. The basis of calculation or other method of determining expenses will be clearly identified by item and amount. If the project is completed within the scope and timeline described herein, fees and expenses shall not exceed \$25,500.





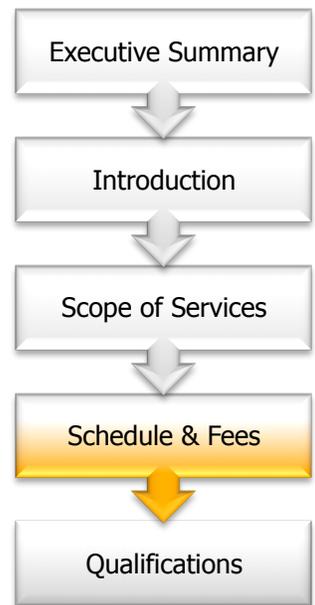
Cost Assumptions and Guidelines

We have projected a specific amount of time for CVTID renewal. It is assumed that the project will not exceed the budgeted amount of time. If unanticipated comments result in additional time beyond that which has been projected, we would continue billing professional fees of \$4,000 per month for the project duration. Factors that could increase the scope of work and estimated costs outlined above include additional meetings not described in this proposal, analysis of additional issues above those described in this proposal, or a lack of steering committee and business owner involvement in the project.

Business Information

The database for this project will rely on information from the City. Errors can and will occur in this data. While Civitas will do its utmost to identify and correct any errors, it is acknowledged that data will always contain errors. We recommend the Chamber continue to pursue data correction strategies during and after renewal, including mailings and error checking by City officials.

Thank you for the opportunity to submit this proposal. We look forward to working with you.

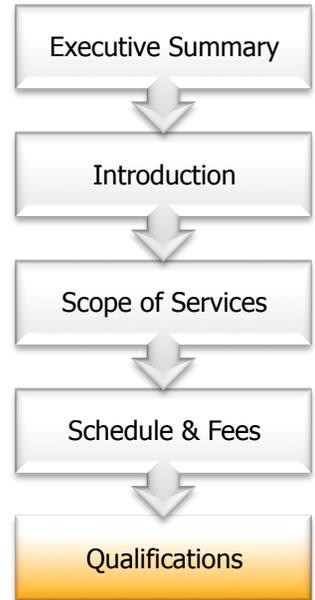




V. Qualifications

Partial Client List – TID Projects

Carlsbad Tourism Business Improvement District
Claremont Tourism Business Improvement District
Coronado Tourism Business Improvement District
Dana Point Tourism Business Improvement District
Del Mar Tourism Business Improvement District
Fairfield Tourism Business Improvement District
Folsom Tourism Business Improvement District
Fresno-Clovis Tourism Business Improvement District
Lodi Tourism Business Improvement District
Long Beach Tourism Business Improvement Area
Los Angeles Tourism Marketing District
Madera County Tourism Business Improvement District
Marin County Tourism Business Improvement District
Mariposa County Tourism Business Improvement District
Mendocino County Tourism Business Improvement District
Monterey County Tourism Business Improvement District
Napa Valley Tourism Improvement District
National City Tourism Marketing District
Newport Beach Tourism Business Improvement District
Oceanside Tourism Marketing District
Placer Valley Tourism Business Improvement District
Rancho Cordova Tourism Business Improvement District
Redding Hilltop Hotel Business Improvement District
Sacramento Tourism Marketing District
San Diego Tourism Marketing District
San Jose Hotel Business Improvement District
San Luis Obispo County Tourism Business Improvement District
Santa Barbara South Coast Tourism Business Improvement District
Santa Cruz County Tourism Business Improvement District
Santa Monica Tourism Marketing District
Santa Ynez Valley Tourism Business Improvement District
Sonoma City Tourism Improvement District
South Lake Tahoe Tourism Improvement District
Stockton Tourism Business Improvement District
Temecula Valley Tourism Business Improvement District
Tri-Valley Tourism Business Improvement District
Torrance Tourism Business Improvement District
Vallejo Tourism Business Improvement District
Ventura-Oxnard-Camarillo Tourism Business Improvement District
West Hollywood Tourism Business Improvement District



Staff Biographies

Gina Trechter, Project Manager



Ms. Trechter is Civitas’ Project Manager in the Greater Los Angeles area. She has an extensive background in the hospitality industry in sales, marketing and event planning. She graduated from Loyola Marymount University in Los Angeles, CA with a bachelor’s degree in Business Administration with an emphasis in Marketing, and is a founding member of the LAX Coastal Area Chamber Young Professional’s Organization.

Melanee Cottrill, RP, Operations Manager

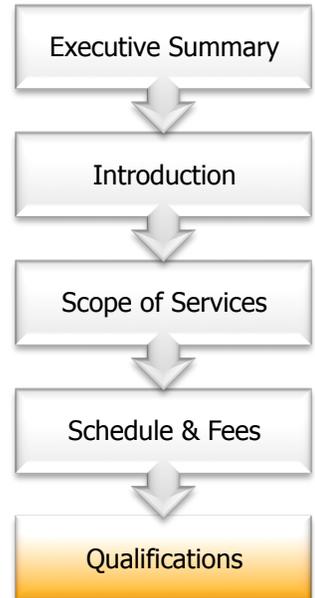


Mrs. Cottrill began her career in the legal field at the firm Gardner, Janes, Nakken, Hugo and Nolan while attending California State University, Sacramento. While at CSUS she was inducted into the Phi Kappa Phi, Phi Alpha Theta, and Golden Key honor societies. She earned a bachelor’s degree in history with honors. Mrs. Cottrill has spent several years managing the operation of assessment districts, specializing in budget and legal document preparation. She is also the Immediate President of the Sacramento Valley Paralegal Association and the President of the Bits ‘N Speeches Toastmasters club.

Nathan Hyde, Paralegal



Mr. Hyde began his career in the legal field as an intern at Friends of the River while attending American River College. He earned an associate’s degree in legal assisting with highest honors. Mr. Hyde is currently attending Lincoln Law School of Sacramento with the aspiration of practicing law in California. He specializes in legal research and legal document drafting and revision.





Industry Contacts

Civitas has had the pleasure of working with many experts in the tourism promotion field. The following individuals have extensive experience with tourism promotion, including establishing and operating tourism improvement districts.

Mr. Kelly Miller
President
Visit Huntington Beach
(714)969-3492

Mr. Gary Sherwin
President
Newport Beach Conference and Visitors Bureau
(949)719-6100

