

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

634



FROM: Economic Development Agency

SUBMITTAL DATE:
May 5, 2011

SUBJECT: Public hearing and Resolution No. 2011-102, Confirming the Report of the Advisory Board of the Palm Springs Desert Resort Communities Tourism Business Improvement District (BID) and Levying an Assessment for Fiscal Year 2011-2012

RECOMMENDED MOTION: That the Board of Supervisors :

1. Adopt Resolution No. 2011-102, Confirming the Report of the Advisory Board of the Tourism BID and Levying an Assessment for Fiscal Year 2011-2012;
2. Hold the public hearing and at the conclusion of the public hearing overrule all protests to the proposed annual assessment levy for fiscal year 2011-2012 and the proposed types of activities, and determine that a majority protest does not exist.

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: N/A

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature BY:
Elizabeth J. Olson

FOR UNAPPROVED COUNTY COUNSEL
 DATE
 BY: NEAL R. KIPNIS
 Departmental Concurrence
 Don Kent, Treasurer-Tax Collector
 Office of the Treasurer-Tax Collector
 By:
 Dept Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Economic Development Agency

Public hearing and Resolution No. 2011-102, Confirming the Report of the Advisory Board of the Palm Springs Desert Resort Communities Tourism Business Improvement District (BID) and Levying an Assessment for Fiscal Year 2011-2012

May 5, 2011

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BACKGROUND

On November 25, 2008, the Riverside County Board of Supervisors adopted Ordinance No. 883 establishing the Tourism BID.

Resolution No. 2011-102, confirms, adopts, and approves the Tourism BID Advisory Board's report for fiscal year 2011-2012, as originally filed with the Clerk of the Board. This report identifies the activities of the Tourism BID, the estimated costs of the activities, and the method and bases of levying of the assessment under the Tourism BID.

The level of assessment being considered for the fiscal year 2011-2012 Tourism BID will remain at 2% of the sale of overnight room stays and will apply only to hotels and motels with 50 or more sleeping rooms. There are approximately 75 hotels/motels within the proposed Tourism BID boundaries that fall in this category. The total annual revenue projected in fiscal year 2011-2012 is approximately \$5.58 million. The revenue collected will be used to fund the following activities to promote tourism for the Tourism BID jurisdictions in the Coachella Valley:

1. Marketing;
2. Brochure development and distribution;
3. Promotion of public events that benefit businesses in the area and take place on or in public places within the area; and
4. Activities that benefit businesses located and operating in the area, including but not limited to downtown shopping and promotional programs.

2 RESOLUTION NO. 2011-102

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4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 CONFIRMING THE REPORT OF THE ADVISORY BOARD OF THE PALM SPRINGS DESERT
6 RESORT COMMUNITIES TOURISM BUSINESS IMPROVEMENT DISTRICT AND LEVYING AN
7 ASSESSMENT FOR FISCAL YEAR 2011-2012

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9 WHEREAS, the California Legislature adopted the Parking and Business Improvement Area Law
10 of 1989 (Streets & Highways Code § 36500 et. seq.) (the "Act") to authorize cities and counties to levy
11 assessments on businesses in order to promote economic revitalization and tourism, to create jobs, attract
12 new businesses and prevent erosion of business districts; and

13 WHEREAS, the Board of Supervisors of the County of Riverside (the "Board of Supervisors")
14 established a business improvement district, under the Act, to be commonly known as the Palm Springs
15 Desert Resort Communities Tourism Business Improvement District ("Tourism BID"), the purpose of
16 which is to promote tourism within the desert communities and to fund programs that benefit the hotel and
17 motel businesses within the desert communities; and

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19 WHEREAS, the territory included in the Tourism BID is coterminous with the operational
20 boundaries of the Palm Springs Desert Resort Communities Convention and Visitors Authority ("CVA"),
21 including unincorporated Coachella Valley and the cities of Cathedral City, Desert Hot Springs, Indian
Wells, Indio, La Quinta, Palm Springs, Palm Desert, and Rancho Mirage, which cities have granted the
County of Riverside authority to establish the Tourism BID within their jurisdictions; and

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23 WHEREAS, lodging businesses within the boundaries of the Tourism BID requested that the Board
of Supervisors establish the Tourism BID; and it is the opinion of the Board of Supervisors that the hotel
and motel businesses located within the Tourism BID have benefited and will continue to benefit from the
activities of the Tourism BID; and

FOR APPROVED COUNTY COUNSEL
BY: *[Signature]*
NEAL & KIRNIS & ASSOCIATES
DATE: 5/24/11

1 WHEREAS, by adopting Resolution Number 2008-330, on July 1, 2008, the Board of Supervisors
2 appointed the Hospitality Industry and Business Council, Inc. (formerly known as the Hospitality Industry
3 and Business Council of CVA) to serve as the Advisory Board for the Tourism BID; and

4 WHEREAS, the Advisory Board filed an annual report with the Clerk of the Board identifying the
5 activities to be provided for fiscal year 2011-2012 within the Tourism BID, the estimated costs of providing
6 those activities, and the method and basis of levying assessments on assessable businesses within the
7 boundaries of the Tourism BID; and

8 WHEREAS, the Board of Supervisors tentatively approved said report subject to any further
9 modification that might be necessary or desirable based upon recommendations by staff and the public at
10 the public hearing concerning the Tourism BID and the proposed annual levy; and

11 WHEREAS, the public hearing concerning the annual report, the Tourism BID, the proposed
12 activities to be undertaken, the estimated cost of those activities, and the proposed levy of an annual
13 assessment was held on May 17, 2011; and

14 WHEREAS, during the public hearing the Board of Supervisors heard the testimony of all interested
15 persons for or against the Tourism BID, the furnishing of specific types of activities, the estimated cost of
16 those activities, and the proposed levy of an annual assessment for fiscal year 2011-2012; and

17 WHEREAS, at the public hearing, the Board of Supervisors also heard, considered, and overruled
18 all protests against the Tourism BID, the furnishing of specific types of activities, the estimated cost of
19 those activities, and the proposed levy of an annual assessment for fiscal year 2011-2012 and determined
20 that a majority protest did not exist;

21 NOW, THEREFORE, the Board of Supervisors of the County of Riverside does hereby resolve,
22 find, determine and order as follows:

23 Section 1. Recitals are True and Correct. The recitals set forth herein are true and correct.

24 Section 2. Annual Report of Advisory Board Confirmed. The Board of Supervisors hereby
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1 confirms, adopts, and approves the annual report for fiscal year 2011-2012 as originally submitted and filed
2 by the Advisory Board. The Tourism Bid, the activities, the estimated costs of the activities, and the
3 proposed levy of an annual assessment as described in the annual report are confirmed, adopted, and
4 approved.

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6 An annual assessment shall be levied on Assessable Hotels and Assessable Motels within the
7 boundaries of the Tourism BID for fiscal year 2011-2012. The method and basis of levying the annual
8 assessment remains unchanged from prior fiscal years. There will be no increase in the annual assessment.
9 The assessment for hotels and motels with fifty (50) or more sleeping rooms is two percent (2 %) of the
10 gross rental charges for overnight room stays. Gross Rental Charges shall equal the total dollar amount
11 charged for overnight room rentals to guests (with the exception of government employees and with the
12 exception of long term guests who stay more than twenty-eight consecutive nights at the same Assessable
13 Hotel or Assessable Motel), but shall not include incidental room charges such as room service, video
14 rental, or similar charges. Gross Rental Charges are equal to the total consideration charged for room rental
15 valued in U. S. dollars, whether or not received and whether received in money or other consideration such
16 as goods, labor, property or otherwise. New hotels and motels that have fifty (50) or more sleeping rooms
17 and are located within the Tourism BID boundaries will not be exempt from the assessment levy pursuant
18 to Section 36531 of the California Streets and Highways Code. For further details, reference is made to the
19 report on file with the Clerk of the Board and to the ordinance establishing the Tourism BID.
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22 The adoption of this resolution shall constitute the levy of an assessment for fiscal year 2011-2012.

23 The County Treasurer-Tax Collector shall establish an interest bearing trust fund for deposit of all
24 assessments collected for fiscal year 2011-2012. On a quarterly basis, the County Treasurer-Tax Collector
25 may deduct monies from the trust fund to reimburse itself and other County departments for actual costs
26 associated with the administration of the Tourism BID. On a quarterly basis, after first deducting such
27 administrative costs, the County Treasurer-Tax Collector shall transfer all remaining assessment revenues
28 and interest in the trust account to CVA for expenditure pursuant to and in accordance with the annual

1 report. Transferred assessment revenues shall only be expended for expenditures authorized by the
2 ordinance establishing the Tourism BID and the annual report as confirmed by this resolution.

3 Section 3. Effective Date. This resolution shall take effect immediately upon its adoption.

4 PASSED AND ADOPTED this 17th day of May 2011.

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6 ATTEST:

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10 Clerk of the Board

11 Bob Buster, Chairman
12 Board of Supervisors of the County of Riverside
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