

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

810



FROM: Economic Development Agency

SUBMITTAL DATE:
May 3, 2012

SUBJECT: Public Hearing and Resolution No. 2012-121 Confirming the Report of the Advisory Board of the Palm Springs Desert Resort Communities Tourism Business Improvement District and Levying an Assessment for Fiscal Year 2012-2013

RECOMMENDED MOTION: That the Board of Supervisors :

1. Adopt Resolution No. 2012-121 Confirming the Report of the Advisory Board of the Tourism Business Improvement District (BID) and Levying an Assessment for Fiscal Year 2012-2013; and
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 2012-2013 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:	2012/13

COMPANION ITEM ON BOARD 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

BY:
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY:
DALE A. GARDNER
Departmental Concurrence
DATE: 5/15/12

By: Don Kent, Treasurer-Tax Collector
Office of the Treasurer-Tax Collector

Dep't Recomm.: Consent

Per Exec. Ofc.: Consent

Policy

Policy

Prev. Agn. Ref.: 3.17 of 4/26/11

District: 4/4, 5/4

Agenda Number **9.7**

BACKGROUND:

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

Resolution No. 2012-121, confirms, adopts, and approves the Tourism BID Advisory Board's report for fiscal year 2012-2013, 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 2012-2013 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 2012-2013 is approximately \$6.17 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. 2012-121

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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 2012-2013

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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
22 Wells, Indio, La Quinta, Palm Springs, Palm Desert, and Rancho Mirage, which cities have granted the
23 County of Riverside authority to establish the Tourism BID within their jurisdictions; and

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

FORM APPROVED COUNTY COUNSEL
DATE 4/25/12
BY DALE A. GARDNER

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 2012-2013 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 15, 2012; 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 2012-2013; 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 2012-2013 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 2012-2013 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.

5 An annual assessment shall be levied on Assessable Hotels and Assessable Motels within the
6 boundaries of the Tourism BID for fiscal year 2012-2013. The method and basis of levying the annual
7 assessment remains unchanged from prior fiscal years. There will be no increase in the annual assessment.
8 The assessment for hotels and motels with fifty (50) or more sleeping rooms is two percent (2 %) of the
9 gross rental charges for overnight room stays. Gross Rental Charges shall equal the total dollar amount
10 charged for overnight room rentals to guests (with the exception of government employees and with the
11 exception of long term guests who stay more than twenty-eight consecutive nights at the same Assessable
12 Hotel or Assessable Motel), but shall not include incidental room charges such as room service, video
13 rental, or similar charges. Gross Rental Charges are equal to the total consideration charged for room rental
14 valued in U. S. dollars, whether or not received and whether received in money or other consideration such
15 as goods, labor, property or otherwise. New hotels and motels that have fifty (50) or more sleeping rooms
16 and are located within the Tourism BID boundaries will not be exempt from the assessment levy pursuant
17 to Section 36531 of the California Streets and Highways Code. For further details, reference is made to the
18 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 2012-2013.

23 The County Treasurer-Tax Collector shall establish an interest bearing trust fund for deposit of all
24 assessments collected for fiscal year 2012-2013. 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 15th day of May 2012.

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6 ATTEST:

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Clerk of the Board

John F. Tavaglione, Chairman
Board of Supervisors of the County of Riverside

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NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE

RESOLUTION NO. 2012-108

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE DECLARING ITS INTENTION TO LAY AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2012-2013 ON CERTAIN HOTELS AND MOTELS LOCATED WITHIN THE BOUNDARIES OF THE TOURISM IMPROVEMENT DISTRICT, THE COUNTY COMMUNITY TOURISM BUSINESS IMPROVEMENT DISTRICT AND SETTING THE TIME AND PLACE OF A PUBLIC HEARING AND DETERMINING DATE OF SAME.

WHEREAS, the California Legislature in adopting the Parking and Business Improvement Area Act on 1989 (Chapter 969 of the Statutes of 1989) and the Act's subsequent amendments have levied assessments on businesses in order to promote economic revitalization and tourism, to create jobs, attract new businesses and prevent erosion of business districts; and

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

WHEREAS, the benefited hotel and motel businesses within the Tourism BID boundaries requested the Board of Supervisors to establish the Tourism BID and to levy annual assessments in kind and against certain tourism-related activities; and

WHEREAS, the territory included within the boundaries of the Tourism BID is contiguous with the operational boundaries of the Palm Springs Desert Resorts Convention and Visitors Authority ("CVA") which includes the geographical area within 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 consent to establish the Tourism BID within their jurisdictions; and

WHEREAS, the Hospitality Industry and Business Council, Inc. was designated by the Board of Supervisors pursuant to Government Code Section 36533 as the advisory board to the Tourism BID (Advisory Board) which makes recommendations concerning the Tourism BID, its operations, the expenditure of revenues derived from assessments levied by the County of Riverside related to the Tourism BID and which is authorized to incur obligations and fund derived from these assessments, in accordance with policy guidelines established by the Board of Supervisors; and

WHEREAS, the Advisory Board has filed an annual report with the Clerk of the Board; and

WHEREAS, the Advisory Board's annual report recommends the levy of an annual assessment for fiscal year 2012-2013 on assessable hotel and motel businesses located within the Tourism BID to pay for recommended tourism-related activities that will benefit the assessable hotel and motel businesses located within the Tourism BID; and

WHEREAS, the Board of Supervisors approves the annual report and intends to levy an annual assessment for fiscal year 2012-2013 to pay for recommended tourism-related activities within the Tourism BID; and

WHEREAS, it is the opinion of the Board of Supervisors that all of the assessable hotel and motel businesses located within the Tourism BID will benefit from the activities of the Tourism BID; and

WHEREAS, the Resolution of Intention will commence proceedings under the Act to levy the annual assessment for fiscal year 2012-2013 within the Tourism BID.

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

- Section 1. Purpose, Use and Context.** The articles set forth herein are true and correct.
- Section 2. Intent, Levy and Subject Assessments.** Within the Tourism BID for fiscal year 2012-2013, Pursuant to and under authority of the Act, except where funds are otherwise available, the Board of Supervisors declares its intent to levy and collect an annual assessment for fiscal year 2012-2013 within the boundaries of the Tourism BID to fund the tourism-related activities recommended in the Advisory Board's annual report on file with the Clerk of the Board. Pursuant to the Act and Ordinance No. 183, an annual assessment to be levied on all hotels and motels that have fifty (50) or more sleeping rooms and are located within the Tourism BID boundaries. It is estimated that approximately \$5,500,000 in revenues will be raised by the intended annual assessment.
- Section 3. Method and Basis of Levy.** The method and basis of levying the intended annual assessment remains unchanged from prior fiscal years. There will be no increase in the annual assessment. The method and basis of levying the intended annual assessment follows:
- The assessment for hotels and motels with fifty (50) or more sleeping rooms is two percent (2%) of the gross rental charges for overnight room stays. Gross Rental Charges shall equal the total dollar amount charged for overnight room stays to guests, including the tax on the employment and with the exception of long-term guests who stay more than thirty-night consecutive nights at the same Assessable Hotel or Assessable Motel, but shall not include incidental room charges such as room service, video rental, or similar charges. Gross Rental Charges are equal to the total consideration charged for room rental, value added tax, and other, whether or not received and whether received in money or other consideration such as goods, labor, property or otherwise.
 - Hotels and motels that have fifty (50) or more sleeping rooms and are located within the Tourism BID boundaries will be exempt from the assessment levied pursuant to Section 36531 of the California Statute and Highway Code.
- Section 4. Types of Items to be Levied.** The proposed type or types of activities to be funded by and through the annual levy of assessments on assessable hotel and motel businesses within the Tourism BID are as follows:
- Marketing, advertising and public relations.
 - Business development and distribution.
 - Promotion of public events which benefit businesses in the area and which take place on or in public places within the area.
 - Activities which benefit businesses located and operating in the area, including but not limited to downtown shopping and promotional programs.

If improvements are intended to be funded by the annual assessment:

Section 5. Intent to Adopt Report. Reference is made in the annual report on file with the Clerk of the Board to a full and detailed description of the improvements and activities to be provided for fiscal year 2012-2013, as well as to the boundaries of the Tourism BID and the proposed annual assessment to be levied upon businesses within the Tourism BID for fiscal year 2012-2013.

Section 6. Approval of Advisory Board's Annual Report. The Board of Supervisors approves the annual report subject to any further modification that may be necessary or desirable based upon future recommendations by staff and the public at the public hearing.

Section 7. Notice of Time and Place of Public Hearing.

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the County of Riverside will hold a Public Hearing on the intended levy of an annual assessment for fiscal year 2012-2013 within the Tourism BID.

The time and place of the public hearing on the intended levy of the annual assessment shall be at 9:30 a.m., May 15, 2012, at noon thereafter as the matter may be found, at the Board of Supervisor's Chambers, located on the first floor of the County Administration Center, 4080 Lenon Street in Riverside, California 92501. The public hearing may be continued from time to time as necessary.

At the public hearing set forth above, the Board of Supervisors will hear the testimony of all interested parties for or against the Tourism BID, the financing of specific types of improvements or activities within the Tourism BID boundaries, and the intended levy of an annual assessment within the Tourism BID.

At the public hearing, the Board of Supervisors will also hear and consider all oral and written protests made by any owner of an assessable hotel or assessable motel located within the Tourism BID boundaries against the Tourism BID, against the financing of specific types of improvements or activities within the Tourism BID, and against the intended levy of an annual assessment within the boundaries of the Tourism BID. At the conclusion of the public hearing the Board of Supervisors will determine whether or not a majority protest exists under the Act.

Any person who wishes to be heard regarding the Tourism BID may appear at the public hearing or may send written comments to: Alicia Harper-Riem, Clerk of the Board, 4080 Lenon Street, Riverside, CA 92501. For further information concerning the Tourism BID and proposed annual assessment may be obtained from JoAnn Corrales, Senior Marketing/Development Specialist, Riverside County Economic Development Agency, 3499 10th Street, Suite 100, Riverside, CA 92501. Telephone number (951) 926-0994.

Pursuant to the Assessor's and the Assessor's Act, if you need special assistance to participate in the public hearing, or if you need further information relating to the subject hearing, please contact the Clerk of the Board's Office at (951) 926-1000. Publication of least 48 hours prior to the meeting will assist the County staff in ensuring that reasonable arrangements can be made to provide accessibility.

The Clerk of the Board is authorized and directed to publish a copy of this resolution in a newspaper or newspapers of general circulation within the unincorporated area of the Coachella Valley of the County and within each of the cities of Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Springs, Palm Desert, Palm Springs, and Rancho Mirage once per week for one week. Such publication shall be a display advertisement of at least one-eighth page and shall be published no later than seven days prior to the date of the public hearing.

- Section 8. Protests.** At the public hearing, the Board of Supervisors will consider all protests against the Tourism BID, against the financing of specific types of improvements or activities within the Tourism BID, and against the intended levy of an annual assessment within the boundaries of the Tourism BID. The form and nature of written protests shall comply with California Statute and Highway Code Sections 36524 and 36525. The following rules shall apply to all protests:
- A protest may be made orally or in writing by any interested party. Any limited protesting to the regularity of the County of the percentages shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made.
 - Every written protest shall be filed with the Office of the Clerk of the Board, located at County Administration Center, 4080 Lenon Street, 1st Floor, Riverside, California, 92501, at or before the time set for the public hearing as set forth above.
 - The Board of Supervisors may waive any irregularity in the form or content of any written protest, and at the public hearing, may correct minor defects in the protest.
 - A written protest may be withdrawn or waived at any time before the conclusion of the public hearing set forth above.
 - Each written protest shall contain a description of the business in which the person protesting the protest is interested, sufficient to identify the business, and if a person protesting is not alone on the behalf of the County of Riverside in the name of the business, the protest shall contain or be accompanied by written evidence that the person protesting is the owner of the business. A written protest that does not comply with this paragraph shall not be considered a debatable or properly filed.
 - If written protests are received from the owners of businesses in the Tourism BID which will pay fifty percent (50%) or more of the assessments intended to be levied and protests are not withdrawn so as to reduce the protests to less than fifty percent (50%) no further proceedings on the proposal to levy the intended annual assessment within the Tourism BID boundaries shall be taken by the Board of Supervisors for a period of one year from the date of the filing of a majority protest. However, if the majority protest is only against the financing of a specified type or types of improvements or activities within the Tourism BID, those types of improvements or activities shall be eliminated and the intended annual assessment shall be levied.

Section 9. Effective Date. This resolution shall take effect immediately upon its adoption.

ROLL CALL:
 Ryan: Present
 Hartzel: Present
 Stearns: Present
 Honard: Present
 Ashley: Present
 Blank: Absent

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on April 24, 2012.

CLERK'S CERTIFICATE: I, Alicia Harper-Riem, Clerk of said Board, do hereby certify that the foregoing is a true and correct copy of the resolution of the Board of Supervisors of the County of Riverside, California, adopted on April 24, 2012.

Dated: May 3, 2012
 Alicia Harper-Riem, Clerk of the Board
 By: Cecilia Gal, Board Assistant

PROOF O.K. BY: _____ O.K. WITH CORRECTIONS BY: _____

PLEASE READ CAREFULLY • SUBMIT CORRECTIONS ONLINE

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