

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

270



FROM: Economic Development Agency

SUBMITTAL DATE:
March 4, 2010

SUBJECT: Adoption of Resolution 2010-090, declaring intent to levy and collect assessments for fiscal year 2010-2011 on assessable hotels and assessable motels located within the Palm Springs Desert Resort Communities Tourism Business Improvement District.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the fiscal year 2010-2011 advisory committee report from the Hospitality Industry Business Council to support the Tourism BID levy for fiscal year 2010-2011, on file with the Clerk of the Board; and
2. Approve and adopt Resolution 2010-090, a resolution of the County of Riverside Board of Supervisors declaring its intention to levy and collect assessments for fiscal year 2010-2011 on assessable hotels and assessable motels located within the Palm Springs Desert Resort Communities Tourism Business Improvement District, approving the annual report by the district and advisory board and setting the time and place of a public hearing and giving notice of same.

BACKGROUND: In June 2008, the Palm Springs Desert Resort Communities Convention and Visitors Authority (CVA) requested that the County form the Palm Springs Desert Resort Communities Tourism Business Improvement District (Tourism BID) in the Coachella Valley.

Robert Field

Robert Field, Assistant County Executive Officer/EDA
By Dan Martinez, EDA Managing Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:

SOURCE OF FUNDS:	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*
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above resolutions are adopted as recommended, and that the matter is set for Tuesday, May 4, 2010 at 9:00 a.m., and for public hearing on Tuesday, May 18, 2010 at 9:30 a.m.

Ayes: Buster, Benoit and Ashley
Nays: Stone
Absent: Tavaglione
Date: March 16, 2010
xc: EDA, Treasurer-Tax Collector, COB(2)

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.:

District: 4 & 5

Agenda Number:

RF:DM:SM:TG:JC:al
S:\Marketing\FORMS\Form 11\Tourism BID.030310.doc

ATTACHMENTS FILED WITH
THE CLERK OF THE BOARD

3.19

FORM APPROVED COUNTY COUNSEL
BY: *Dale A. Gardner*
DATE: 3/19/10
Departmental Concurrence

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

Dept's Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

BACKGROUND (Continued)

The Parking and Business Improvement Area Law of 1989 requires that the Tourism BID be approved and implemented on a fiscal year basis. The attached Resolution 2010-090 begins the process of complying with this requirement for fiscal year 2010-2011. There is no requirement to obtain consent again from the participating cities and none have expressed interest in withdrawing their consent. It is, however, an opportunity for non-member jurisdictions to join. The City of Palm Desert has decided to join the Tourism BID. In its regular meeting of February 11, 2010, the Palm Desert City Council adopted Resolution Number 2010-8 granting consent to the County of Riverside to be included in the Palm Springs Desert Resort Communities Tourism BID. The table below notes when the CVA member cities considered the request from the County and took action on membership in the Tourism BID.

City	Action	Date	Resolution #
Cathedral City	APPROVED	08/13/08	2008-53
Desert Hot Springs	APPROVED	09/02/08	2008-69
Indian Wells	APPROVED	07/17/08	2008-40
Indio	APPROVED	09/17/08	9319
La Quinta	APPROVED	09/16/08	2008-055
Palm Desert	APPROVED	02/11/10	2010-8
Palm Springs	APPROVED	07/30/08	22327
Rancho Mirage	APPROVED	09/04/08	2008-51

Resolution 2010-090 includes a complete description of the Tourism BID and sets the date, time and place for the required public meeting and hearing. It also directs the Clerk of the Board to publish a copy of the resolution in newspapers within the boundaries of the proposed BID. Copies of Resolution 2010-090 will also be mailed to all known owners of each assessable hotel and motel within the proposed boundaries of the Tourism BID. The proposed boundaries of the Tourism BID include the County unincorporated area of the Coachella Valley and the cities of Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage.

The proposed Tourism BID is a type of assessment district that is publicly sanctioned but privately directed. The assessment is not considered a tax under Proposition 218 because businesses are being assessed, not property. It will essentially be a public/private partnership where private businesses agree to assess themselves in exchange for the authority to use the funds to benefit their business. Other California counties that have created multi-jurisdictional BIDs include Mendocino County, San Luis Obispo County, and Sonoma County.

Tourism is the Coachella Valley's number one industry. Tourism provides the most jobs and contributes the greatest amount to the local tax base for that area. The Tourism BID provides a stable source of marketing dollars that enhances the area's ability to plan and implement marketing and sales programs. It also provides more control to hospitality professionals on the use of funds generated from their businesses. This source of funds allows the Tourism BID member jurisdictions in the Coachella Valley to be more competitive in the tourism market.

Economic Development Agency

Adoption of Resolution 2010-090, declaring intent to levy and collect assessments for fiscal year 2010-2011 on assessable hotels and assessable motels located within the Palm Springs Desert Resort Communities Tourism Business Improvement District.

March 4, 2010

Page 3

BACKGROUND (Continued)

The level of assessment being considered for the fiscal year 2010-2011 Tourism BID will remain at 2% of the sale of overnight room stays and will again apply only to hotels and motels with 50 or more sleeping rooms. There are approximately 80 hotels/motels within the proposed Tourism BID boundaries that fall in this category. The total annual revenue projected to be generated in fiscal year 2010-2011 is approximately \$4.8 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, advertising, and public relations;
2. Brochure development and distribution;
3. Promotion of public events which benefit businesses in the area and which take place on or in public places within the area; and
4. Activities which benefit businesses located and operating in the area, including but not limited to downtown shopping and promotional programs.

Resolution 2010-090 reflects two changes from the current fiscal year's Tourism BID. The changes are being requested by HIBC in their annual report which is on file with the County Clerk of the Board. The changes are: 1) to modify the Tourism Bid boundaries to annex and include the City of Palm Desert, and 2) to clarify when assessments shall be collected, stating they are due on or before the last day of the month following each quarter.

The County Treasurer-Tax Collector's office began collecting the Tourism BID assessment effective July 1, 2009, in accordance with County Ordinance No. 883.1 for fiscal year 2009-2010. The collection process is done on a quarterly basis. If approved, the collection process will continue with the minor modification as noted above for fiscal year 2010-2011.

It is recommended that the County approve Resolution 2010-090 declaring its intent to continue with the Tourism BID in fiscal year 2010-2011.

2
3 RESOLUTION NO. 2010 - 090

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 DECLARING ITS INTENTION TO MODIFY THE BOUNDARIES OF THE PALM SPRINGS DESERT
6 RESORT COMMUNITIES TOURISM BUSINESS IMPROVEMENT DISTRICT TO INCLUDE THE
7 CITY OF PALM DESERT WITHIN THE BOUNDARIES OF THE DISTRICT, DECLARING ITS
8 INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2010-2011 ON CERTAIN
9 HOTELS AND MOTELS LOCATED WITHIN THE BOUNDARIES OF THE DISTRICT AS
10 AMENDED, AND SETTING THE TIME AND PLACE OF A PUBLIC MEETING AND PUBLIC
11 HEARING AND GIVING NOTICE OF SAME

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

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

22 WHEREAS, the benefitted hotel and motel businesses within the Tourism BID boundaries
23 requested the Board of Supervisors to establish the Tourism BID and to levy annual assessments to fund
24 and support certain tourism-related activities; and

25 WHEREAS, the territory currently included within the boundaries of the Tourism BID is
26 coterminous with the operational boundaries of the Palm Springs Desert Resorts Convention and Visitors

FORM APPROVED COUNTY COUNSEL
BY: Dale R. Gardner 3/19/10
DATE: 3/19/10

1 Authority (“CVA”), excluding that area within the incorporated city limits of the City of Palm Desert, but
2 including unincorporated Coachella Valley and the cities of Cathedral City, Desert Hot Springs, Indian
3 Wells, Indio, La Quinta, Palm Springs, and Rancho Mirage, which cities have granted the County of
4 Riverside consent to establish the Tourism BID within their jurisdictions; and

5 WHEREAS, the City of Palm Desert is currently outside the established boundaries of the Tourism
6 BID, but the City Council has recently consented to the inclusion of the City of Palm Desert within the
7 Tourism BID boundaries; and

8 WHEREAS, the Advisory Board, appointed by the Board of Supervisors pursuant to Government
9 Code Section 36530, has filed an annual report with the Clerk of the Board which recommends modifying
10 the Tourism BID boundaries to annex and include the City of Palm Desert within the Tourism BID; and

11 WHEREAS, the Board of Supervisors intends to modify the Tourism BID boundaries to include
12 and annex the City of Palm Desert within the Tourism BID; and

13 WHEREAS, after the intended boundary modification, the territory within the Tourism BID
14 boundaries will be coterminous with the operational boundaries of CVA, including unincorporated
15 Coachella Valley and the cities of Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm
16 Springs, Palm Desert and Rancho Mirage; and

17 WHEREAS, the Advisory Board’s annual report also recommends the levy of an annual assessment
18 for fiscal year 2010-2011 on assessable hotel and motel businesses located within the Tourism BID to pay
19 for recommended tourism-related activities that will benefit the assessable hotel and motel businesses
20 located within the Tourism BID; and

21 WHEREAS, the Board of Supervisors intends to levy an annual assessment for fiscal year 2010-
22 2011 to pay for recommended tourism-related activities within the Tourism BID; and

23 WHEREAS, it is the opinion of the Board of Supervisors that all of the assessable hotel and motel
24 businesses located within the Tourism BID will benefit from the activities of the Tourism BID; and
25
26
27
28

1 WHEREAS, this Resolution of Intention will commence proceedings under the Act to modify the
2 Tourism BID boundaries to include and annex the City of Palm Desert within the Tourism BID and to levy
3 the annual assessment for fiscal year 2010-2011 within the Tourism BID;

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

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

7 Section 2. Intent to Modify the Boundaries of the Tourism BID. The Board of Supervisors
8 declares its intent to modify the boundaries of the Tourism BID. It is the intent of the Board of Supervisors
9 to modify the Tourism BID boundaries by extending the boundaries to include and encompass the City of
10 Palm Desert and thereby annex the City of Palm Desert into the Tourism BID. Upon final approval of the
11 intended boundary modification, the Tourism BID boundaries will be coterminous with the operational
12 boundaries of CVA. A map reflecting the territory included within the modified Tourism BID boundaries
13 is attached hereto as Exhibit A and is also on file with the Clerk of the Board.
14

15 Section 3. Intent to Levy and Collect Assessments within the Tourism BID for fiscal year 2010-
16 2011. Pursuant to and under authority of the Act, except where funds are otherwise available, the Board of
17 Supervisors declares its intent to levy and collect an annual assessment within the boundaries of the
18 Tourism BID to fund the tourism-related activities recommended in the Advisory Board's annual report on
19 file with the Clerk of the Board. Pursuant to the Act and Ordinance No. 883, an annual assessment is
20 intended to be levied on all hotels and motels that have fifty (50) or more sleeping rooms and are located
21 within the Tourism BID boundaries. It is estimated that approximately \$ 4.8 million in revenue will be
22 raised by the intended annual assessment.
23

24 Section 4. Method and Basis of Levy. The method and basis of levying the intended annual
25 assessment follows:
26

27 a. The assessment for hotels and motels with fifty (50) or more sleeping rooms is two percent
28 (2 %) of the gross rental charges for overnight room stays. Gross Rental Charges shall equal the total

1 dollar amount charged for overnight room rentals to guests (with the exception of government employees
2 and with the exception of long term guests who stay more than twenty-eight consecutive nights at the same
3 Assessable Hotel or Assessable Motel), but shall not include incidental room charges such as room service,
4 video rental, or similar charges. Gross Rental Charges are equal to the total consideration charged for room
5 rental valued in U. S. dollars, whether or not received and whether received in money or other
6 consideration such as goods, labor, property or otherwise.
7

8 b. New hotels and motels that have fifty (50) or more sleeping rooms and are located within
9 the Tourism BID boundaries will not be exempt from the assessment levy pursuant to Section 36531 of the
10 California Streets and Highways Code.

11 c. The benefit assessments shall be collected by the County in four (4) installments. Each
12 operator of an assessable hotel or motel shall, on or before the last day of the month following each quarter,
13 make a report to the County Treasurer-Tax Collector on forms provided by the County reflecting the
14 amount of assessment due for that quarter. The report and amount become delinquent on the last day of the
15 month following the close of each calendar quarter. The full amount of the assessment calculated shall be
16 remitted to the County Treasurer-Tax Collector at the time that the return form is filed. The County
17 Treasurer-Tax Collector may establish shorter reporting or remitting periods for any operator and may
18 require additional information in any return. Returns and payments are due immediately upon cessation of
19 business for any reason. Each return shall contain a declaration under penalty of perjury, executed by the
20 operator or its authorized agent, that, to the best of the declarant's knowledge, the statements in the return
21 are true, correct, and complete. Any operator of an assessable hotel or motel who fails to remit any
22 assessment within the time required shall pay a penalty of ten percent (10 %) of the amount of the
23 assessment in addition to the amount of the assessment. Any operator of an assessable hotel or motel who
24 fails to remit any delinquent remittance on or before the fifteenth day of the month following the date of the
25 first penalty shall pay a second delinquency penalty of ten percent (10 %) of the amount of
26 the assessment in addition to the amount of assessment and the ten percent (10 %) penalty first imposed.
27
28

1 d. The County may charge an administrative fee for the collection and processing of the
2 assessments in order to cover its reasonable costs for this service.

3 e. If the County Treasurer-Tax Collector determines that the nonpayment of any assessment is
4 due to fraud, a penalty of twenty-five percent (25 %) of the amount of the assessment shall be added thereto
5 in addition to the penalties stated above.

6 f. In addition to the penalties imposed, any operator of an assessable hotel or motel who fails
7 to remit any assessment shall pay interest at the rate of one percent (1 %) per month, or fraction thereof, on
8 the amount of tax, exclusive of penalties, from the date on which the remittance first became delinquent
9 until paid.

10 g. Every penalty imposed and such interest as accrued under the provisions of this section shall
11 become a part of the assessment required to be paid.

12 Section 5. Types of Activities To Be Funded. The proposed type or types of activities to be funded
13 by and through the annual levy of assessments on businesses within the Tourism BID are as follows:

- 14 a. Marketing, advertising, and public relations;
15 b. Brochure development and distribution;
16 c. Promotion of public events which benefit businesses in the area and which take place
17 on or in public places within the area;
18 d. Activities which benefit businesses located and operating in the area, including but
19 not limited to downtown shopping and promotional programs.

20 Section 6. Advisory Board's Annual Report. The Board of Supervisors appoints HIBC, Inc. (an
21 advisory council to CVA) to serve as the Advisory Board for the Tourism BID. HIBC, Inc. has filed its
22 annual report with the Clerk of the Board. The Board of Supervisors approves said report subject to any
23 further modification that may be necessary or desirable based upon future recommendations by staff and
24 public participation at the public meeting and public hearing.

1 Section 7. Joint Notice of Time and Place of Public Meeting and Public Hearing.

2 NOTICE IS HEREBY GIVEN that the Board of Supervisors of the County of Riverside will hold a
3 Public Meeting and Public Hearing on the intended modification of the Tourism BID boundaries and the
4 intended levy of an annual assessment within the Tourism BID.

5 The time and place of the public meeting on the intended modification of the Tourism BID
6 boundaries and the intended levy of the annual assessment shall be at 9:00 a.m., May 4, 2010, or as soon
7 thereafter as this matter may be heard, at the Board of Supervisor's Chambers, located on the first floor of
8 the County Administrative Center, 4080 Lemon Street in Riverside, California 92501. The public meeting
9 may be continued from time to time as necessary.

10 The time and place of the public hearing on the intended modification of the Tourism BID
11 boundaries and the intended levy of the annual assessment shall be at 9:30 a.m., May 18, 2010, or as soon
12 thereafter as this matter may be heard, at the Board of Supervisor's Chambers, located on the first floor of
13 the County Administrative Center, 4080 Lemon Street in Riverside, California 92501. The public hearing
14 may be continued from time to time as necessary.

15 At the public hearing set forth above, the Board of Supervisors will hear the testimony of all
16 interested persons for or against the Tourism BID, the intended modification of the Tourism BID
17 boundaries, the extent of the area encompassed within the Tourism BID, the furnishing of specific types of
18 improvements or activities within the Tourism BID boundaries, and/or the intended levy of an annual
19 assessment within the Tourism BID.

20 At the public hearing, the Board of Supervisors will also hear and consider all protests made by any
21 owner of any assessable hotel or motel located within the Tourism BID boundaries (either the current
22 boundaries or the intended, modified boundaries) against the Tourism BID, the intended modification of
23 the Tourism BID boundaries, the extent of the area encompassed within the Tourism BID, the furnishing of
24 specific types of improvements or activities within the Tourism BID, and/or the intended levy of an annual
25 assessment within the Tourism BID.

1 assessment within the Tourism BID. At the conclusion of the public hearing the Board of Supervisors will
2 determine whether or not a majority protest exists under the Act.

3 Any person who wishes to be heard regarding the Tourism BID may appear at the public meeting
4 and public hearing or may send written comments to: Kecia Harper-Ihem, Clerk of the Board, 4080 Lemon
5 Street, Riverside, CA 92501. Further information concerning the Tourism BID, the intended modification
6 of the boundaries of the Tourism BID, and intended annual assessment may be obtained from JoAnn
7 Cornelius, Senior Marketing/Development Specialist, Riverside County Economic Development Agency,
8 3499 10th Street, Suite 100, Riverside, CA 92501; telephone number (951) 955-5990.

10 In compliance with the Americans with Disabilities Act, if you need special assistance to participate
11 in the meeting or public hearing, or if you need further information relating to the subject meeting or
12 hearing, please contact the Clerk of the Board's Office at (951) 955-1060. Notification at least 48 hours
13 prior to the meeting will assist the County staff in assuring that reasonable arrangements can be made to
14 provide accessibility.
15

16 The Clerk of the Board is authorized and directed to publish a copy of this resolution in a
17 newspaper or newspapers of general circulation within the unincorporated area of the Coachella Valley of
18 the County and within each of the cities of Cathedral City, Desert Hot Springs, Indian Wells, Indio, La
19 Quinta, Palm Desert, Palm Springs, and Rancho Mirage once per week for each of three weeks. Said
20 publication shall be a display advertisement of at least one-eighth page and shall be first published at least
21 forty-five days prior to the date of the public hearing.
22

23 In addition, the Clerk of the Board is authorized and directed to mail copies of this Resolution by
24 first-class mail to those interested parties who filed a written request with the County for mailed notice of
25 public meetings or hearings on new or increased general taxes or assessments. Copies of this Resolution
26 shall also be mailed by first-class mail to the known owners of each assessable hotel and motel within the
27 boundaries of the Tourism BID, including those owners of assessable hotels and motels located within the
28

1 incorporated limits of Palm Desert which are intended to be included within the Tourism BID upon final
2 approval of the modified boundaries.

3 Section 8. Protests. The Board of Supervisors will consider all protests against the Tourism BID,
4 the intended modification of the boundaries of the Tourism BID, the extent of the area encompassed within
5 the Tourism BID, the furnishing of specific types of improvements or activities within the boundaries of the
6 Tourism BID; and/or the intended levy of annual assessments within the boundaries of the Tourism BID.
7

8 The following rules shall apply to all protests:

- 9 a. A protest may be made orally or in writing by any interested person. Any protest
10 pertaining to the regularity or sufficiency of the proceedings shall be in writing and
11 shall clearly set forth the irregularity or defect to which the objection is made.
- 12 b. Every written protest shall be filed with the Office of the Clerk of the Board, located
13 at County Administrative Center, 4080 Lemon Street, 1st Floor, Riverside,
14 California 92501, at or before the time fixed for the public hearing as set forth
15 above.
- 16 c. The Board of Supervisors may waive any irregularity in the form or content of any
17 written protest, and at the public hearing, may correct minor defects in the protest.
- 18 d. A written protest may be withdrawn in writing at any time before the conclusion of
19 the public hearing set forth above.
- 20 e. Each written protest shall contain a description of the business in which the person
21 subscribing the protest is interested, sufficient to identify the business, and if a
22 person subscribing is not shown on the official records of the County of Riverside as
23 the owner of the business, the protest shall contain or be accompanied by written
24 evidence that the person subscribing is the owner of the business. A written protest
25 that does not comply with this paragraph shall not be counted in determining a
26 majority protest.
27
28

1 f. If written protests are received from the owners of businesses in the Tourism BID
2 which will pay fifty percent (50 %) or more of the assessments intended to be levied
3 and protests are not withdrawn so as to reduce the protests to less than the fifty
4 percent (50 %), no further proceedings on the proposal to modify the Tourism BID
5 boundaries or to levy the intended annual assessment within the Tourism BID
6 boundaries shall be taken by the Board of Supervisors for a period of one year from
7 the date of the filing of a majority protest. However, if the majority protest is only
8 against the furnishing of a specified type or types of improvements or activities
9 within the Tourism BID, those types of improvements or activities shall be
10 eliminated and (if there is no majority protest pursuant to 8.g.) the boundaries of the
11 Tourism BID shall be modified and the intended annual assessment shall be levied.
12 Nevertheless, if there is no majority protest pursuant to this subsection 8.f. but there
13 is a majority protest pursuant to subsection 8.g., the boundaries of the Tourism BID
14 shall not be modified, but the intended annual assessment shall be levied within the
15 currently established boundaries of the Tourism BID.

18 g. If written protests are received from business owners located within the City of Palm
19 Desert, whose businesses are proposed to be included within the modified Tourism
20 BID boundaries, and if these protesting business owners will pay fifty percent (50 %)
21 or more of the assessments intended to be levied within this area to be annexed and
22 included within the Tourism BID, and if protests are not withdrawn so as to reduce
23 the protests to less than the fifty percent (50 %), no further proceedings on the
24 proposal to modify the Tourism BID boundaries to annex and include the City of
25 Palm Desert within the Tourism BID or to levy the intended annual assessment
26 within the City of Palm Desert shall be taken by the Board of Supervisors for a
27 period of one year from the date of the filing of a majority protest. However, if the
28

1 majority protest is only against the furnishing of a specified type or types of
2 improvements or activities within the area intended to be annexed and included
3 within Tourism BID boundaries, those types of improvements or activities shall be
4 eliminated and (provided that there is no majority protest pursuant to section 8.f.),
5 the intended modification to the Tourism BID boundaries shall be approved and the
6 intended annual assessment shall be levied.
7

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

9 PASSED AND ADOPTED this 16th day of March, 2010.

10
11 ROLL CALL:

12 Ayes: Buster, Benoit and Ashley
13 Nays: Stone
14 Absent: Tavgliione _____

15
16 The foregoing is certified to be a true copy of a resolution duly
17 adopted by said Board of Supervisors on the date therein set forth.

18 KECIA HARPER-IHEM, Clerk of said Board

19 By: _____
20 Deputy

EXHIBIT 1

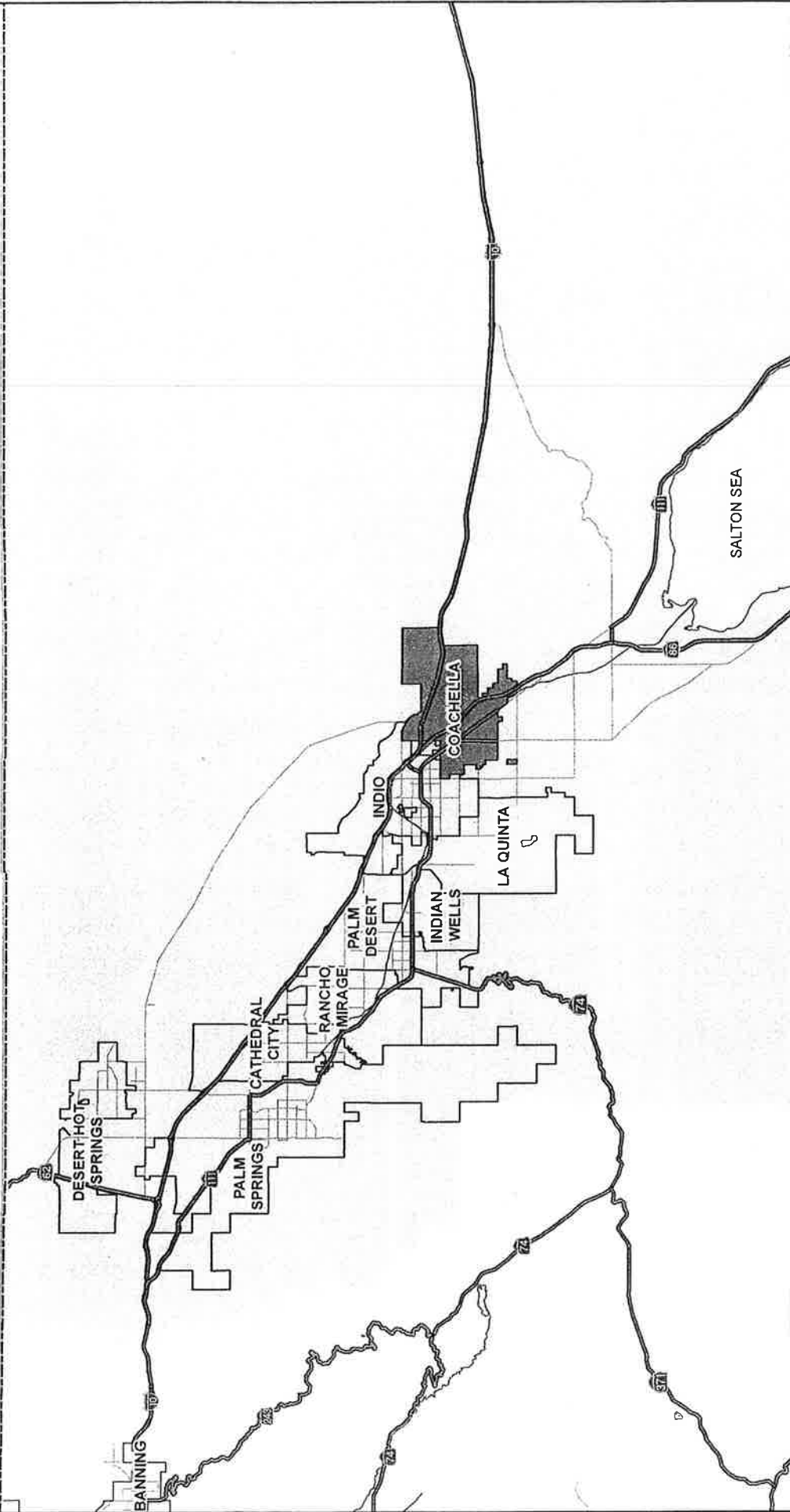
**MAP AND LEGAL DESCRIPTION OF THE BOUNDARIES OF
THE PALM SPRINGS DESERT RESORT COMMUNITIES TOURISM
BUSINESS IMPROVEMENT DISTRICT**

**The Palm Springs Desert Resorts Communities
Tourism Improvement District
Boundary Description**

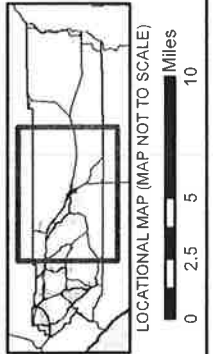
1. **BEGINNING** at the Northeast corner of Section 1, Township 2 South, Range 2 East, San Bernardino Meridian, also being a point on the north line of Riverside County;
2. Thence South along said Range line to the Northeast corner of Section 36, T2S, R2E;
3. Thence West along the North line of said Section 36 to the North one-quarter corner thereof;
4. Thence South along the North-South center section line of said Section 36 to the Center section corner thereof;
5. Thence East along the East-West center section line of said Section 36 to the East one-quarter corner thereof;
6. Thence South along the East line of said Section 36 to the Northeast corner of Section 1, T3S, R2E;
7. Thence West along the North line of said Section 1 to the Northwest corner thereof;
8. Thence South along the West line of said Section 1 to the Northwest corner of Section 12, T3S, R2E;
9. Thence East along the North line of said Section 12 to the Northeast corner thereof;
10. Thence South along the East line of said Section 12 to the Southeast corner thereof;
11. Thence West along the South line of said Section 12 to the Northwest corner of Section 13, T3S, R2E;
12. Thence South along the West line of said Section 13 to the Southwest corner thereof;
13. Thence East along the South line of said Section 13 to the Southeast corner thereof;
14. Thence South along said Range line to the Southwest corner of Section 18, T4S, R3E;
15. Thence East along Section lines to the Northeast corner of Section 20, T4S, R3E;
16. Thence South along the East line of said Section 20 to the Southeast corner thereof;
17. Thence West along the South line of said Section 20 to the Northwest corner of Section 29, T4S, R3E;
18. Thence South along the West line of said Section 29 to the Southwest corner thereof;
19. Thence East along the South line of said Section 29 to the Northeast corner of Section 32, T4S, R3E;
20. Thence South along the East line of said Section 32 to the Southeast corner thereof;
21. Thence West along the South line of said Section 32 to the Northeast corner of Section 5, T5S, R3E;
22. Thence South along Section lines to the Northwest corner of Section 16, T5S, R3E;
23. Thence East along the North line of said Section 16 to the Northeast corner thereof;
24. Thence South along the East line of said Section 16 to the Northwest corner of Section 22, T5S, R3E;
25. Thence East along the North line of said Section 22 to the Northeast corner thereof;
26. Thence South along the East line of said Section 22 to the Northwest corner of Section 26, T5S, R3E;
27. Thence East along the North line of said Section 26 to the Northeast corner thereof;
28. Thence South along Section lines to the Northwest corner of Section 1, T6S, R3E;
29. Thence East along the North line of said Section 1 to the Northeast corner thereof, being a point of intersection with the Palm Springs Unified School District boundary line defined by the West line of Section 31, T5S, R4E;
30. Thence Easterly and Southerly along the Palm Springs Unified School District boundary line to a point of intersection with the south Riverside County line;
31. Thence Easterly along the Riverside County line, also being the southernmost boundaries of the Palm Springs Unified School District, the Desert Sands Unified School District and the Coachella Valley Unified School District, to a point of intersection with the easternmost boundary line of the Coachella Valley Unified School District;
32. Thence Northerly, along the easternmost boundary line of the Coachella Valley Unified School District to a point of intersection with the north Riverside County line;
33. Thence Westerly along the north Riverside County line to the **Point of Beginning**.








The boundary of the Palm Springs Desert resorts Communities tourism Improvement District excludes the incorporated city limits for the City of Coachella.

The Palm Springs Desert Resort Communities Tourism Business Improvement District



Date: March 3, 2010
 Source: Riverside County TLMA/GIS
 Filename: \\Agency\limgis\Workspace\RockAcacchella_bw_map.mxd



-  Participating Cities/Unincorporated
-  Non-Participating City (Coachella)
-  Cities
-  Highways
-  Major Roads
-  County Line
-  Waterbodies



Palm Springs Desert Resorts

CONVENTION AND VISITORS AUTHORITY

HIBC Advisory Board to
The County of Riverside
Board of Supervisors for
Palm Springs Desert Resorts Tourism
Business Improvement District (BID)

Fiscal Year 2009-2010 Annual Report

Fiscal Year 2010-2011 Budget

The Hospitality Industry and Business Council (HIBC), the Advisory Board for the Palm Springs Desert Resorts Tourism Business Improvement District (BID) has completed eight (8) months of the 2009-2010 Sales and Marketing Plan for our destination. Funding for the plan implementation is provided from the BID.

The Advisory Board recommends the continuation of the BID for Fiscal Year 2010-2011, as follows:

- 1) The boundaries of the parking and business improvement area or in any benefit zones within the area be expanded to include the addition of the City of Palm Desert.
- 2) The improvements and activities to be provided for fiscal year 2010-2011, are detailed in Attachment A.
- 3) The estimated cost of providing the improvement and activities for fiscal year 2010-2011 is \$4.8 million, and detailed in Attachment C.
- 4) Levying of the BID assessment remains the same; i.e., 2% of total hotel room revenue in hotels within the District having 50 rooms and more.
- 5) Recognize that HIBC has incorporated, and is now Hospitality Industry and Business Council, Inc.
- 6) HIBC members file a Form 700, Conflict of Interest statement, as recommended by County Counsel, and will formulate an HIBC Conflict of Interest code.
- 7) As recommended by the Riverside County Treasurer/Tax Collector, the due date of the four quarterly hotel payments be changed from "before the last day of the month following each quarter" to "by the end of the last day of the month following each quarter" (section 7b (page 4) of the existing ordinance).

Serving the Desert Resort Communities of Riverside County

Cathedral City • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage

70-100 Highway 111 • Rancho Mirage, CA 92270 • T: 760-770-9000 • TF: 800-967-3767 • F: 760-770-9001 • palmspringsusa.com
Washington, DC Sales Office • 515 King Street, Suite 315 • Alexandria, VA 22314 • T: 703-549-8026 • F: 703-519-7579



Palm Springs Desert Resorts

CONVENTION AND VISITORS AUTHORITY

HIBC/Advisory Board
Report for FY 2009-10
Page Two

- 8) The Palm Springs Desert Resort Communities Convention and Visitors Authority (CVA) has contracted with Mayer Hoffman McCann, beginning March 29, 2010, to conduct the audit of Calendar Year 2009, which includes the time required to audit the Fiscal 2008-2009 BID.

Coachella Valley Outlook:

The Coachella Valley hospitality industry is driven by the performance of the hotel industry. Restaurants, attractions, shopping, and other small businesses flourish when the hotels are full. The latest Smith Travel Research (STR) hotel analysis reports a decline of 11.4 percent in occupancy year-over-year through December 2009. Hotel average daily rate (ADR) has declined 8.8 percent through December 2009, and Revenue per available room (REVPAR) has declined 19.2 percent. Transient occupancy taxes (TOT) have also declined by 16.6 percent through October 2009. Other hospitality industry businesses have felt the effect of the poor hotel performance. The Coachella Valley restaurant industry continues to suffer from reduced per caps and revenues. The attractions and shopping segments have also suffered declines.

The continued poor performance by the U.S. economy, and the added negative rhetoric aimed at the nationwide meetings industry have staggered both the U.S. and Southern California hotel industry. However, both STR and PKF Hospitality Research believe that hotel performance may begin to stabilize by the fourth quarter of 2010.

Serving the Desert Resort Communities of Riverside County

Cathedral City • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage

70-100 Highway 111 • Rancho Mirage, CA 92270 • T: 760-770-9000 • TF: 800-967-3767 • F: 760-770-9001 • palmspringsusa.com
Washington, DC Sales Office • 515 King Street, Suite 315 • Alexandria, VA 22314 • T: 703-549-8026 • F: 703-519-7579



Palm Springs Desert Resorts

CONVENTION AND VISITORS AUTHORITY

HIBC/Advisory Board
Report for FY 2009-10
Attachment A

With the BID funding in Fiscal Year 2010-2011, the CVA working with the Coachella Valley hospitality industry will continue the following strategies and activities:

Convention Sales:

- Continue funding satellite sales offices to boost meeting and convention leads
- concentrate meetings and conventions sales efforts on Southern California, Seattle, Portland, San Francisco, Sacramento, Los Angeles, Orange County, San Diego, Dallas, Washington, D.C., Northeast United States, and Chicago
- generate qualified meeting and convention leads
- assist hotels in closing business
- increase alliances with third-party booking sources
- increase CVA client database
- promote destination awareness
- increase participation in trade shows, FAMs, and sales missions
- increase small meetings business to all hotels
- expand the "Bring My Meeting Home" program
- work with the Palm Springs International Airport to stabilize air service
- continue to include Ontario International Airport as a gateway

Market Development:

- increase direct consumer advertising and promotions
- partner with the State of California Tourism Commission and key industry leaders to extend our advertising dollars to reach a national audience
- leverage advertising dollars by continuing the cooperative partnership between cities, hoteliers, airport, etc.
- focus additional partnerships with nontraditional partners
- develop an integrated campaign of print and broadcast advertising, promotions, public relations, conventional and electronic mail
- enhance online technology and marketing

Travel Industry Sales:

- generate qualified tour operator and tour wholesaler leads
- expand positioning in new and existing travel partner brochures
- assist hotels in closing business

Serving the Desert Resort Communities of Riverside County

Cathedral City • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage

70-100 Highway 111 • Rancho Mirage, CA 92270 • T: 760-770-9000 • TF: 800-967-3767 • F: 760-770-9001 • palmspringsusa.com
Washington, DC Sales Office • 515 King Street, Suite 315 • Alexandria, VA 22314 • T: 703-549-8026 • F: 703-519-7579



Palm Springs Desert Resorts

CONVENTION AND VISITORS AUTHORITY

HIBC/Advisory Board
Report for FY 2009-10
Attachment A - continued

- increase client database
- increase participation in trade shows, FAMs, and sales missions
- promote destination awareness
- expand sales efforts with receptive tour operators
- work with the Palm Springs International Airport to stabilize air service
- add contract sales representation in Canada
- expand international positioning through increased participation in state co-op sales/marketing offices in UK and Germany

Serving the Desert Resort Communities of Riverside County

Cathedral City • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage

70-100 Highway 111 • Rancho Mirage, CA 92270 • T: 760-770-9000 • TF: 800-967-3767 • F: 760-770-9001 • palmsspringsusa.com
Washington, DC Sales Office • 515 King Street, Suite 315 • Alexandria, VA 22314 • T: 703-549-8026 • F: 703-519-7579



Palm Springs Desert Resorts

CONVENTION AND VISITORS AUTHORITY

HIBC/Advisory Board
Report for FY 2009-10
Attachment B

For Calendar Year 2009, the following highlights were achieved with the assistance of the BID funding*:

<u>Convention Sales:</u>	<u>Goal</u>	<u>Attainment</u>	<u>%</u>
Room Nights	174,818	104,653	60
Lead Room Nights	684,000	519,632	76
Leads	744	603	81
<u>Travel Industry Sales/Marketing:</u>			
Leads	150	109	73
FAM Tours	13	16	123
Industry Co-Op Advertising	\$295,350	\$255,396	86
<u>Media Relations:</u>			
Print Value	\$5,000,000	\$4,292,696	85
Media Assists	550	615	111
Circulation	60,000,000	82,056,099	136

*In Fiscal Year 2009-2010, the BID funds were used to purchase assets for Convention Sales. Seventy percent (70%) of the cost (\$77,475.07) of a Convention Sales Tradeshow Booth has been assigned to the BID.

BID ACTUAL EXPENSES / FUND BALANCE
PALM SPRINGS DESERT RESORT COMMUNITIES CVA
Business Improvement District

BEGIN FUND
BALANCE
JULY 1, 2009
(6 Month Report)
\$ 761,340

BEGIN FUND
BALANCE
JULY 1, 2009
\$ 761,340

HIBC/Advisory Board
Report for FY 2009-10
Attachment C

JULY 1, 2009 to JUNE 30, 2010
As of December 31, 2009 (Forecast-Revenue)

REVENUE

6 Month Actual
Actual
EST Revenue \$ 1,436,755

12 Month
FORECAST
\$ 4,089,641

12 Month
BUDGET
\$ 5,800,000

VARIANCE
\$ 1,710,359

EXPENSES

6 Months
July 1-Dec 31, 2009
2009-2010

12 Month
FORECAST
2009-2010

12 Month
BUDGET
2009-2010

VARIANCE
2009-2010

Administration

Labor	\$67,496	\$150,864	\$212,461	\$61,597
Advertising Production	\$0		\$2,920	\$2,920
Fams/Sites/Tours	\$0	\$23	\$0	-\$23
Print Collateral	\$332	\$450	\$0	-\$450
Website Marketing & Development	\$419	\$5,405	\$5,620	\$215
Tradeshows & Sales Missions/Promotions/Booth	\$1,506	\$3,636	\$5,940	\$2,304
Supportive Services/Equip/Supplies	\$28,545	\$117,504	\$97,655	-\$19,849

Market Development

Labor	\$99,050	\$219,275	\$200,180	-\$19,095
Advertising Production	\$56,526	\$67,666	\$467,781	\$400,115
Advertising Placement	\$261,083	\$469,658	\$822,353	\$352,695
Online Promotions	\$0		\$280,000	\$280,000
Fams/Sites/Tours	\$7,682	\$13,107	\$0	-\$13,107
Print Collateral	\$34,509	\$32,552	\$0	-\$32,552
Website Marketing & Development	\$81,129	\$175,263	\$254,167	\$78,904
Tradeshows/Sales Missions/Promotions/Booth	\$3,189	\$17,219	\$22,771	\$5,552
Marketing Representation-FAM-EVENT Hosting	\$7,525	\$27,276	\$71,910	\$44,634
Supportive Services/Equip/Supplies	\$97,194	\$89,683	\$128,231	\$38,548

TIS

Labor	\$215,125	\$324,197	\$358,075	\$33,878
Advertising Production	\$9,299	\$24,154	\$41,821	\$17,667
Advertising Placement	\$16,162	\$70,685	\$117,192	\$46,507
Fams/Sites/Tours	\$8,985	\$33,358	\$0	-\$33,358
Print Collateral	\$71	\$7,416	\$0	-\$7,416
Website Marketing & Development	\$0	\$5	\$0	-\$5
Tradeshows/Sales Missions/Promotions/Booth	\$27,907	\$101,867	\$149,541	\$47,674
Marketing Representation-FAM-EVENT Hosting	\$78,444	\$119,903	\$207,637	\$87,734
Supportive Services/Equip/Supplies	\$18,996	\$28,482	\$41,758	\$13,276

Convention Services

Labor	\$30,916	\$76,945	\$0	-\$76,945
Advertising Production			\$0	\$0
Advertising Placement			\$0	\$0
Online Promotions			\$0	\$0
Fams/Sites/Tours			\$0	\$0
Print Collateral			\$0	\$0
Tradeshows/Sales Missions/Promotions/Booth		\$88	\$0	-\$88
Marketing Representation-FAM-EVENT Hosting	\$4,808	\$11,334	\$0	-\$11,334
Supportive Services/Equip/Supplies	\$2,807	\$4,289	\$0	-\$4,289

Convention Sales

Labor	\$587,089	\$1,236,123	\$1,372,723	\$136,600
Advertising Production	\$140	\$2,054	\$62,698	\$60,644
Advertising Placement	\$11,921	\$34,228	\$78,069	\$43,841
Online Promotions		\$33	\$60,000	\$59,967
Fams/Sites/Tours	\$27,040	\$86,449	\$0	-\$86,449
Print Collateral	\$148	\$23,355	\$0	-\$23,355
Website Marketing & Development	\$67		\$0	\$0
Tradeshows/Sales Missions/Promotions/Booth	\$163,529	\$324,846	\$344,231	\$19,385
Marketing Representation-FAM-EVENT Hosting	\$9,902	\$120,638	\$297,482	\$176,844
Supportive Services/Equip/Supplies	\$30,820	\$69,611	\$96,784	\$27,173

TOTAL

Actual

Forecast

\$5,800,000

\$1,710,359

NET REVENUE Dec 31, 2009
ENDING FUND BALANCE
December 31, 2009

Actual
-\$553,606
\$207,734

Forecast
\$0
\$207,734

Net Revenue 12 Month 6/30/2010
Fund Balance 12 Month 6/30/2010

Variance W/Rev

BID FORECAST EXPENSES / FUND BALANCE
 PALM SPRINGS DESERT RESORT COMMUNITIES CVA
 Business Improvement District

BEGIN FUND
 BALANCE
 JULY 1, 2010
 (Estimated) \$207,734

HIBC/Advisory Board
 Report for FY 2010-11
 Attachment C

JULY 1, 2010 to JUNE 30, 2011

	12 Month FORECAST	12 Month BUDGET	VARIANCE
	\$ 4,810,676	\$ 4,810,676	\$ -
REVENUE			
EXPENSES			
Administration			
Labor	\$ 159,496	\$ 159,496	\$ -
Advertising Production	\$ 518	\$ 518	\$ -
Fams/Sites/Tours			\$ -
Print Collateral			\$ -
Website Marketing & Development	\$ 9,695	\$ 9,695	\$ -
Tradeshows/Sales Missions/Promotions/Booth	\$ 4,916	\$ 4,916	\$ -
Supportive Services/Equip/Supplies	\$ 121,231	\$ 121,231	\$ -
Market Development			
Labor	\$ 306,322	\$ 306,322	\$ -
Advertising Production	\$ 59,651	\$ 59,651	\$ -
Advertising Placement	\$ 522,880	\$ 522,880	\$ -
Online Promotions			\$ -
Fams/Sites/Tours	\$ 16,503	\$ 16,503	\$ -
Print Collateral	\$ 29,101	\$ 29,101	\$ -
Website Marketing & Development	\$ 305,900	\$ 305,900	\$ -
Tradeshows/Sales Missions/Promotions/Booth	\$ 27,732	\$ 27,732	\$ -
Marketing Representation-FAM-EVENT Hosting	\$ 34,365	\$ 34,365	\$ -
Supportive Services/Equip/Supplies	\$ 62,317	\$ 62,317	\$ -
TIS			
Labor	\$ 267,948	\$ 267,948	\$ -
Advertising Production	\$ 35,179	\$ 35,179	\$ -
Advertising Placement	\$ 91,529	\$ 91,529	\$ -
Fams/Sites/Tours	\$ 48,944	\$ 48,944	\$ -
Print Collateral	\$ 12,880	\$ 12,880	\$ -
Website Marketing & Development			\$ -
Tradeshows/Sales Missions/Promotions/Booth	\$ 141,801	\$ 141,801	\$ -
Marketing Representation-FAM-EVENT Hosting	\$ 110,283	\$ 110,283	\$ -
Supportive Services/Equip/Supplies	\$ 26,417	\$ 26,417	\$ -
Convention Services			
Labor	\$ 103,419	\$ 103,419	\$ -
Advertising Production			\$ -
Advertising Placement			\$ -
Online Promotions			\$ -
Fams/Sites/Tours			\$ -
Print Collateral			\$ -
Tradeshows/Sales Missions/Promotions/Booth	\$ 201	\$ 201	\$ -
Marketing Representation-FAM-EVENT Hosting	\$ 13,685	\$ 13,685	\$ -
Supportive Services/Equip/Supplies	\$ 4,672	\$ 4,672	\$ -
Convention Sales			
Labor	\$ 1,542,305	\$ 1,542,305	\$ -
Advertising Production	\$ 4,562	\$ 4,562	\$ -
Advertising Placement	\$ 50,183	\$ 50,183	\$ -
Online Promotions	\$ -	\$ -	\$ -
Fams/Sites/Tours	\$ 120,439	\$ 120,439	\$ -
Print Collateral	\$ 38,322	\$ 38,322	\$ -
Website Marketing & Development			\$ -
Tradeshows/Sales Missions/Promotions/Booth	\$ 296,855	\$ 296,855	\$ -
Marketing Representation-FAM-EVENT Hosting	\$ 177,009	\$ 177,009	\$ -
Supportive Services/Equip/Supplies	\$ 63,416	\$ 63,416	\$ -
TOTAL	\$ 4,810,676	\$ 4,810,676	\$ -
	Forecast		Variance W/Rev
NET REVENUE June 30, 2011	\$ -	\$ -	
EST ENDING FUND BALANCE June 30, 2011	\$ 207,734		