

RESOLUTION NO. 17-082

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES TO
ESTABLISH THE PASO ROBLES TOURISM IMPROVEMENT DISTRICT AND LEVY AN
ASSESSMENT ON ALL LODGING BUSINESSES WITHIN THE DISTRICT

WHEREAS, on May 2, 2017, the City Council (the "Council") of the City of Paso Robles (the "City") adopted a Resolution of Intention to establish the Paso Robles Tourism Improvement District (the "PRTID") and to levy an assessment on certain lodging businesses within the PRTID as set forth in the attached Resolution of Intention; and

WHEREAS, on May 16, 2017, the Council held a public meeting pursuant to Government Code Section 54954.6, allowing public testimony regarding the establishment of the PRTID, the levy of assessments, and filing a notice of intent to hold a public hearing on June 20, 2017; and

WHEREAS, the PRTID is proposed to include all lodging businesses located within the boundaries of the City of Paso Robles; and

WHEREAS, the annual assessment rate shall be two percent (2%) of gross room rental revenue. After the initial year, the assessment rate may be increased by the Owners' Association Board to a maximum of three percent (3%) of gross short-term room rental revenue as described in Section VI. The assessment rate may also be decreased by the Owners' Association Board, but shall not drop below two percent (2%) of gross short-term room rental revenue. The maximum increases or decreases in any year shall be one-half of one percent (0.5%). Based on the benefit received, the assessment shall not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; complimentary room stays; and stays pursuant to contracts executed prior to July 1, 2017; and

WHEREAS, the PRTID is designed to provide specific benefits directly to payors by increasing room night sales and revenue therefrom. Marketing, sales, communications, and visitor services / welcome center programs will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales and revenue therefrom; and

WHEREAS, a new nonprofit corporation, the Paso Robles Destination (PRD), will be formed to serve as the PRTID's Owners' Association. The PRD, which will replace the Tourism Paso Robles Alliance (TPRA), is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the City Council.

WHEREAS, the total PRTID annual budget for the initial year of its five-year operation is anticipated to be approximately \$1,200,000. This budget is expected to change over time as a direct result of changes in the number of lodging rooms, the price of those rooms, and the occupancy rate; and

WHEREAS, more than 50% of the proposed assessed payors are in support of the formation of the PRTID.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. Based on the information contained in the staff report entitled "Formation of the Paso Robles Tourism Improvement District" dated June 20, 2017, testimony presented during the public meeting on May 16, 2017 and the responses thereto, and a greater than 50% majority of signed petitions from assessed payors within the proposed district, the City Council hereby finds and determines to: establish the Paso Robles Tourism Improvement District and levy an assessment on all lodging businesses within the district pursuant to Government Code Section 54954.6.

Section 3. The current Paso Robles Tourism and Lodging Promotions Business Improvement District (TBID), which was created by Ordinance No. 952. N.S. in 2008, is not being renewed, and therefore is being disestablished, effective 12:00 Midnight on June 30, 2017. The TPRA, which was created in 2008 by Resolution No. 08-145, is hereby also disestablished, effective 12:00 Midnight on June 30, 2017.

Section 4. The PRTID will have an initial five-year life, beginning July 1, 2017 and running through June 30, 2022. The life of the PRTID may be extended, per the process identified in the California Streets and Highways Code, Section 36000 et seq.

Section 5. The levy of assessments begins on July 1, 2017.

Section 6. Once per year, beginning on July 1, 2018, there will be a 30-day period in which owners paying more than fifty percent (50%) of the assessment may protest and initiate a City Council hearing on district termination.

Section 7. The City Manager is hereby authorized to execute all additional documents, set up all accounts, and transfer all funds and other assets necessary to terminate the TBID and the TPRA, as well as to implement the PRTID.

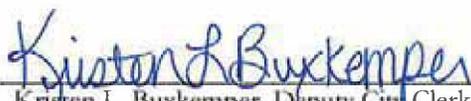
APPROVED this 20th day of June 2017, by the following vote:

AYES: Gregory, Hamon, Reed, Martin
NOES:
ABSENT: Strong
ABSTAIN:



Steven W. Martin, Mayor

ATTEST:



Kristen L. Buxkemper, Deputy City Clerk