

**NOTICE OF PUBLIC MEETING AND PUBLIC HEARING
CONCERNING THE RENEWAL OF THE VISIT TEMECULA VALLEY TOURISM BUSINESS
IMPROVEMENT DISTRICT AND LEVY OF ASSESSMENTS
ON LODGING BUSINESSES WITHIN THE DISTRICT**

NOTICE IS HEREBY GIVEN that on September 24, 2024, the City Council (the "Council") of the City of Temecula (the "City"), pursuant to the Property and Business Improvement District Law of 1994 (Streets and Highways Code Section 36600, *et seq.*), adopted a Resolution of Intention declaring its intention to renew the Visit Temecula Valley Tourism Business Improvement District (the "VTVTBID") and levy assessments on lodging businesses (the "Lodging Businesses"), which include hotels, motels, and bed and breakfasts as defined in Temecula Municipal Code Section 3.20.020, within the VTVTBID, as set forth in the enclosed Resolution of Intention.

NOTICE IS HEREBY FURTHER GIVEN that at 6:00 p.m. on October 22, 2024, at the City of Temecula City Council Chambers, 41000 Main Street, Temecula, California, a public meeting shall be held pursuant to Government Code Section 54954.6 to allow public testimony regarding the renewal of the VTVTBID and the levy of assessments therein as set forth in the enclosed Resolution of Intention.

NOTICE IS HEREBY FURTHER GIVEN that at 6:00 p.m. on November 12, 2024, at the City of Temecula City Council Chambers, 41000 Main Street, Temecula, California, has been set as the time and place for a public hearing at which time the Council will consider renewing the VTVTBID and levying assessments as set forth in the enclosed Resolution of Intention.

Boundaries/Location: No changes to the boundaries of the renewed VTVTBID are proposed. The exterior boundaries of the existing VTVTBID are the boundaries of the City of Temecula (the "City"). The VTVTBID includes all lodging businesses, existing and in the future, which include hotels, motels, and bed and breakfasts as defined in Temecula Municipal Code Section 3.20.020 ("Lodging Businesses") within these boundaries. There are no benefit zones within the VTVTBID.

Services: No changes to the services provided by the renewed VTVTBID are proposed. The services consist of marketing and sales promotions designed to specifically benefit Lodging Businesses by increasing tourism and marketing the Temecula Valley as a tourist, meeting and event destination.

Budget: The total VTVTBID budget for its new five (5) year term of operation upon renewal is anticipated to be approximately \$12,400,000. The amount of revenues raised by the annual assessment proposed to be levied in year one of the renewed VTVTBID is anticipated to be approximately \$2,480,000. The annual revenues for each year of the remaining four years of the renewed VTVTBID's five-year term are expected to fluctuate in accordance with occupancy rates and rents charged by the operators of the Lodging Businesses within the renewed VTVTBID, but the amount is not anticipated to be significantly different each year. The City shall not issue bonds in connection with the renewed VTVTBID. The City shall retain from the assessments an amount equal to its actual expenses in renewing the VTVTBID, and 2% of collected assessments each year will be used to pay for collecting the assessments and administrative expenses of the City.

Assessment: No changes to the assessment levied within the existing VTVTBID are proposed upon the third renewal of the VTVTBID throughout its five-year duration. Except where funds are otherwise available, the City proposes to annually levy an assessment on all Lodging Businesses within the boundaries of the renewed VTVTBID based upon 4% of the rent charged by the operator per occupied room per night to pay for activities within the renewed VTVTBID. Extended stays, defined as stays of more than 30 consecutive calendar days, and those exempt persons as defined in Temecula Municipal Code Section 3.20.040, will be exempt from the renewed VTVTBID assessment. New Lodging Businesses established within the boundaries of the renewed VTVTBID after the beginning of any fiscal year will not be exempt from the levy of assessment for that fiscal year. Assessments pursuant to the renewed VTVTBID shall not be included in gross room rental revenue for the purpose of determining the amount of the transient occupancy tax imposed pursuant to Chapter 3.20 of the Temecula Municipal Code.

Protest: At the public hearing a protest may be made orally or in writing by any interested person. Every written protest shall be filed with the City Clerk at or before the time fixed for the public hearing. Written protests may be mailed to the City Clerk, City of Temecula, 41000 Main Street, Temecula, California 92590. The City Council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the City as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with these requirements shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed renewed VTVTBD that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the Resolution of Intention, shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

Collection/Duration: Upon renewal of the VTVTBD, the proposed assessments shall be levied for five fiscal years, beginning with the fiscal year that commences on January 1, 2025, and ends on December 31, 2025, which aligns the VTVTBD's fiscal year with the calendar year. After the expiration of the third five-year term (December 31, 2029), the City Council may renew the assessment pursuant to Section 36600 of the 1994 Law. For purposes of levying and collecting assessments within the renewed VTVTBD, a fiscal year shall commence on January 1st and end on the following December 31st; provided the City Council may, by resolution, designate the fiscal year as July 1st to June 30th of the following year, or any other fiscal year, subject to all applicable requirements of the 1994 Law. The City will collect the assessments from Lodging Businesses within the boundaries of the VTVTBD in monthly installments or such other installments as determined pursuant to resolution of the City Council. The City shall forward the assessment revenues to Visit Temecula Valley which will have the responsibility of implementing VTVTBD programs as more fully described in the Management District Plan approved by the City Council on September 24, 2024, and on file with the City Clerk.

Once per year beginning on the anniversary of the renewal of the VTVTBD there shall be a 30-day period in which owners of the Lodging Businesses paying more than 50% of the assessment may petition the City Council to terminate the renewed VTVTBD.

Management: Visit Temecula Valley shall continue to serve as the VTVTBD's Owners' Association. The Owners' Association is charged with managing funds and implementing programs and must provide annual reports to the City Council.

Information: Should you desire additional information about the proposed renewal of the VTVTBD or assessments contact:

Scott Wilson, President & CEO for Visit Temecula Valley
28690 Mercedes Avenue, Suite A
Temecula, California 92590
Telephone: (888) 363-2852

Dated: _____

9/25/2024



Randi Johl, City Clerk

RESOLUTION NO. 2024-64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA DECLARING ITS INTENTION TO RENEW THE VISIT TEMECULA VALLEY TOURISM BUSINESS IMPROVEMENT DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994 AND FIXING THE TIME AND PLACE OF A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

WHEREAS, the Parking and Business Improvement District Law of 1994, California Streets and Highways Code Section 36600 *et seq.* (the “Law”) authorizes cities to establish business improvement districts for the purpose of promoting tourism; and

WHEREAS, by Resolution No. 15-09, adopted on February 10, 2015, the City Council established the Visit Temecula Valley Tourism Business Improvement District (“VTVTBID”) pursuant to the Law and authorized the levy of an assessment on lodging businesses, which include hotels, motels, and bed and breakfasts as defined in Temecula Municipal Code Section 3.20.020 (“Lodging Businesses”), for an initial term of five fiscal years, commencing with the fiscal year beginning on March 1, 2015, and ending on February 29, 2020; and

WHEREAS, by Resolution No. 20-08, adopted on January 28, 2020, the City Council renewed the VTVTBID which was established pursuant to Resolution No. 15-09 and the Law and authorized the levy of an assessment on Lodging Businesses for a second term with a duration of five years, that commenced with the fiscal year beginning on March 1, 2020, and will end on December 31, 2024; and

WHEREAS, Resolution Nos. 15-09 and 20-08, and the Law, provide that the City Council may again renew the VTVTBID and authorize an assessment on Lodging Businesses for a new term not to exceed ten years by following the procedures for the establishment of a district under the Law; and

WHEREAS, the owners of all of the Lodging Businesses within the City have requested the City Council to initiate proceedings pursuant to the Law to renew the VTVTBID pursuant to a written petition signed by the owners of Lodging Businesses within the VTVTBID which will pay more than 50% of the assessments proposed to be levied; and

WHEREAS, the boundaries of the proposed renewed VTVTBID will be the same as the boundaries of the existing VTVTBID; and

WHEREAS, the City Council desires to have Visit Temecula Valley (“VTV”) continue to manage the activities provided within the proposed renewed VTVTBID; and

WHEREAS, the VTV has drafted a management district plan (the “Management District Plan”) in connection with the proposed renewal of the VTVTBID which contains all the information required by Section 36622 of the Law and filed such Management District Plan with the City Clerk of the City of Temecula (“City”);

NOW THEREFORE, the City Council of the City of Temecula does hereby resolve, determine and find as follows:

Section 1. The recitals set forth herein are true and correct.

Section 2. Pursuant to Sections 36621(a) and 36600 of the Law, the City Council hereby declares its intention to renew the VTVTBID, a business improvement district established by the City Council pursuant to the Law, and to levy and collect assessments against Lodging Businesses within the VTVTBID boundaries.

Section 3. The exterior boundaries of the renewed VTVTBID shall be the exterior boundaries of the City, as shown on the map attached hereto as Exhibit A and incorporated herein by such attachment.

Section 4. The City Council hereby approves the Management District Plan on file in the Office of the City Clerk. The City Clerk shall make the Management District Plan and other documents related to the renewal of the VTVTBID available to the public for review during normal business hours, Monday through Friday, 8:00 a.m. – 5:00 p.m.

Section 5. The proposed activities for the renewed VTVTBID include tourism promotions and marketing programs that specifically and specially benefit the Lodging Businesses within the VTVTBID by increasing tourism and marketing the Temecula Valley as a tourism destination. A portion of the assessments each year will be used to pay for administrative expenses of the City.

Section 6. Except where funds are otherwise available, the City proposes to annually levy an assessment on all Lodging Businesses within the VTVTBID boundaries based upon 4% of the rent charged by the operator per occupied room per night to pay for activities within the VTVTBID. Extended stays, defined as stays of more than 30 consecutive calendar days, and those exempt persons as defined in Temecula Municipal Code Section 3.20.040 will be exempt from the VTVTBID assessment. New lodging businesses established within the boundaries of the VTVTBID after the beginning of any fiscal year will not be exempt from the levy of assessment for that fiscal year. Assessments pursuant to the VTVTBID shall not be included in gross room rental revenue for purpose of determining the amount of the transient occupancy tax imposed pursuant to Chapter 3.20 of the Temecula Municipal Code.

Section 7. The annual assessment described in Section 6 may be levied for a term of five fiscal years, commencing with the fiscal year beginning on January 1, 2025 and ending on December 31, 2029, after which term the City may again renew the assessment pursuant to Section 36600 of the Law. For purposes of levying and collecting assessments within the renewed VTVTBID, a fiscal year shall commence on January 1st and end on the following

December 31st ; provided that the City Council may, by resolution, designate the fiscal year as July 1st to June 30th of the following year, or any other fiscal year, subject to all applicable requirements of the Law.

Section 8. The amount of the annual assessment proposed to be levied in year one is anticipated to total approximately \$2,480,000. This amount is expected to fluctuate over the remaining four years of the five-year term of the assessment for the renewed VTVTBD in accordance with occupancy rates and rents charged by the operators of the Lodging Businesses within the VTVTBD, but the amount is not anticipated to be significantly different each year. The City shall not issue bonds in connection with the renewed VTVTBD.

Section 9. The City will collect the assessments from Lodging Businesses within the boundaries of the VTVTBD in monthly installments or such other installments as determined pursuant to resolution of the City Council. The funds collected will be distributed to the VTVTBD. Funds remaining at the end of any year may be used in subsequent years in which VTVTBD assessments are levied as long as they are used consistent with the requirements of this Resolution.

Section 10. The time and place for the public meeting for comments on the proposed renewal of the VTVTBD and the levy of the assessments is set for October 22, 2024, at 6:00 p.m., or as soon thereafter as the matter may be heard, at the City of Temecula, City Council Chambers, 41000 Main Street, Temecula, California.

Section 11. The time and place for the public hearing to consider renewing the VTVTBD and levying assessments is set for November 12, 2024, at 6:00 p.m., or as soon thereafter as the matter may be heard, at the City of Temecula, City Council Chambers, 41000 Main Street, Temecula, California.

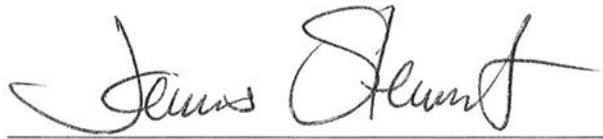
Section 12. At the public hearing a protest may be made orally or in writing by any interested person. Every written protest shall be filed with the City Clerk at or before the time fixed for the public hearing. Written protests may be mailed to the City Clerk, City of Temecula, 41000 Main Street, Temecula, California 92590. The City Council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the City as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with these requirements shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed renewed VTVTBD that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in this Resolution, shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

Section 13. Further information regarding the proposed renewal of the VTVTBID may be obtained from the City Clerk, City of Temecula, 41000 Main Street, Temecula, California, 92590.

Section 14. The City Clerk is instructed to provide mailed joint notice of the public meeting and public hearing to the Lodging Businesses in accordance with Section 36623 of the Law.

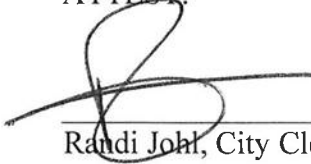
Section 15. This Resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify to the vote adopting this Resolution.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Temecula this 24th day of September, 2024.



James Stewart, Mayor

ATTEST:



Randi Johl, City Clerk

[SEAL]

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF TEMECULA)

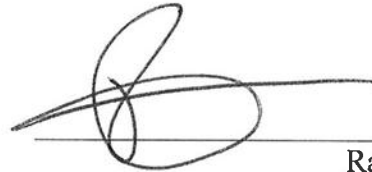
I, Randi Johl, City Clerk of the City of Temecula, do hereby certify that the foregoing Resolution No. 2024-64 was duly and regularly adopted by the City Council of the City of Temecula at a meeting thereof held on the 24th day of September, 2024, by the following vote:

AYES: 4 COUNCIL MEMBERS: Alexander, Kalfus, Schwank, Stewart

NOES: 0 COUNCIL MEMBERS: None

ABSTAIN: 0 COUNCIL MEMBERS: None

ABSENT: 0 COUNCIL MEMBERS: None



Randi Johl, City Clerk

EXHIBIT A

Visit Temecula Valley Tourism Business Improvement District Boundaries

