

**RESOLUTION NO. 2024-**

**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 VTVTBD 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 VTVTBD, a business improvement district established by the City Council pursuant to the Law, and to levy and collect assessments against Lodging Businesses within the VTVTBD boundaries.

Section 3. The exterior boundaries of the renewed VTVTBD 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 VTVTBD 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 VTVTBD include tourism promotions and marketing programs that specifically and specially benefit the Lodging Businesses within the VTVTBD 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 VTVTBD boundaries based upon 4% of the rent charged by the operator per occupied room per night to pay for activities within the VTVTBD. 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 VTVTBD assessment. New lodging businesses established within the boundaries of the VTVTBD after the beginning of any fiscal year will not be exempt from the levy of assessment for that fiscal year. Assessments pursuant to the VTVTBD 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 VTVTBD, a fiscal year shall commence on January 1<sup>st</sup> and end on the following

December 31<sup>st</sup> ; provided that the City Council may, by resolution, designate the fiscal year as July 1<sup>st</sup> to June 30<sup>th</sup> 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 VTVTBDID 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 24<sup>th</sup> day of September, 2024.

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James Stewart, Mayor

ATTEST:

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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-     was duly and regularly adopted by the City Council of the City of Temecula at a meeting thereof held on the 24<sup>th</sup> day of September, 2024, by the following vote:

AYES:                    COUNCIL MEMBERS:

NOES:                    COUNCIL MEMBERS:

ABSTAIN:                COUNCIL MEMBERS:

ABSENT:                 COUNCIL MEMBERS:

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Randi Johl, City Clerk

# EXHIBIT A

## Visit Temecula Valley Tourism Business Improvement District Boundaries

