

ORDINANCE NO. _____

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA AMENDING CHAPTER 33, SECTION 33-5(a) OF THE SONOMA COUNTY CODE, REGARDING SONOMA COUNTY TOURISM BUSINESS IMPROVEMENT AREA ASSESSMENTS

THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION I:

(a) On November 2, 2004, the Board of Supervisors adopted Ordinance No. 5525 (the "Ordinance"), pertaining to the creation of the Sonoma County Tourism Business Improvement Area, in accordance with the terms of the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code Section 36500, *et seq.*, the "Act").

(b) Section 33-5(a) of the Ordinance imposed an assessment on lodging establishments equal to 2% of the rent charged. The assessment only applies to lodging establishments that generate over \$350,000 in the preceding fiscal year (July 1 to June 30). Assessment proceeds may only be used to pay for marketing activities that increase overnight visits to Sonoma County. In the 15 years since the assessment began, tourism in Sonoma County has dramatically increased, with TOT funds rising more than 63% surpassing \$48 million annually, economic impact reaching \$2.3 billion, and employment in the tourism and hospitality sectors topping 22,200.

(c) During the last few years, natural disasters have taken a heavy toll on the tourism industry in Sonoma County. The Tubbs Fire in 2017, Russian River floods and the Kincaid Fire in 2019, and the Corona virus in 2020, have changed travel plans for millions of potential visitors and consequently stressed local hospitality businesses. Moreover, evolving trends in tourism have also stressed resources within Sonoma County, highlighting the importance of attracting responsible visitors that will engage in sustainable tourism, respecting both the natural resources and local residents of Sonoma County. The increased assessment proposed by this amendment will allow the Sonoma County Tourism Bureau to perform its evolving destination stewardship role and is hence referred to as the Responsible Tourism Assessment ("RTA").

(d) In recognition of the need to increase marketing efforts, the same hoteliers who spearheaded adoption of the original assessment have joined again to propose an amendment to the Ordinance designed to increase available funding. Specifically, this proposed amendment to the Ordinance will remove the \$350,000.00 threshold for collection of the assessment.

(e) Pursuant to the Act, on October 4, 2022, this Board adopted Resolution No. _____, entitled "Resolution of the Sonoma County Board of Supervisors Declaring its Intention to Amend the Ordinance Establishing a Tourism Business Improvement Area in Various Cities of Sonoma County and in the Unincorporated Area of the County of Sonoma, by Removing the Threshold of \$350,000 in Prior Year Rents for Imposition of the Assessment, Fixing November 1, 2022 at or after 8:30 a.m. as the Date for a Public Meeting and December 13, 2022 at or after 8:30 a.m. as the Date for a Public Hearing to be Held by the Board to Consider

Amendment of the Ordinance, and Authorizing and Directing the Giving of Notice,” declaring its intention to amend the Ordinance by removing the \$350,000.00 threshold for collection of the assessment.

(f) Notice of the proposed amendment and the Resolution of Intention was made pursuant to the Act.

(g) As specified in Resolution No. _____, a public meeting concerning the proposed amendments was held on November 1, 2022, at or after 8:30 a.m., before this Board in the Board’s chambers at 575 Administration Drive, Santa Rosa.

(h) As further specified in Resolution No. _____, a public hearing concerning the proposed amendments was held on December 13, 2022, at or after 8:30 a.m., before this Board in the Board’s chambers at 575 Administration Drive, Santa Rosa. At the hearing, all protests, both written and oral, made or filed, were considered and duly overruled and denied, and this Board determined that there was no majority protest to the proposed amendments within the meaning of Section 36523 of the Act.

(i) Pursuant to Section 36521.5 of the Act, the County of Sonoma may not collect assessments under a business improvement area formed within the territorial jurisdiction of a city without the consent of the city council of that city. The Board has received resolutions providing consent to the proposed amendments from each of the following cities: _____.

(j) Lodging operators within the Area subject to the assessments receive the specific benefits of increased overnight visits and activities funded by the assessments, and furthermore, the assessments pay for specific government services provided to lodging operators such as marketing and promotion, all as specified in California Constitution Article XIII C §1(e)(1) and (2), and Government Code section 53758.

SECTION II:

Section 33-5(a) of Chapter 33 of the Sonoma Code, as adopted in Section II of Ordinance No. 5525, is hereby amended to read in its entirety as follows:

(a) Each operator of a lodging establishment generating rent during the preceding fiscal year (July 1 to June 30) shall pay as an assessment a sum equal to two percent (2%) of the rent charged by the operator.

SECTION III:

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The Board of Supervisors hereby declares that it would have passed this Ordinance, and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

SECTION IV:

This Ordinance shall be, and the same is hereby declared to be in full force and effect from and after 30 days after its passage, and shall be published once before the expiration of 15 days after said passage, with the names of the Supervisors voting for or against the same in a newspaper of general circulation published in the County of Sonoma, State of California.

In regular session of the Board of Supervisors of the County Sonoma passed and adopted this 13th day of December, 2022, on regular roll call of the members of the Board by the following vote:

SUPERVISORS:

Gorin _____ Rabbitt _____ Coursey _____ Hopkins _____ Gore _____

Ayes _____ Noes _____ Abstain _____ Absent _____

SO ORDERED

By: _____
Chair, Board of Supervisors
County of Sonoma
State of California