



County of Sonoma

State of California

Date: October 4, 2022

Item Number: _____

Resolution Number: _____

☐ 4/5 Vote Required

Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, 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 AM as the date for a Public Meeting and December 13, 2022 at or after 8:30 AM 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.

Whereas, 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 ("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"); and

Whereas, Section 33-5(a) of the Ordinance imposed an assessment on lodging establishments equal to 2% of the rent charged. The existing assessment only applies to lodging establishments that generate over \$350,000 of rent 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; and

Whereas, 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, 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"); and

Whereas, in recognition of the need to increase marketing efforts, the same lodging establishment leaders who spearheaded adoption of the original assessment joined again to propose an amendment to the Ordinance designed to increase available funding for destination marketing. Specifically, the proposed amendment to the Ordinance would remove the \$350,000.00 threshold of prior year rents for imposition of the assessment; and

Whereas, 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. In 2004, the Cities of Santa Rosa, Rohnert Park, Petaluma, Cotati, Cloverdale, and Sebastopol and the Town of Windsor, by duly enacted resolutions, consented to the formation of the Area within their municipal boundaries. The same cities and town, by duly enacted resolutions, consented to this proposed amendment of the Ordinance and its applicability to lodging operators within their respective incorporated boundaries under the amended Ordinance, as provided by Streets and Highways Code section 36521.5; and

Whereas, 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; and

Now, Therefore, the Board of Supervisors of the County of Sonoma hereby resolves, determines, and finds as follows:

1. Recitals. The recitals set forth above are true and correct.
2. Intention and Authority. The Board of Supervisors of the County of Sonoma hereby declares its intention to modify the existing assessment and amend the Ordinance by amending Section 33-5(a) of the Sonoma County Municipal code to remove the \$350,000 threshold of prior year rents for imposition of the assessment, all in accordance with the authority granted in Section 36541 of the Act.
3. Continued Effectiveness. Except as modified by the proposed amendment, all of the terms and conditions of the Ordinance shall remain in full force and effect.
4. Payment of Assessments – Effective Date. If the Ordinance is amended, the effective date for commencement of the amended assessments will be thirty (30) days after passage of the ordinance_____. New lodging establishments within the Area shall not be exempt from the assessment. Except where funds are otherwise available, the assessment will be levied to pay for all activities within the area.
5. Public Meeting; Notice. Notice is hereby given that the Board of Supervisors will hold a public meeting on the proposed amended assessments pursuant to Government Code section 54954.6(a) on November 1, 2022 at or after 8:30 AM, in the Board’s chamber at 575 Administration Drive, Santa Rosa, California.
6. Public Hearing; Notice. Notice is further hereby given that the Board of Supervisors will hold a public hearing pursuant to Government Code section 54954.6(a) and Streets and Highways Code section 36524 on December 13, 2022 at or after 8:30 AM, in the Board’s chamber at 575 Administration

- Drive, Santa Rosa, California. At the public hearing, the Board of Supervisors will hear the testimony of all interested persons for or against the proposed amendments.
7. **Protests to Modification of the Assessment.** A protest against the proposed amendments may be made orally or in writing by any interested person. Protests to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made. Written protests must be filed with the Clerk of the Board of Supervisors at or before the time fixed for the public hearing. Each written protest shall describe the business in which the person submitting the written protest is interested. The description shall be sufficient to identify the business and, if the person submitting the written protest is not shown on the official records of the County of Sonoma as the owner of the business, the protest shall contain or be accompanied by written evidence that the person submitting the written protest is the owner of the business. Written protests that do not comply with this provision shall not be counted in determining a majority protest. Written protests may be withdrawn at any time before the conclusion of the public hearing.
 8. **Effect of Written Protests by Lodging Operators.** If written protests are received from the owners of businesses in the proposed area which 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 amend the Ordinance as proposed may be taken for a period of one year from the date of the finding of a majority protest by the Board of Supervisors.
 9. **Action by Board at Conclusion of Public Hearing.** At the conclusion of the December 13, 2022 public hearing, the Board of Supervisors may adopt, revise, change, reduce, or modify the proposed amendments; provided, however, that the Board of Supervisors may only revise the proposed amendments in a manner that would reduce the assessments.

10. Direction to Give Notice as Required by Law. The County Clerk is authorized and directed to cause notice to be given in accordance with Section 36523.5 of the California Streets and Highways Code and Section 54954.6. Pursuant to Subdivision (c) of Section 54954.6 of the Government Code, this Resolution and the notice required by 54954.6(c) of the Government Code shall be mailed by first class postage prepaid, to each operator of a lodging establishment in the Area, said mailing to be completed at least seven (7) days after the Board's adoption of this Resolution.
11. Contact Information. Further information regarding the proposed amendments to the Ordinance may be obtained from Ethan Brown, Interim Director of the Sonoma County Economic Development Board, at 707-565-7170.
12. Effective Date. This Resolution is effective upon its adoption.

Supervisors:

Gorin:	Rabbitt:	Coursey:	Hopkins:	Gore:
Ayes:	Noes:	Absent:	Abstain:	

So Ordered.