

## NOTICE OF PROPOSED MODIFICATION OF ASSESSMENT

Dear Sonoma County Lodging Property:

On October 18, 2022, the Sonoma County Board of Supervisors (Board) adopted a Resolution of Intention (see copy attached), stating its intention to amend the existing Sonoma County Tourism Business Improvement Area (BIA) Ordinance, subject to certain meeting and public hearing requirements. Notice of the proposed amendment is hereby given to all lodging establishments subject to the assessment, along with information concerning proposed meetings and a public hearing at which the Board will receive and consider protests.

The proponent of the modification is Sonoma County Tourism (SCT), the County appointed destination stewardship organization which is governed by hospitality professionals. SCT is committed to ensuring that you, as an owner or general manager of a lodging property located in a city, town or unincorporated area within Sonoma County, have the sales and marketing campaigns, tools and insights needed to successfully run your business. As SCT works to move the entire county into recovery and focuses its efforts on attracting responsible travelers, the organization proposes a modification of the BIA to include all lodging properties within the BIA, regardless of size<sup>1</sup>.

When the BIA was formed in 2004, properties generating less than \$350,000 per year were excluded from the program. During the next 18 years, SCT worked hard to create programs that appealed to both leisure and business travelers from around the Bay Area and across the globe. During this timeframe, both the supply of properties and the success of short-term rentals has proven this is an industry segment that is increasingly important to the region. SCT believes that now is the perfect time to eliminate the revenue threshold so that short-term rentals can enjoy greater visibility across SCT's marketing channels and benefit from the robust marketing programs.

The BIA payment is an assessment, rather than a tax, that is placed on a guest's room folio and charged back to each guest upon departure. The BIA assessment is 2% of the total revenue collected from rents charged. That rate will not change under this proposed amendment. The only proposed change is removal of the \$350,000 revenue threshold. The procedure for collection is established by the TOT collecting agency in each municipality. Under the proposed amendment, the assessment will be collected from all lodging properties, including hosted and whole house vacation rentals, bed & breakfast establishments or smaller hotels/motels not currently contributing. If you work with a property management company, please check with them to determine if the BIA assessment is already being paid.

The process for remitting the BIA assessment is the same as the process used to collect TOT, with the assessment being remitted directly to the municipality where it is located. The funds will be distributed to Sonoma County Tourism and be used to benefit Sonoma County's BIA lodging properties through sales and marketing programs that drive overnight visitation.

This proposed amendment is called the Responsible Tourism Assessment because it helps to fund programs designed to shape consumer behavior and ultimately protect and preserve Sonoma County's cultural and natural resources. Read more about this initiative at [SonomaCounty.com/Sustainability](https://SonomaCounty.com/Sustainability).

The attached Resolution of Intention provides information concerning the proposed amendment including the following:

1. The method and basis of levying the assessment (i.e., 2% of the total revenue collected from rents charged).
2. A general description of the purpose that the assessment will fund (i.e., sales and marketing programs that drive overnight visitation).

3. The address to which property owners may mail a protest against the assessment (i.e., County of Sonoma Board Clerk at 575 Administration Drive, Room 100A, Santa Rosa, CA 95403).
4. The telephone number and address of an individual that interested persons may contact to receive additional information about the assessment (Ethan Brown, Interim Director of the Sonoma County Economic Development Board, at 707-565-7170 or Claudia Vecchio, President/CEO of the Sonoma County Tourism Bureau, at 707-522-5804 or by mail to 400 Aviation Blvd., Ste. 500, Santa Rosa CA, 95403).
5. A statement that a majority protest (i.e., protests received from the owners of businesses in the proposed area that will pay 50 percent or more of the assessments proposed to be levied) will cause the proposed amendment to be abandoned.
6. The dates, times, and locations of the public meeting and hearing, which are as follows:
  - a. A Public Meeting on November 1, 2022, at or after 8:30 a.m., in the Board's chamber at 575 Administration Drive, Santa Rosa, California, and
  - b. A Public Hearing on December 13, 2022, at or after 8:30 a.m., in the Board's chamber at 575 Administration Drive, Santa Rosa, California.

Because of our desire to ensure that properties have an opportunity to provide input to Sonoma County Tourism, we will also hold two virtual town hall meetings at which this process will be discussed, and questions answered. These town hall meetings will be held via Zoom on Tuesday, Oct. 25 at 6:00 p.m. and Thursday, Oct. 27 at 12:00 p.m. Information regarding these meetings can be found at [SonomaCounty.com/partners](https://SonomaCounty.com/partners). The Zoom log-in information will be available after Oct. 18, 2022.

We very much appreciate that change can be a challenge, but we truly believe the benefits to you of having a greater presence within Sonoma County Tourism's marketing efforts will far outweigh the adjustment to this new process. We hope you feel the same.

Thank you for your time in reading this notice. More information about the process is available at [SonomaCounty.com/partners](https://SonomaCounty.com/partners).

Sincerely,

Claudia Vecchio  
CEO  
Sonoma County Tourism

Enclosures: County of Sonoma Resolution of Intention adopted on October 18, 2022, which includes a copy of the proposed amending Ordinance removing the revenue threshold.

<sup>1</sup> Before the BIA was created by the County Board of Supervisors, it was approved by all Sonoma County municipalities except the cities of Sonoma and Healdsburg.