

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of May 23, 2017

RESOLUTION NO. 17-47

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT
DECLARING RESULTS OF MAJORITY PROTEST PROCEEDINGS AND RENEWING
THE HUMBOLDT COUNTY TOURISM BUSINESS IMPROVEMENT DISTRICT**

WHEREAS, the Property and Business Improvement District Law of 1994 (Streets and Highways Code §36600 *et. seq.*) authorizes the county to renew business improvement districts upon petition by a weighted majority of the lodging business owners located within the boundaries of the district; and

WHEREAS, lodging business owners who will pay more than fifty percent (50%) of the proposed assessment, as weighted according to the amount of the assessment to be paid by the petitioner, within the boundaries of the Humboldt County Tourism Business Improvement District ("HCTBID") have petitioned the Board of Supervisors to renew the HCTBID; and

WHEREAS, the renewed district includes lodging businesses in the cities of Arcata, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad; and

WHEREAS, consent to include lodging businesses in their jurisdictions has been received from the cities of Arcata, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad; and

WHEREAS, included with the petitions was a Management District Plan (Plan) summary that describes the proposed assessment to be levied on lodging businesses within the HCTBID to pay for sales promotion and marketing activities, and other improvements and activities set forth in the Plan; and

WHEREAS, the assessed lodging businesses within the HCTBID will receive a specific benefit from the activities and improvements set forth in the Plan; and

WHEREAS, on March 28, 2017 at 9:00 AM at 825 5th Street, Eureka, CA 95501, the Board of Supervisors adopted a Resolution of Intention, Resolution No. 2017-28; and

WHEREAS, the public meeting and public hearing to consider the renewal of the HCTBID have been properly noticed in accordance with Streets and Highways Code §36623; and

WHEREAS, on May 9, 2017 at 9:00 AM at 825 5th Street, Eureka, CA 95501, the Board of Supervisors held a public meeting regarding the renewal of the HCTBID, and the Board of Supervisors heard and received objections and protests, if any, to the renewal of the HCTBID and the levy of the proposed assessment; and

WHEREAS, on May 16, 2017 at 9:00 AM at 825 5th Street, Eureka, CA 95501, the Board of Supervisors opened a public hearing regarding the renewal of the HCTBID, and the Board of Supervisors heard and received all objections and protests, if any, to the renewal of the HCTBID and the levy of the proposed assessment; and

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WHEREAS, on May 16, 2017 the Board of Supervisors continued the public hearing regarding the renewal of the HCTBID to May 23, 2017 to allow for the Resolution of Consent from the City of Rio Dell to become effective; and

WHEREAS, the Clerk of the Board has determined that there was no majority protest. A majority protest is defined as written protests received from owners of businesses in the proposed district which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each lodging business; and

WHEREAS, the county bears the burden of proving by a preponderance of the evidence that an assessment imposed for a specific benefit or specific government service is not a tax, that the amount is no more than necessary to cover the costs to the county in providing the specific benefit or specific government service, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the specific benefits or specific government services received by the payor.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:


1. The recitals set forth herein are true and correct.
2. The Humboldt County Tourism Business Improvement District is hereby renewed for a ten (10) year term, beginning July 1, 2017 through June 30, 2027.
3. The Management District Plan dated December 14, 2016 is hereby adopted and approved.
4. The activities to be provided to benefit businesses in the district will be funded by the levy of the assessment of 2% of gross revenue from short term room rental. The revenue from the assessment levy shall not be used: to provide activities that directly benefit businesses outside the district; to provide activities or improvements outside the HCTBID; or for any purpose other than the purposes specified in this Resolution, the Resolution of Intention, and the Plan.
5. The Board of Supervisors finds as follows:
 - a. The activities funded by the assessment will provide a specific benefit to assessed businesses within the HCTBID that is not provided to those not paying the assessment.
 - b. The assessment is a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
 - c. The assessment is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
 - d. Assessments imposed pursuant to the HCTBID are levied solely upon the assessed business, and the business owner is solely responsible for payment of the assessment when due. If the owner chooses to collect any portion of the assessment from a transient, that portion shall be specifically called out and identified for the transient in any and all communications from the business owner as the "HCTBID Assessment."

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6. The assessments levied for the HCTBID shall be applied towards sales, promotions and marketing programs to market HCTBID lodging businesses as tourist, meeting and event destinations, and other improvements and activities as set forth in the Plan.
7. Assessments levied on lodging businesses pursuant to this resolution shall be levied on the basis of benefit. Because the services provided are intended to increase room rentals, an assessment based on room rentals is the best measure of benefit.
8. The assessments for the entire District will total approximately \$1,136,000 in year one.
9. Bonds shall not be issued to fund the HCTBID.
10. The HCTBID shall include all lodging business located within the boundaries of the County of Humboldt, including the cities of Arcata, Eureka, Fendale, Fortuna, Rio Dell and Trinidad.
11. The assessments shall be used for the purposes set forth above and any funds remaining at the end of any year may be used in subsequent years in which the HCTBID assessment is levied as long as they are used consistent with the requirements set forth herein.
12. The assessments to fund the activities and improvements for the HCTBID will be collected by the county and each city on a monthly or quarterly basis, and in accordance with Streets and Highways Code §36631.
13. The Board of Supervisors, through adoption of this Resolution and the Plan, has the right pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the HCTBID as defined in Streets and Highways Code §36612. The Board of Supervisors has determined that the Humboldt Lodging Alliance shall continue to be the Owners' Association.
14. The Humboldt Lodging Alliance, pursuant to Streets and Highways Code §36650, shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvement and activities described in the report. The first report shall be due after the first year of operation of the district.
15. The HCTBID established pursuant to this resolution will be subject to any amendments to the Property and Business Improvement District Law of 1994 (California Streets and Highways Code §36600 *et. seq.*).
16. The Clerk of the Board, or his or her designee, is directed to take all necessary actions to complete the establishment of the HCTBID and to levy the assessments.
17. This Resolution shall take effect immediately upon its adoption by the Board of Supervisors.

Dated: May 23, 2017



VIRGINIA BASS, Chair
Humboldt County Board of Supervisors

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Adopted on motion by Supervisor Fennell, seconded by Supervisor Sundberg, and the following vote:

AYES:	Supervisors	Sundberg, Fennell, Bass, Bohn, Wilson
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By ANA HARTWELL
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California