Copy of HCTBID Modification HLA Outreach Letter to City Managers

HLA Board of Directors

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February 12, 2019

Dear City Manager:

On November 7, 2018 the Humboldt Lodging Alliance (Alliance) board of directors voted to approve a change to the parameters of the Humboldt County Tourism Business Improvement District (HCTBID) to improve the organizational structure of the HCTBID and the Alliance. The board of directors' approved modification to the HCTBID Management District Plan will have the effect of defining assessed businesses as lodging businesses that have five (5) or more rentable units at a single location. The Alliance board of directors have requested in writing that the Humboldt County Board of Supervisors modify the HCTBID Management District Plan as described above.

In 2012, the HCTBID was created for a five (5) year term with the support of traditional lodging businesses throughout Humboldt County, including the incorporated cities of Arcata, Eureka, Ferndale, Fortuna, Rio Dell and Trinidad. In 2017, the HCTBID was renewed for a ten (10) year term. The structure of the HCTBID and the Alliance was created to provide specific benefits to assessed lodging businesses through sales and marketing programs designed to increase overnight visitation and room night sale at assessed businesses. The proposed modification will ensure that the HCTBID and the Alliance are able to continue providing these specific benefits to assessed businesses within the HCTBID.

There are many other California TBIDs that include a room count threshold for assessed businesses, ranging from five to seventy (5-70) rooms. Examples include: Berkeley, Buena Park, Burbank, Concord, Los Angeles, Oakdale, Ontario, Palm Springs, San Diego, San Francisco, and Torrance.

The proposed modification will have no effect on the applicability of transient occupancy taxes levied on lodging businesses with less than five (5) rentable units at a single location. The effective date of the proposed modification is anticipated to be April 1, 2019. So, Beginning April 1, 2019 any lodging business with less than five (5) rentable units at a single location will not be subject to the HCTBID assessment. If the proposed modification is approved by the Humboldt County Board of Supervisors, you will receive notification of their approval.

If you have any questions please contact me, 707-443-2234 or <u>Chris@HumboldtBayInn.com</u>.

Thank you,

Chris Ambrosini

Chris Ambrosini, Board Chair

Humboldt Lodging Alliance

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