

RESOLUTION NO. 2020-076

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA DECLARING ITS INTENTION TO ESTABLISH THE SANTA ANA TOURISM MARKETING DISTRICT ("SATMD") AND FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA ANA AS FOLLOWS:

Section 1. The City Council of the City of Santa Ana hereby, finds, determines and declares as follows:

- A. The Property and Business Improvement Law of 1994, Streets and Highways Code §36600, et seq., authorizes the City to establish business improvement districts for the purposes of promoting tourism; and
- B. Lodging business owners and representatives from the City of Santa Ana have met to consider the formation of the Santa Ana Tourism Marketing District ("SATMD"); and
- C. Travel Santa Ana, a new non-profit entity formed to manage the proposed SATMD, has drafted a Management District Plan ("Plan"), which sets forth the proposed boundary of the SATMD, a service plan and budget, and a proposed means of governance; and
- D. Lodging businesses that will pay more than fifty percent (50%) of the assessment under the SATMD have petitioned the City Council to establish the SATMD.

Section 2. The recitals set forth herein are true and correct.

Section 3. The City Council finds that lodging businesses that will pay more than fifty percent (50%) of the assessment proposed in the Plan have signed and submitted petitions in support of the formation of the SATMD, per Streets and Highways Code §36621. The City Council accepts the petitions and adopts this Resolution of Intention to establish the SATMD and to levy an assessment on certain lodging businesses within the SATMD boundaries in accordance with the Property and Business Improvement District Law of 1994.

Section 4. The City Council finds that the Plan satisfies all requirements of Streets and Highways Code §36622.

Section 5. The City Council declares its intention to establish the SATMD and to levy and collect assessments on lodging businesses with seventy (70) rooms or more within the SATMD boundaries pursuant to the Property and Business Improvement District Law of 1994.

Section 6. The SATMD shall include all lodging businesses with seventy (70) rooms or more, existing and in the future, located within the boundaries of City of Santa Ana, as shown in the District Boundaries map attached hereto as Exhibit A and incorporated herein by reference.

Section 7. The name of the district shall be the Santa Ana Tourism Marketing District ("SATMD").

Section 8. The annual assessment rate is two percent (2%) of gross short-term room rental revenue, which is estimated to be approximately \$2,400,000 annually. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays of any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; stays pursuant to contracts executed prior to January 1, 2021; and stays by any federal or state officer or employee while on official business only and when payment for such occupancy is made directly to the operator by duly authorized voucher payment from a governmental accounting office. This exemption does not exempt a transient who is employed by the United States government or the state or their respective instrumentalities from payment of the assessment when the payment is later to be reimbursed by the United States government or the state or their respective instrumentalities.

Section 9. The assessments levied for the SATMD shall be applied toward marketing and sales programs to market assessed lodging businesses in Santa Ana as tourist, meeting, and event destinations, as described in the Plan. Funds remaining at the end of any year may be used in subsequent years in which SATMD assessments are levied as long as they are used consistent with the requirements of this resolution and the Plan.

Section 10. The established SATMD will have a five (5) year term, beginning January 1, 2021, through December 31, 2025, unless renewed pursuant to Streets and Highways Code §36660, or disestablished per Streets and Highways Code §36670.

Section 11. Bonds shall not be issued.

Section 12. The time and place for the public meeting to hear testimony on establishing the SATMD and levying assessments are set for October 6, 2020, at 5:45 PM, or as soon thereafter as the matter may be heard, at the Council Chambers located at 22 Civic Center Plaza, Santa Ana, CA 92701, or online due to the declaration of state and local emergency, as detailed in the public meeting notice issued by the Clerk of the Council.

Section 13. The time and place for the public hearing to establish the SATMD and the levy of assessments are set for November 17, 2020, at 5:45 PM, or as soon thereafter as the matter may be heard, at the Council Chambers located at 22 Civic Center Plaza, Santa Ana, CA 92701, or online due to the declaration of state and local emergency, as detailed in the public meeting notice issued by the Clerk of the Council. The Clerk of the Council is directed to provide written notice to the lodging businesses subject to assessment of the date and time of the meeting and hearing, and to provide that notice as required by Streets and Highways Code §36623.

Section 14. At the public meeting and the public hearing, the testimony of all interested persons for or against the formation of the SATMD may be received. If at the conclusion of the public hearing, there are of record written protests by the owners of the lodging businesses within the established SATMD that will pay more than fifty percent (50%) of the estimated total assessment of the entire SATMD, no further proceedings to establish the SATMD shall occur for a period of one (1) year.

Section 15. The complete Plan is on file with the Clerk of the Council and may be reviewed upon request.

Section 16. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution.

ADOPTED this 15th day of September, 2020.

Miguel A. Pulido
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho,
City Attorney

By:
Ryan O. Hodge
Assistant City Attorney

, AYES:	Councilmembers	<u>Bacerra, Mendoza, Penaloza, Pulido .</u> <u>Sarmiento, Solorio, Villegas (7)</u>
NOES:	Councilmembers	<u>None (0)</u>
ABSTAIN:	Councilmembers	<u>None (0)</u>
NOT PRESENT:	Councilmembers	<u>None (0)</u>

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Daisy Gomez, Clerk of the Council, do hereby attest to and certify the attached Resolution No. 2020-076 to be the original resolution adopted by the City Council of the City of Santa Ana on September 15, 2020.

Date: 9-22-2020

Daisy Gomez
Clerk of the Council
City of Santa Ana

EXHIBIT A
DISTRICT BOUNDARIES

