NOTICE OF PROPOSED ASSESSMENT
For the San Luis Obispo County Tourism Marketing District (TMD)

NOTICE IS HEREBY GIVEN that on **Tuesday, February 10, 2015**, the Board of Supervisors (the "Board") of the County of San Luis Obispo (the "County") adopted a resolution of intention to establish the San Luis Obispo County Tourism Business Improvement District (the "TMD") and to levy an assessment on the lodging businesses within the TMD as set forth in said resolution of intention. The resolution is attached hereto and hereby incorporated into the notice.

NOTICE IS HEREBY FURTHER GIVEN that at 9 a.m. on **Tuesday, March 10, 2015**, in the County of San Luis Obispo Board Chambers, 1055 Monterey Street, San Luis Obispo, California, a public meeting shall be held pursuant to Government Code Section 54954.6 to allow public testimony regarding the establishment of the TMD and levy of assessments therein as set forth in the enclosed resolution of intention and pursuant to Government Code Section 54954.6 and Streets and Highway Codes Section 36600 et seq.

NOTICE IS FURTHER GIVEN that 9 a.m. on Tuesday, **April 7, 2015**, in the County of San Luis Obispo Board Chambers, 1055 Monterey Street, California, has been set as the time and place for a public hearing at which time members of the Board propose to levy the proposed assessment as set forth in the resolution of intention and pursuant to Government Code Section 54954.6 and Streets and Highway Codes Section 36600 et seq.

Assessment: An assessment is proposed to be levied on all lodging businesses, which include hotels, motels, bed and breakfasts, vacation homes and RV Parks, that pay transient occupancy tax (TOT) within the TDM boundaries based upon 1% of the rent charged by the operator per occupied room per night for all transient occupancies. The amount of the assessment shall be one (1) percent of your annual gross room rental revenue. Federal government employees on government business will be exempt from the levy of assessment. Extended stays, defined as more than 30 consecutive calendar days, shall be exempt from the levy of assessment.

Estimate: The estimated amount of revenue to be raised by the assessment is estimated to be approximately in the $2.8 million - $3.0 million range.

Purpose: The TDM proposes to administer tourism promotions and marketing programs to promote San Luis Obispo County as a tourism destination and projects, programs, and activities that benefit lodging businesses located and operating within the boundaries of the district. The proposed improvements and activities shall be targeted at increasing transient stays.

Collection: The assessment is proposed to be levied on an annual basis and shall be collected monthly from lodging businesses within the TDM.

Protest: Upon receipt by the Clerk of the Board of <u>written</u> protests from the owners of lodging businesses in the proposed district that will pay 50 percent or more of the annual assessments levied, no further proceedings to levy the proposed assessment shall be taken for a period of one year. Written protests must be received by the Clerk of the Board prior to the start of the public hearing on **April 7, 2015**. Your written protest must contain the following information: property owner's name, business name, property address, and business owner's signature. A protest form is attached for your use. It is also available on the Clerk Recorder's website at www.slocounty.ca.gov/clerk.

Should you desire to mail a protest against this assessment, the address is:

Clerk of the Board of Supervisors
County of San Luis Obispo
1055 Monterey Street, Suite D120
San Luis Obispo, CA 93408

Information: Should you desire additional information about this assessment, contact:

Nikki Schmidt, Administrative Analyst
County of San Luis Obispo
1055 Monterey Street, Suite D430, San Luis Obispo, CA 93408
Phone: (805) 781-5496 or Email: nschmidt@co.slo.ca.us

DATED: February 11, 2015

TOMMY GONG, County Clerk-Recorder
and Ex-Officio Clerk of the Board of Supervisors

By: /s/ *Sandy Currens*, Deputy Clerk-Recorder

IN THE BOARD OF SUPERVISORS

COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Tuesday, February 10, 2015

PRESENT: Supervisors Bruce S. Gibson, Adam Hill, Lynn Compton and Chairperson Debbie Arnold

ABSENT: Supervisor Frank R. Mecham

RESOLUTION NO. 2015-43

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN LUIS OBISPO DECLARING ITS INTENTION TO ESTABLISH THE SAN LUIS OBISPO COUNTY TOURISM MARKETING DISTRICT (TMD), DECLARING ITS INTENTION TO LEVY AN ASSESSMENT ON LODGING BUSINESSES WITHIN SUCH DISTRICT BEGINNING FISCAL YEAR 2015-16, AND FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

The following resolution is now offered and read:

WHEREAS, the Property and Business Improvement District Law of 1994 (Streets and Highway Code §36600 et seq.) authorizes cities and counties to establish property and business improvement districts for the purpose of promoting tourism; and

WHEREAS, Visit San Luis Obispo County (Visit SLO Co) has proposed the formation of the San Luis Obispo County Tourism Marketing District (TMD) and has drafted a management district plan (Plan) which sets forth the proposed boundary of the TMD, a service plan and budget, and a proposed means of governance; and

WHEREAS, a majority of the lodging businesses who will pay more than 50% of the assessments proposed to be levied by the TMD have petitioned the Board of Supervisors to establish the TMD; and

WHEREAS, the cities of Arroyo Grande, Atascadero, El Paso de Robles, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo have adopted resolutions consenting to the formation of TMD within their jurisdictions pursuant to Streets and Highways Code §36620.5.

NOW THEREFORE, the Board of Supervisors of the County of San Luis Obispo does hereby resolve, determine and find as follows:

Section 1. The recitals set forth herein are true and correct.

Section 2. The Board finds that the lodging businesses that will pay more than 50% of the assessments proposed in the Plan have signed and submitted petitions in support of the formation of the TMD. The Board accepts the petitions and adopts this resolution of intention to establish the TMD and to levy an assessment on certain lodging businesses that pay transient occupancy tax (TOT) within the TMD boundaries in accordance with the Property and Business Improvement District Law of 1994.

Section 3. The Board finds that the Plan satisfies all requirements of Streets and Highways Code §36622.

Section 4. The Board declares its intention to establish the TMD and to levy and collect annual assessments on certain lodging businesses that pay TOT with the TMD boundaries pursuant to the Property and Business Improvement District Law of 1994, for a period five (5) years (2015-2019) as proposed by the Plan, following the approval of the resolution establishing the TMD.

Section 5. The boundaries of the TMD shall be the boundaries of the County of San Luis Obispo including the cities of Arroyo Grande, Atascadero, El Paso de Robles, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo, as set forth in the attached map, incorporated herein as Exhibit A.

Section 6. The name of the district shall be the San Luis Obispo County Tourism Marketing District (TMD).

Section 7. The annual assessment is 1% of the annual gross of the rent charged by operator per occupied room per night for all transient occupancies. Federal government employees on government business will be exempt from the levy of assessment. Extended stays, defined as more than 30 consecutive calendar days, shall be exempt from the levy of assessment. The assessment shall be collected in monthly installments or such other installments as determined by the collecting agency, based on 1% of the rent charged by the operator per occupied room per night in revenues for the previous month. New lodging businesses within the boundaries shall not be exempt from the levy of assessment authorized by Section 36628.5 of the law. Assessments pursuant to the TMD shall not be included in gross room rental revenue for purpose of determining the amount of the transient occupancy tax.

Section 8. The assessments levied for the TMD will specifically benefit the assessed lodging businesses and shall be applied towards sales, marketing, advertising, and promotional activities of the TMD as a tourist, meeting, and event destination. Funds remaining at the end of any year may be used in subsequent years in which the TMD assessments are levied pursuant to the requirements of the Plan.

Section 9. The TMD will have a five (5) year term unless renewed pursuant to the Streets and Highways Code §36660.

Section 10. Bonds will not be issued by or on behalf of the TMD.

Section 11. The Board hereby sets **March 10, 2015** as the date for a public meeting on the establishing the TMD and the levy of assessments.

Section 12. The Board hereby sets **April 7, 2015** as the date for the public hearing to establish the TMD and levy of assessments.

Section 13. Both the public meeting and hearing will be at 9:00 a.m., or as soon thereafter as practicable, in the Board of Supervisors Chambers located at 1055 Monterey Street, San Luis Obispo, California.

Section 14. The Clerk of the Board is directed to provide written notice to the lodging businesses subject to the proposed assessment of the date and time of the hearing and to provide that notice as required by Streets and Highways Code §36623(b).

Section 15. At the public meeting and hearing, the testimony of all interested person for or against the establishment of the TMD may be received. Written protests must be received by the Clerk of the Board prior to the start of the public hearing on April 7, 2015. If at the conclusion of the public hearing there are of record written protests from owners of lodging businesses in the proposed TMD that will pay 50 percent or more of the annual assessment levied, no further proceedings to levy the proposed assessment shall be taken for a period of one year.

Section 16. The complete Plan is on file with the Clerk of the Board and may be reviewed upon request.

Upon motion of Supervisor Hill, seconded by Supervisor Compton, and on the following roll call, to wit:

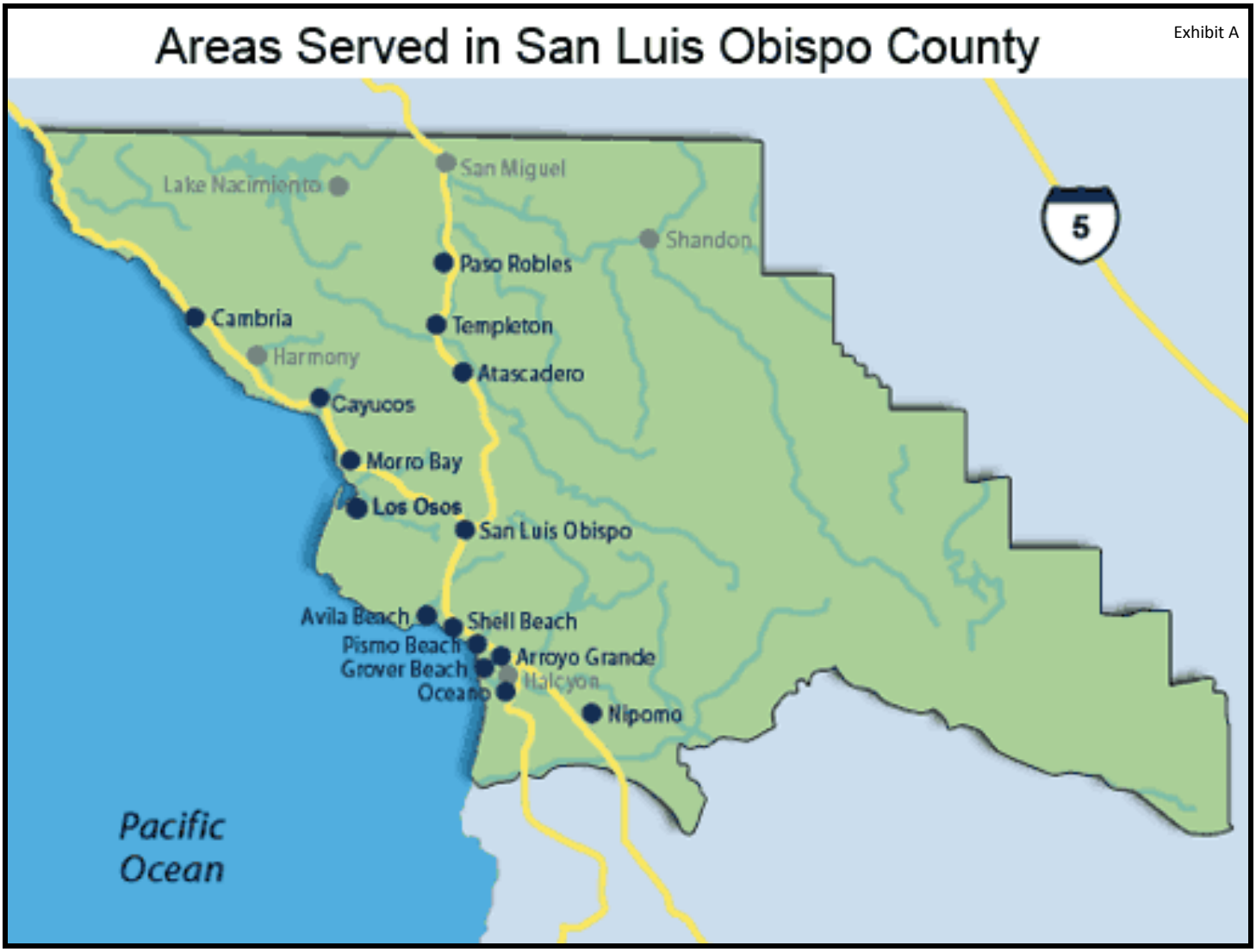
AYES: Supervisors Hill, Compton, Gibson and Chairperson Arnold
NOES: None
ABSENT: Supervisor Mecham
ABSTAINING: None

the foregoing resolution is hereby adopted.

COUNTY OF SAN LUIS OBISPO

BY: Debbie Arnold
Chairperson, Board of Supervisors

ATTEST:

TOMMY GONG
Clerk of the Board of Supervisors

By: Annette Ramirez
Deputy Clerk