

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Tuesday, September 29, 2026

PRESENT: Supervisors John Peschong, Bruce S. Gibson, Dawn Ortiz-Legg, Heather Moreno
and Chairperson Jimmy Paulding

ABSENT: None

RESOLUTION NO. 2026-210

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF SAN LUIS OBISPO DECLARING ITS INTENTION
TO ESTABLISH THE HIGHWAY 1 TOURISM MARKETING
DISTRICT (H1TMD), DECLARING ITS INTENTION TO LEVY AN
ASSESSMENT ON LODGING BUSINESSES WITHIN SUCH
DISTRICT BEGINNING FISCAL YEAR 2027-28, AND FIXING
THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC
HEARING THEREON AND GIVING NOTICE THEREOF**

The following 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, Highway 1 Tourism Alliance, Inc. (H1TA) has proposed the formation of the Highway 1 Tourism Marketing District (H1TMD) and has drafted a management district plan (Plan) which sets forth the proposed boundary of the H1TMD, 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 H1TMD have petitioned the Board of Supervisors to establish the H1TMD; and

NOW THEREFORE, the Board of Supervisors of the County of San Luis Obispo, State of California, 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 H1TMD. The Board accepts the petitions and adopts this resolution of intention to establish the H1TMD and to levy an assessment on certain lodging businesses that pay transient occupancy tax (TOT) within the H1TMD 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 H1TMD and to levy and collect annual assessments on certain lodging businesses that pay TOT with the H1TMD boundaries pursuant to the Property and Business Improvement District Law of 1994, for a period five (5) years (2027-2031) as proposed by the Plan, following the approval of the resolution establishing the H1TMD.

Section 5. The boundaries of the H1TMD shall be the boundaries of the Coastal Unincorporated communities of the County of 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 Highway 1 Tourism Marketing District (H1TMD).

Section 7. The annual assessment is 2% 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 2% 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 H1TMD 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 H1TMD are local and district wide tourism promotion programs and other improvements and activities designed to promote and enhance tourism efforts with the goal of increasing awareness for overnight visitation and demand for room night sales at assessed businesses. Some examples of these efforts are grants to promote tourist attractions, events, or beautification infrastructure improvement grants, brand development, media and public relations, seasonal and event related promotions, strategic planning, website development, digital marketing, and radio print and tv advertising. The complete listing can be found in the Management District 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 H1TMD.

Section 11. The Board hereby sets **November 3, 2026** as the date for a public meeting on the establishing the H1TMD and the levy of assessments.

Section 12. The Board hereby sets **November 17, 2026** as the date for the public hearing to establish the H1TMD 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 H1TMD may be received. Written protests must be received by the Clerk of the Board prior to the start of the public hearing on November 17, 2026. If at the conclusion of the public hearing there are of record written protests from owners of lodging businesses in the proposed H1TMD 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.

PASSED AND ADOPTED at a regular hearing of the Board of Supervisors of the County of San Luis Obispo, State of California, held on this 29th day of September 2026 by the following vote:

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

AYES: Supervisors Gibson, Moreno, Peschong, Ortiz-Legg, and Chairperson Paulding

NOES: None

ABSENT: None

ABSTAINING: None

the foregoing resolution is hereby adopted.

COUNTY OF SAN LUIS OBISPO

By: Jimmy Paulding

Chairperson, Board of Supervisors

ATTEST

MATTHEW PONTES, Chief Executive Officer
and Ex-Officio Clerk of the Board of Supervisors

By: /s/ Sandy Currens

Deputy Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT

Jon Ansolabehere
County Counsel

By: /s/Jenna Morton

Assistant County Counsel

Dated: September 22, 2026

STATE OF CALIFORNIA) ss.
COUNTY OF SAN LUIS OBISPO)

I, **MATTHEW P. PONTES**, Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Supervisors, and now remaining of record in my office.

Witness, my hand and seal of said Board of Supervisors on September 29, 2026.

MATTHEW P. PONTES,
County Executive Officer and
Ex-Officio Clerk of the Board of Supervisors

By: Sandy Currens
Deputy Clerk of the Board of Supervisors

