

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DECLARING ITS INTENTION TO MODIFY THE BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING ON PROPOSAL FOR THE PURPOSE OF INCLUDING AN ADDITIONAL HOTEL THAT WOULD BE SUBJECT TO SUCH ASSESSMENT.

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the California Legislature in adopting the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code § 36500 *et. seq.*) authorized cities to levy assessments on businesses in order to promote economic revitalization and tourism, to create jobs, attract new businesses, and prevent erosion of business districts; and

WHEREAS, on July 5, 1995, by Ordinance No. 95-9, the City Council adopted a business improvement area, commonly known as the Costa Mesa Tourism & Promotion Business Improvement Area (the "BIA"), the purpose of which is to promote tourism to the City and to fund programs and activities that benefit the hotel and motel businesses within the City of Costa Mesa; and

WHEREAS, the City Council appointed the general managers of the hotels and motels subject to the assessment area, to serve as the advisory board as required by California Streets and Highways Code Section 36530; and

WHEREAS, said advisory board is known as the Costa Mesa Conference and Visitor Bureau (the "CMCVB"); and

WHEREAS, the BLVD Hotel, located at 2430 Newport Blvd Costa Mesa, CA 92627, has expressed a desire to also be included with the BIA and subject to the BIA Assessment; and

WHEREAS, the Advisory Board for the BIA has recommended that the BLVD Hotel be included with the BIA and subject to the BIA Assessment; and

WHEREAS, this Resolution of Intention will commence proceedings under the

Parking and Business Improvement Area Law of 1989 (Streets & Highways Code § 36500 *et seq.*) to modify the businesses subject to Costa Mesa Tourism & Promotion Council Business Improvement Area;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Costa Mesa as follows:

Section 1. Modification. It is proposed that the boundaries of the area and the basis and method of levying the assessments of the BIA be modified such that the assessment for the Costa Mesa Tourism & Promotion Council Business Improvement Area, levied pursuant to Streets & Highways Code § 36500 *et seq.*, be levied upon the businesses listed in Exhibit A, attached hereto and incorporated herein by this reference.

Section 2. Assessment. The proposed amount of the assessment to be levied against the additional businesses listed in Exhibit A is three percent (3%). The three percent (3%) assessment is based on the sale of overnight room stays. New hotel and motel businesses commenced after the effective date of the ordinance levying the assessment will be exempt from the levy of assessment, pursuant to Streets & Highways Code § 36531 and § 36535.

Section 2. Types of Activities To Be Funded. The proposed type or types of activities to be funded by and through the levy of assessments on the additional businesses, as discussed above, are specified in the Annual Report for the Costa Mesa Tourism & Promotion Council Business Improvement Area, which is on file with the City Clerk's office, and Exhibit B, attached hereto and incorporated by this reference.

Section 4. Method and Basis of Levy. The proposed method and basis of levying the assessment to allow each business owner to estimate the amount of the assessment to be levied against his or her business is set forth in the Annual Report for the Costa Mesa Tourism & Promotion Council Business Improvement Area, which is on file with the City Clerk's office.

Section 4. Unchanged. The assessment for the Costa Mesa Tourism & Promotion Council Business Improvement Area remains otherwise unchanged.

Section 3. Time and Place of Public Meeting. The time and place of the public meeting on the proposed modification conducted pursuant to Government Code Section 54954.6, as discussed above, to the business improvement area shall be at 7 p.m.,

January 6, 2014, at the Costa Mesa City Hall, City Council Chamber, 77 Fair Drive, Costa Mesa, California.

Section 4. Time and Place of Public Hearing. The time and place of the public hearing on the proposed modification conducted pursuant to Streets & Highways Code Section 36541 and Government Code Section 54954.6, as discussed above, shall be at 7 p.m., January 20, 2014, at the Costa Mesa City Hall, City Council Chambers, 77 Fair Drive, Costa Mesa, California. At the public hearing set forth above, the protests of all interested persons for or against the proposed modification set forth above, levy of assessment for the business improvement area, the extent of the area, or the furnishing of specific types of improvements or activities will be heard by the City Council.

Section 5. Protests. The following rules shall apply to all protests:

- (a) A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made.
- (b) Every written protest shall be filed with the City Clerk's Office, Costa Mesa City Hall, Room 101, 77 Fair Drive, Post Office Box 1200, Costa Mesa, California 92626-1200, at or before the time fixed for the public hearing as set forth above.
- (c) The City Council may waive any irregularity in the form or content of any written protest, and at the public hearing, may correct minor defects in the proceedings.
- (d) If written protests are received from the owners of businesses in the proposed business improvement area which will pay fifty percent (50%) or more of the assessments to be levied and protests are not withdrawn so as to reduce the protests to less than the fifty percent (50%), no further proceedings on the proposal to continue the business improvement area assessment, as specified by this resolution of intention, shall be taken by the City Council for a period of one year from the date of the filing of a majority protest.

Section 6. Membership on Advisory Board. The City Council intends to

appoint the general manager of each hotel or motel business listed in Exhibit A to membership on the advisory board pursuant to California Streets and Highways Code Section 36530.

Section 7. Contact for Additional Information for additional information. Those desiring further information about the assessment may contact Dan Baker at 714-754-5156.

PASSED, APPROVED, AND ADOPTED this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
James Righeimer, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Thomas Duarte, City Attorney

## **EXHIBIT A**

The Business Improvement Area (“BIA”) benefit zone encompasses the entire City of Costa Mesa boundaries. It is anticipated that the entire City, including businesses and residents, will benefit from increased revenues generated by the activities financed by the BIA assessment.

The following businesses will be included in the BIA that is established pursuant to Streets & Highways Code § 36500 *et seq.*, the businesses commonly known as:

### **Ayres Country Inn & Suites**

Property Address: 325 and 345 Bristol Street, Costa Mesa

Business Owner: Newport Country Inn & Suites, Inc.  
355 Bristol Street, Suite A  
Costa Mesa, CA 92626

Property Owner: Newport Country Inn & Suites, Inc.  
355 Bristol Street, Suite A  
Costa Mesa, CA 92626

### **Best Western Plus Newport Mesa Inn**

Property Address: 2642 Newport Boulevard, Costa Mesa

Business Owner: James Hsuen  
Shang-Pu Lee  
2642 Newport Boulevard,  
Costa Mesa, CA 92627

Property Owner: James Hsuen  
Shang-Pu Lee  
2642 Newport Boulevard,  
Costa Mesa, CA 92627

### **BLVD Hotel**

Property Address: 2430 Newport Blvd., Costa Mesa, CA 92627

Business Owner: Shayamal Patel  
2450 Newport Ave  
Costa Mesa, CA 92627

Property Owner: Shayamal Patel  
2450 Newport Ave  
Costa Mesa, CA 92627

### **Hilton Costa Mesa**

Property Address: 3050 Bristol Street, Costa Mesa

Business Owner: Ashford Hospitality Trust  
14185 Dallas Parkway, Suite 1100  
Dallas, TX 75254

Property Owner: Remington Lodging & Hospitality LP  
14185 Dallas Parkway, Suite 1100  
Dallas, Texas 75254

### **Crowne Plaza**

Property Address: 3131 Bristol Street, Costa Mesa

Business Owner: Brighton Management  
1901 Main Street, Suite 150  
Irvine, CA 92614

Property Owner: 3131 Bristol Property UC, LLC  
2711 Centerville Road, Suite 400  
Wilmington, DE 19808

### **Holiday Inn Express Hotel & Suites**

Property Address: 2070 Newport Blvd., Costa Mesa

Business Owner: Narendra B. Patel  
2070 Newport Blvd.  
Costa Mesa, CA 92627

Property Owner: Narendra B. Patel  
2070 Newport Blvd.  
Costa Mesa, CA 92627

### **Costa Mesa Marriott**

Property Address: 500 Anton Boulevard, Costa Mesa

Business Owner: Marriott International  
10400 Fernwood Rd.  
Bethesda, MD 20817

Property Owner: Host Hotels & Resorts

6903 Rockledge Dr., Suite 1500  
Bethesda, MD 20817

**Ramada Inn & Suites Costa Mesa**

Property Address: 1680 Superior Ave., Costa Mesa

Business Owner: B.D. Inns Inc./Ramada Ltd.  
1680 Superior Ave.  
Costa Mesa, CA 92627

Property Owner: B.D. Inns Inc./Ramada Ltd.  
1680 Superior Ave.  
Costa Mesa, CA 92627

**Residence Inn by Marriott**

Property Address: 881 Baker Street, Costa Mesa

Business Owner: Marriott International  
10400 Fernwood Rd.  
Bethesda, MD 20817

Property Owner: ING Clarion Partners  
2650 Cedar Springs Road, Suite 850  
Dallas, TX 75201-1491

**The Westin South Coast Plaza Hotel**

Property Address: 686 Anton Boulevard, Costa Mesa

Business Owner: Host Hotels & Resorts  
6903 Rockledge Dr., Suite 1500  
Bethesda, MD 20817

Property Owner: CJ Segerstrom & Sons  
c/o South Coast Plaza  
686 Anton Boulevard  
Costa Mesa, CA 92626

**Avenue of the Arts Wyndham Hotel**

Property Address: 3350 Avenue of the Arts, Costa Mesa

Business Owner: Rosanna Inc.  
3350 Avenue of the Arts

Costa Mesa, CA 92627

Property Owner: Rosanna Inc.  
3350 Avenue of the Arts  
Costa Mesa, CA 92627

## **EXHIBIT B**

The BIA assessment will be used to fund the Costa Mesa Conference & Visitor Bureau (CVB). The CVB will fund activities to promote tourism in Costa Mesa and will sponsor related tourist events that benefit the hotel and motel businesses within the City.

The specific improvements and activities to be funded by this assessment are outlined in the CMCVB's 2013-2014 Annual Report.

### **Revenue**

A three percent (3%) levy will be assessed against each of the 11 hotels listed in Exhibit A, based on the net revenue from the sale of overnight room stays.

Business owners shall pay the assessment to the Costa Mesa City Finance Department on a monthly basis. A penalty and interest shall be assessed on late payments.

Note: New hotel and motel businesses commenced after the effective date of this resolution will be exempt from the levy of assessment.