

**CITY OF COSTA MESA  
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing will be held by the Costa Mesa City Council at its regular meeting on Tuesday, June 2, 2015, at 7:00 p.m., in the Council Chambers of City Hall, 77 Fair Drive, on the following item:

Reauthorization of the Business Improvement Area (BIA) assessment of three percent (3%) for certain Costa Mesa hotels and motels for Fiscal Year 2015-2016, Resolution 15-19 attached.

NOTICE IS FURTHER GIVEN that, at the above time and place, all interested persons may appear and be heard by the City Council on the above item and that all oral and written communication will be considered.

IF THE AFOREMENTIONED ACTION IS CHALLENGED IN COURT, the challenge may be limited to only those issues raised at the public hearing described in the notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

For further information, please contact Dan Baker at (714) 754-5156 or visit City Hall, 77 Fair Drive, Costa Mesa, California, during regular business hours from 8 a.m. to 5 p.m., Monday through Friday. The City Council Agenda and related documents may also be viewed on the city's website at <http://www.costamesaca.gov>, 72 hours prior to the public hearing date.

BRENDA GREEN,  
CITY CLERK

Published on: May 23, 2015

**RESOLUTION NO. 15-19**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2015-2016 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING ON PROPOSAL**

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 owners of the BLVD Hotel requested a modification to the boundaries of the BIA so that it would include the BLVD Hotel and make the BLVD Hotel voluntarily subject to the BIA assessment; and

WHEREAS, on January 20, 2015, by Ordinance No. 15-01, the City Council adopted an amendment to the BIA which expanded its boundaries making the BLVD Hotel subject to the BIA assessment; and

WHEREAS, the City Council appointed the general managers of the now 11 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 City Council has voted to continue the special assessment for the BIA each year since its inception, and it has been levied upon the eleven hotel and motel businesses listed on Exhibit A, attached hereto and incorporated herein by this reference; and

WHEREAS, in January 2000, the City Council approved an increase in the assessment, raising the assessment from one percent (1%) to two percent (2%). The two percent (2%) assessment is based on the sale of overnight room stays; and

WHEREAS, in November 2010, the City Council approved an increase in the assessment, raising the assessment from two percent (2%) to three percent (3%). The three percent (3%) assessment is based on the sale of overnight room stays; 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 levy the annual assessment of the Costa Mesa Tourism & Promotion Council Business Improvement Area for the 2015-2016 fiscal year; and

WHEREAS, the Agenda Report, and its attachments, for the May 5, 2015 City Council Meeting and filed with the City Clerk sets forth a detailed description of the activities to be provided in the 2015-2016 fiscal year, the boundaries of the Business Improvement Area, the benefit zone of the area, and the proposed assessments to be levied upon the businesses within the area for the coming fiscal year;

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

Section 1. Assessment. An annual assessment for the Costa Mesa Tourism & Promotion Council Business Improvement Area is proposed to be levied pursuant to Streets & Highways Code § 36500 *et seq.* The proposed boundaries of the territory are the 11 motels and hotels listed in Exhibit A, attached hereto and incorporated herein by this reference. The proposed amount of the annual assessment 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. Annual Report. An annual report on the Business Improvement Area has been prepared by the Costa Mesa Conference & Visitor Bureau, acting as the advisory board as required by Streets & Highways Code § 36533 and § 36534. Said report is on file in the City Clerk's Office.

Section 3. Types of Activities To Be Funded. The proposed type or types of activities to be funded by and through the annual levy of assessments on businesses within the Costa Mesa Tourism & Promotion Council Business Improvement Area are specified in the referenced annual report and Exhibit B.

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 Costa Mesa Conference & Visitor Bureau's annual report relative to the Business Improvement Area.

Section 5. Time and Place of Public Hearing. The time and place of the public hearing on the business improvement area and the annual levy of assessments shall be at 7 p.m., June 2, 2015, at the Costa Mesa City Hall, City Council Chambers, 77 Fair Drive, Costa Mesa, California. At the public hearing set forth above, the testimony of all interested persons for or against the annual 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 6. 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.

BE IT FURTHER RESOLVED THAT the City Council of the City of Costa Mesa, California, does hereby adopt the annual report by the Costa Mesa Conference & Visitor Bureau acting as the advisory board on the business improvement area (referenced report on file in the City Clerk's Office), and this Resolution of Intention as set forth herein, and Exhibit "A" which is attached hereto and incorporated by this reference.

PASSED AND ADOPTED this 5<sup>th</sup> day of May, 2015.

/s/ Stephen M. Mensinger  
Stephen M. Mensinger, Mayor  
City of Costa Mesa

ATTEST:  
/s/ Brenda Green  
Brenda Green, City Clerk

APPROVED AS TO FORM:  
/s/ Thomas Duarte  
Thomas Duarte, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss  
CITY OF COSTA MESA )

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 15-19 and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 5<sup>th</sup> day of May 2015, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS: Foley, Genis, Monahan, Righeimer, Mensinger  
NOES: COUNCIL MEMBERS: None  
ABSENT: COUNCIL MEMBERS: None

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 6<sup>th</sup> day of May 2015.

/s/ Brenda Green

BRENDA GREEN, CITY CLERK

#### 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

##### 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 92667

Property Owner: Narendra B. Patel  
2070 Newport Blvd.  
Costa Mesa, CA 92667

**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

**BLVD Hotel**

Property Address: 2430 Newport Blvd, Costa Mesa

Business Owner: Hollywood Corner Inc.  
2430 Newport Blvd  
Costa Mesa, CA 92627

Property Owner: Shyamal Patel, CA 92782  
16609 Honeybee Dr.

Tustin, CA 92682

**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.