

THE NAPA VALLEY
*Legendary.**



Management District Plan

Napa Valley Tourism Improvement District

Prepared pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq.

July 2015 - June 2025

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I. OVERVIEW

The Napa Valley Tourism Improvement District (NVTID) was formed in 2010 for a five-year term ending on June 30, 2015. As the NVTID reaches the end of its initial term, businesses have expressed a desire to renew it.

Location: The NVTID includes all lodging businesses located within the boundaries of the cities of American Canyon, Calistoga, Napa, and St. Helena, the town of Yountville, and the unincorporated area of the County of Napa.

Services: The NVTID is designed to provide specific benefits directly to payors by increasing room night sales. Valley-wide and individual destination marketing programs will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales.

Budget: The total NVTID annual budget for the initial year of its ten-year operation is anticipated to be approximately \$6,500,000. This budget is expected to fluctuate as room sales do, but is not expected to significantly change over the NVTID's term.

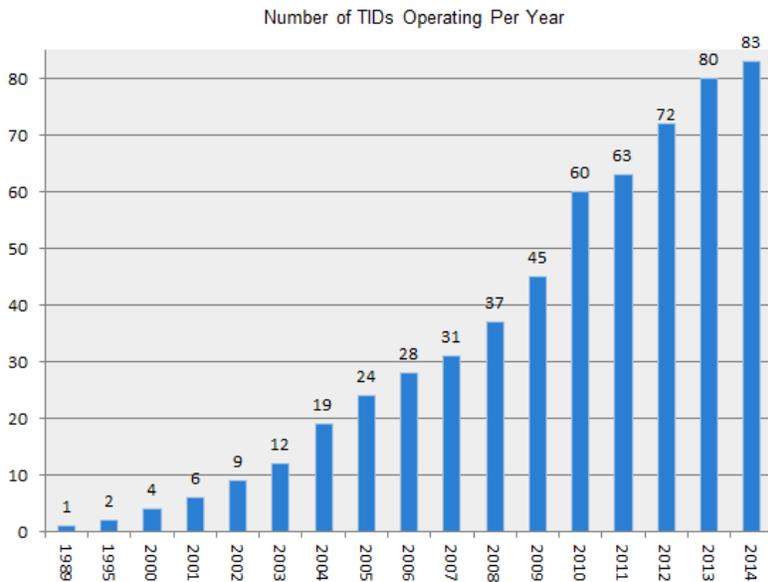
Cost: Annual assessment rates are 2.0% of gross short-term (stays of 30 days or less) room rental revenue on lodging businesses. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days. Stays by government employees on government business shall not be subject to assessment. "Government employee" shall mean foreign or domestic government employees subject to exemption from transient occupancy tax pursuant to each municipality's municipal/county code.

Duration: The renewed NVTID will have a ten-year life, as allowed by Streets & Highway Code §36622(h). The NVTID assessment will be implemented beginning June 16, 2015 through June 15, 2025. Once per year beginning on the anniversary of district renewal there is a 30-day period in which owners paying more than 50% of the assessment may protest and initiate a Board of Supervisors hearing on district termination.

Management: The Napa Valley Tourism Corporation (NVTC) will continue to serve as the NVTID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports on activities and expenditures.

II. BACKGROUND

TIDs are an evolution of the traditional Business Improvement District. The first TID was formed in West Hollywood, California in 1989. Since then, over eighty California destinations have followed suit. In recent years, other states have begun adopting the California model – Washington, Montana, and Texas have adopted TID laws. Several other states are in the process of adopting their own legislation. And, some cities, like Portland, Oregon, have utilized their charter powers to create TIDs without a state law.



California's TIDs collectively raise over \$150 million for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Napa Valley lodging businesses continue their investment in stable, lodging-specific marketing programs.

TIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TIDs allow lodging business owners to organize their efforts to increase

room night sales. Lodging business owners within the TID pay an assessment and those funds are used to provide services that increase room night sales.

In California, TIDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TIDs and other benefit assessment districts is that funds raised may be returned to a private non-profit corporation governing the district, as is the case with NVTID.*

There are many benefits to TIDs:

- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are *designed, created, and in the case of NVTID, governed by those who will pay* the assessment; and
- They provide a stable funding source for tourism promotion.

III. ACCOMPLISHMENTS

Napa Valley struggled with destination marketing for many years. Various organizations worked to increase awareness of the Valley as a tourism destination, but were stymied by a lack of funding. In 2010, the NVTID was created to fill the funding gap and effectively market the Valley's lodging businesses.

Prior to the NVTID's formation, only \$.5 million was dedicated to destination marketing. The Valley lagged behind California's other wine tourism destinations, whose budgets ranged from \$1 million all the way to \$4.5 million. Formation of the NVTID was a proactive effort to increase funding levels, market presence, and ultimately room night sales.

The NVTID was originally projected to provide \$4 million per year in marketing funds. Over time, that amount has increased by 150% - without an increase in the assessment rate. The NVTID now provides \$6.5 million per year dedicated to increasing room night sales for the benefit of assessed businesses. Napa Valley has exceeded its original goal of matching competitor funding – in many cases, Napa now leads the competition in destination marketing investment.

NVTID funds have been used to implement a variety of programs to increase room night sales. A new website and mobile app was launched, both featuring a booking engine and driving room night sales directly to assessed businesses. A variety of ads were placed in all forms of media and public relations activities were engaged to produce key opinion leader endorsements. Marketing sponsorships of multi-day events helped to drive stays and build brand awareness. In addition a robust sales team has been put in place to drive overnight group business to the Napa Valley in the form of corporate and association meetings, as well as incentive trip gatherings.

Partnerships with visitor-serving businesses have jumped from just six to 261 – a more than 4,000% increase! This serves as testament to the confidence our constituency has in our mission, strategies and programs. Many invaluable trade relationships have also been established and nurtured. Among those are Visit California, US Travel, Brand USA, SF Travel and the Napa Valley Vintners. All Partnerships are leveraged to bring in overnight group and event business, in addition to leisure travelers. Partnerships with meeting planner associations have been formed to bring additional overnight groups to the Napa Valley.

These efforts have paid off. Lodging revenue has grown every year since the TBID was created, by at least 11% and up to 15.7%¹. Average daily room rates have gone up, as have occupancy rates during mid-week and the shoulder seasons.

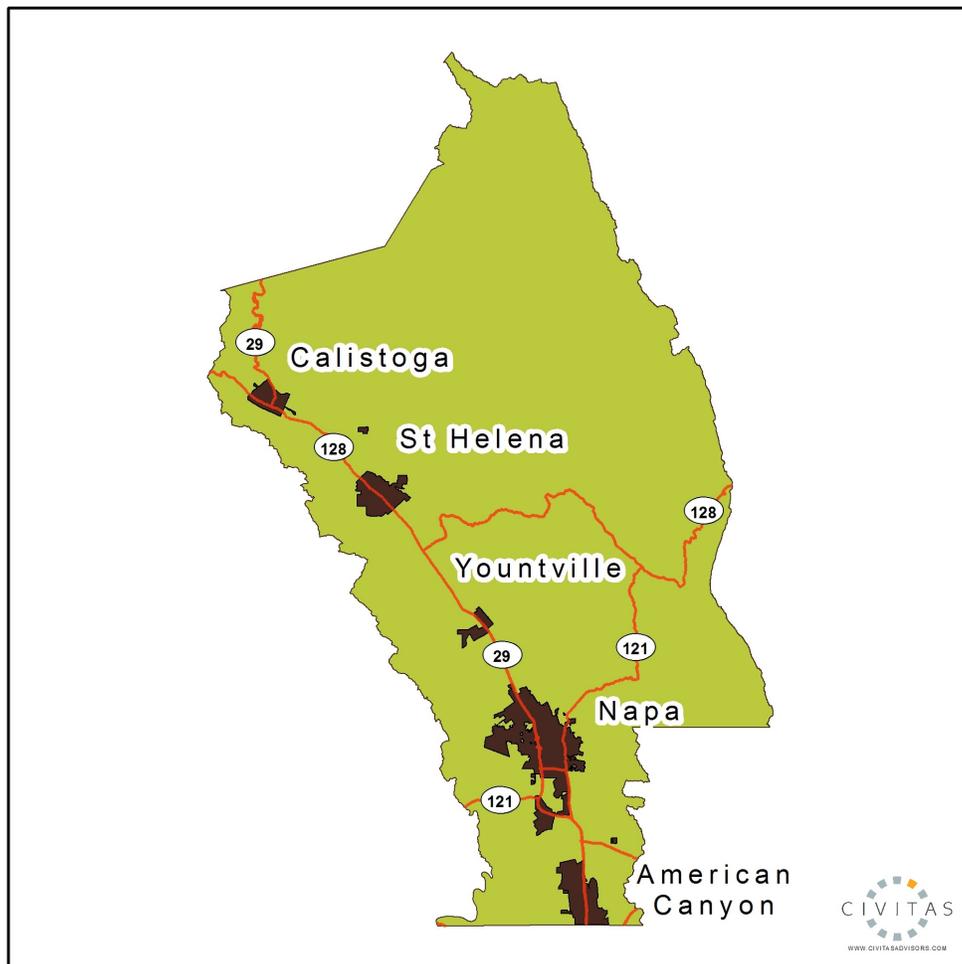
¹ Derived from TOT & TID data

IV. BOUNDARY

The NVTID will include all lodging businesses, existing and in the future, available for public occupancy within the boundaries of the cities of American Canyon, Calistoga, Napa, and St. Helena, the town of Yountville, and the unincorporated area of the County of Napa.

As used herein, the term “lodging business” means hotels, motels, inns, or any other structure or portion thereof occupied, intended, or designed for occupancy by transients as defined in the municipality’s municipal/county code. Lodging business does not include vacation rentals, campgrounds, or traditional space-rental only r.v. parks, which shall each be defined as specified in each agency’s municipal/county code.

The boundary is shown in the map below. A complete listing of lodging businesses within the NVTID can be found in Appendix 2.



V. ASSESSMENT

A. Rate

Annual assessment rates are 2.0% of gross short-term (stays of 30 days or less) room rental revenue on lodging businesses. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days. Stays by government employees on government business shall not be subject to assessment. “Government employee” shall mean foreign or domestic government employees subject to exemption from transient occupancy tax pursuant to each municipality’s municipal/county code.

The term “gross room rental revenue” as used herein means the consideration charged, whether or not received, for the occupancy of space in an assessed lodging business, as defined in the jurisdiction’s municipal/county code. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes. The assessment shall not be considered a part of lodging businesses revenue for any purposes, including but not limited to collection of transient occupancy taxes.

The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business.

B. Bonds

The NVTID is not authorized to issue bonds to obtain financing for its activities.

C. Penalties and Interest

Each jurisdiction is authorized to collect penalties and interest on delinquent assessments.

D. Collection

The NVTID assessment will be implemented beginning June 16, 2015 and will continue for ten (10) years through June 15, 2025. The city and county tax collectors will be responsible for collecting the assessment on a monthly or quarterly basis (including any delinquencies, penalties, and interest) from each lodging business located in the boundaries of the NVTID in accordance with each jurisdiction’s procedures for collecting transient occupancy taxes. The tax collectors shall take all reasonable efforts to collect the assessments from each lodging business. The tax collectors shall forward 74% of the assessment collected to Napa County, who will forward the funds to the NVTC. The remaining 25% of the funds shall be retained by each jurisdiction for tourism related expenditures in accordance with this Plan. Each tax collector shall deduct from the assessment a fee equal to 1% of the assessment collected for their services in collecting and forwarding the assessment funds.

E. Annual Budget

The total ten-year improvement and service plan budget is projected at approximately \$6,500,000 annually, or \$65,000,000 through 2025. This amount may fluctuate as sales and revenue increase at assessed businesses. In the event of a legal challenge against the NVTID, assessment funds may be used to defend the District.

VI. SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the County and cities of conferring the benefits or granting the privileges. The privileges and services provided with the NVTID funds are sales, marketing, advertising, and promotional programs available only to assessed businesses.

A service plan budget has been developed to deliver services that benefit businesses throughout the District. A detailed annual report and budget will be developed by the Owners' Association and submitted to the Board of Supervisors for approval. The table below illustrates the initial annual budget allocations.

Category	%	\$
Valley Wide Sales and Marketing	55.5%	\$3,607,500
Individual Destination Marketing	25%	\$1,625,000
Administration	12.5%	\$812,500
Contingency/Renewal	5%	\$325,000
Collection Costs	1%	\$65,000
Audit Costs	1%	\$65,000
Total Annual Budget	100%	\$6,500,000

Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, the County and the NVTC board shall have the authority to adjust budget allocations between the categories by no more than ten percent (10%) per year. A description of the proposed improvements and activities for the initial year of renewal operation is below. The same activities are proposed for subsequent years.

1. Valley Wide Sales and Marketing

Sales and marketing activities will seek to increase room night sales, average daily rates, and occupancy rates for assessed lodging businesses. Sales and Marketing activities account for 55.5% of the budget, approximately \$3,607,500, and may include, but are not limited to:

- Lead Generation
- Trade Shows
- Sales Blitzes
- Familiarization Tours
- Advertising
- Collateral
- Marketing Programs
- Local Property Visits
- General Manager Meetings
- Professional Industry Conferences / Affiliation Events
- Special Event Sponsorship
- Digital Marketing including website and social media

2. Individual Destination Marketing

Twenty five percent (25%) of the budget, approximately \$1,625,000, shall be retained by individual cities and the county for destination specific tourism improvement activities as described below.

The individual destination marketing funds will support local activities that promote, support and enhance locally based tourism efforts in each local destination within the NVTID. Each local destination shall receive .5% of the total 2.0% assessment collected within the local jurisdiction to fund eligible programs and activities. The local governing committees described in the governance section of this Plan shall be responsible for the administration of the individual destination marketing programs.

Individual destination marketing funding is designed to support local activities which promote, support and enhance locally based tourism efforts, including but not limited to:

- Locally specific market niche advertising and marketing efforts.
- Tourism marketing and promotional information: including web-site, print and other collateral material and technology applications.
- Local special event programming, underwriting and promotion.
- Operation of local visitor information center.
- Community and cultural arts programming activities, such as music on the plaza, movie nights, sculpture walks, film festivals, etc.
- Tourism related streetscape enhancement and maintenance or visitor-serving improvements.
- Seasonal and other tourism and visitor related programs.
- Local tourism shuttle or other visitor transportation programs.
- Seed funding for community based programs which support or enhance tourism.
- Trails, pedestrian paths, signage, bike paths, etc. which enhance and improve upon the visitor experience and access to lodging properties.
- Enhanced maintenance and custodial municipal services to tourism-related areas.
- Administrative costs associated with these activities.

3. Administrative and Operations

The administrative and operations portion of the budget, twelve and one half percent (12.5%), approximately \$812,500, will be dedicated to the costs of managing TID funds and implementing TID programs. These costs may include, but are not limited to:

- Office Administrative Expenses
- Operational Expenses
- Legal fees
- Accounting fees
- Staffing costs

4. Local Government Administrative Fees

Each tax collector will charge a one percent (1%) fee, a total of approximately \$65,000, for its services in collecting and forwarding assessment moneys. Each jurisdiction shall retain 1% of the funds collected prior to remitting funds to the county.

5. Auditing Costs

One percent (1%) of the budget, approximately \$65,000, shall be apportioned to the costs of annual

audits as described in Section VII(F) herein.

6. Contingency / Renewal

Five percent (5%) of the annual budget, approximately \$325,000, will be dedicated to a contingency fund, to be used for unanticipated or increased costs incurred in the provision of services previously described. Once the contingency fund balance reaches \$325,000, the five percent (5%) contingency allocation may be shifted to programs. If this fund has money available at the expiration of the district, that money may be used for costs associated with establishing a new district.

B. Determination of Specific Benefit

State law requires that assessment funds be expended on specific benefits conferred directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the County and cities of conferring the benefits. The services in this Management District Plan are designed to provide targeted benefits directly to assessed lodging businesses. These services are tailored not to serve the general public, but rather to serve the specific lodging businesses within the District, e.g., the proposed activities are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the District, and are narrowly tailored. NVTID funds will be used exclusively to provide the specific benefit of increased room night sales directly to the assessees. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses. The legislature has found that “a specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”² In addition, the Legislature has recognized that “marketing,” “events,” and “promotions” are specific government services.³

Further, the assessment may be utilized to provide specific government services directly to the payors that are not provided to those not charged, and which do not exceed the reasonable costs to the County and cities of providing the services. The services to be provided by the NVTID are government services provided directly to the payors. The legislature has found, in Government Code section 53758(b), that in the context of tourism improvement districts marketing and promotions such as those provided by the NVTID are government services. The legislature has also found that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁴

The amount of the assessment is no more than necessary to cover the reasonable costs of the proposed activities, and the manner in which the costs are allocated to each business bears a fair share or reasonable relationship to the businesses’ benefits received from the proposed activities. District services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. Funds will be managed by the NVTC, and reports submitted on an annual basis. Only assessed businesses will receive room night sales leads generated from district-funded activities and directly receive room night sales from district-funded services.

C. Adjustments

The NVTC board has full authority to manage expenditures consistent with this Plan, subject to

² Government Code section 53758(a)

³ Government Code section 53758(b)

⁴ Ibid

Napa County Board of Supervisors oversight. Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. If necessary, however, the NVTC board shall have the authority to adjust budget allocations between the categories above by no more than ten percent (10%) per line item per year.

D. Expiration

If the district expires and a new replacement district is not established, any remaining funds, including contingency funds, will be either spent consistent with this Plan or returned to assessed businesses in shares proportional to the assessment paid by each business.

VII. GOVERNANCE

A. Owners' Association

The Board of Supervisors, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the NVTID as defined in Streets and Highways Code §36614.5. The Board of Supervisors has identified the Napa Valley Tourism Corporation as the private nonprofit which will serve as the Owner's Association for the NVTID.

The Napa Valley Tourism Corporation shall be managed by a 15-member board of directors. Eight board members shall be representatives of assessed lodging businesses. Those eight board members shall represent lodging businesses from each of the five cities and Napa County in proportions equal to the amount of assessment paid by each jurisdiction, with each jurisdiction having at least one representative. Six members of the board will each represent one of the included municipalities and Napa County, with each jurisdiction having one representative. Each of these representatives shall be appointed by their respective City or Town Council or Board of Supervisors. Jurisdiction representatives may be elected or appointed officials, staff, or chamber of commerce officials. One board member shall be a representative of Visit Napa Valley. Each member of the board shall have one vote.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owner's Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the NVTC board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owner's Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

C. Annual Report

The NVTC shall present an annual report at the end of each year of operation to the Board of Supervisors pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report will include details of NVTID revenues received and expenditures for all governing entities, including the local governing committees. The revenues and expenditures of each governing committee shall be listed separately.

The annual report will include:

- Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

- The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The amount of any contributions to be made from sources other than assessments.

D. Local Governing Committees

Each jurisdiction retaining funds for local destination marketing programs shall form a local governing committee in accordance with the provisions below. Each local governing committee will be subject to the requirements of the Ralph M. Brown Act and the California Public Records Act in accordance with the 1994 Law. Each local governing committee shall submit a progress report to the NVTC every six (6) months.

1. Calistoga, St. Helena & Yountville

The cities of Calistoga, St. Helena, and Yountville shall each form a seven (7) member local governing committee that will manage the individual destination marketing funds. The local governing committees will be comprised of:

- Four (4) members selected by eligible lodging property members within the local jurisdiction.
- One (1) member from the local Chamber of Commerce (can be either appointed staff or a board member of the Chamber in the local jurisdiction)
- One (1) member who is an elected official from the local jurisdiction.
- One (1) member who is the City/Town Manager or designee from the local jurisdiction.

The local governing committee shall be responsible for the following activities:

- Development and approval of an annual work plan and budget.
- Periodic meetings as necessary to provide oversight of the expenditures to ensure consistency with approved annual work plan and budget consistent with this Plan.
- Preparation of a six-month progress report and annual year-end progress report which will be provided to the NVTC.

2. City of Napa

Disbursement of the .5% assessment retained by the City of Napa shall be pursuant to an annual work plan and associated annual budget, which shall be developed and recommended to the Napa City Council by the local governing committee, which will be comprised of the following:

- Up to five (5) representatives of assessed lodging businesses selected by lodging businesses.
- One (1) representative of city staff or a city council member designated by the Napa TID Committee.
- One (1) representative of a visitor-serving or destination-marketing entity designated by the Napa TID committee.

To the extent that the City Council approves the recommendation of the local governing committee, that recommendation shall be presented to the NVTC Board for incorporation into the annual report to the Napa County Board of Supervisors pursuant to Streets and Highways Code §36650. To the extent that the Napa City Council chooses not to approve in part, or in whole, the recommendation of the local governing committee, the City Council may propose an alternative annual work plan and budget for those funds, and the NVTC

Board shall determine which plan and budget elements to incorporate into the annual report to the County Board of Supervisors for disposition of funds to support local marketing and tourism enhancements in the City of Napa.

The local governing committee shall be responsible for the following activities:

- Development and approval of an annual work plan and budget.
- Periodic meetings as necessary to provide oversight of the expenditures to ensure consistency with approved annual work plan and budget consistent with this Plan.
- Preparation of a six-month progress report and annual year-end progress report which will be provided to the NVTC.

3. American Canyon

The City of American Canyon shall form a seven (7) member local governing committee, which will manage the local destination marketing funds. The local governing committee will be comprised of:

- Three (3) representatives of assessed lodging businesses selected by lodging businesses.
- One (1) representative of a local business selected by lodging businesses. In the event a fourth lodging business subject to assessment opens in American Canyon, this representative will instead be from that fourth lodging business.
- One (1) member from the local Chamber of Commerce (can be either appointed staff or a board member of the Chamber in the local jurisdiction).
- One (1) member who is an elected city official.
- One (1) member who is the City Manager or designee from the local jurisdiction.

The local governing committee shall be responsible for the following activities:

- Development and approval of an annual work plan and budget.
- Periodic meetings as necessary to provide oversight of the expenditures to ensure consistency with approved annual work plan and budget consistent with this Plan.
- Preparation of a six-month progress report and annual year-end progress report which will be provided to the NVTC.

4. County of Napa

Napa County shall form a seven (7) member local governing committee, which will manage the local destination marketing funds for the unincorporated portion of the county. The local governing committee shall be composed of:

- Four (4) members selected by eligible lodging property members in the unincorporated area.
- One (1) member who is a member of the Board of Supervisors.
- One (1) member who is the County Executive Officer or that Officer's designee.
- One (1) member who is selected by the Napa Valley Vintners.

The Napa County local governing committee shall be responsible for the following activities:

- Development and approval of an annual work plan and budget.
- Periodic meetings as necessary to provide oversight of the expenditures to ensure consistency with approved annual work plan and budget consistent with this Plan.

- Preparation of a six-month progress report and annual year-end progress report which will be provided to the NVTC.

E. County Oversight

The Napa County Board of Supervisors shall have the authority to disestablish the NVTID if the Board finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district. This shall include violations of the provisions of this Management District Plan and any applicable Resolutions adopted by the Board of Supervisors. Disestablishment proceedings shall be held in accordance with the provisions of the 1994 Law, specifically Streets and Highways Code §36670.

In the event the Napa County Board of Supervisors finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district by the Owner's Association (i.e., NVTC), including violations of this Plan, the Board may take action including, but not limited to conducting an audit or designating a new Owners' Association to conduct the activities of the district.

F. Audits and Accounting

The Napa County Auditor-Controller shall be allowed to review the financial records of the NVTC and local governing committees. Existing Memorandums of Understanding that have been entered into between the County and all local entities involved in accounting for TID dollars shall remain in full force and effect. These MOUs document the accounting processes including collections, allocations, and reporting required to be submitted to the County Auditor-Controller with respect to all NVTID funds.

NVTC shall engage either an independent certified public accountant or the Napa County auditor-controller to conduct annual audits. Any independent certified public accountant selected shall be subject to approval of the Napa County Auditor-Controller, and their audit report must be submitted to the Napa County Auditor-Controller no more than six (6) months after the fiscal year ends.

G. NVTID Modifications

No changes may be made to this Plan that impact assessments or expenditures within a local jurisdiction without the consent of that jurisdiction's legislative body.

APPENDIX 1 – LAW

Property And Business Improvement District Law of 1994

Cal Sts & Hy Code § 36600 (2013)

*** This document is current through the 2014 Supplement ***
(All 2013 legislation)

§ 36600. Citation of part

This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994.

§ 36601. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Businesses located and operating within the business districts of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow cities to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefits from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities which confer special benefits upon the real property or businesses for which the improvements and activities are provided.

§ 36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within a business improvement area. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from

those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

§ 36603.5. Part prevails over conflicting provisions

Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

§ 36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

§ 36605. [Section repealed 2001.]

§ 36606. "Assessment"

"Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a property and business improvement district.

§ 36607. "Business"

"Business" means all types of businesses and includes financial institutions and professions.

§ 36608. "City"

"City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with *Section 6500*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

§ 36609. "City council"

"City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

§ 36610. 'Improvement'

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

§ 36611. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

§ 36612. "Property"

"Property" means real property situated within a district.

§ 36613. "Activities"

"Activities" means, but is not limited to, all of the following:

- (a) Promotion of public events which benefit businesses or real property in the district.
- (b) Furnishing of music in any public place within the district.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Activities which benefit businesses and real property located in the district.

§ 36614. "Management district plan"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

§ 36614.5. "Owners' association"

"Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

§ 36615. "Property owner"; "Business owner"; "Owner"

"Property owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. "Business owner" means any person recognized by the city as the owner of the business. "Owner" means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

§ 36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

§ 36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

§ 36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

§ 36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

§ 36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

§ 36622. Contents of management district plan

The management district plan shall contain all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements and activities proposed for each year of operation are the same, a description of the first year's proposed improvements and activities and a statement that the same improvements and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof, including operation and maintenance.

(l) Any other item or matter required to be incorporated therein by the city council.

§ 36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with *Section 53753 of the Government Code*.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with *Section 54954.6 of the Government Code*, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

§ 36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements or

activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

§ 36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish the proposed property and business improvement district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

§ 36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 36625, but need not contain information about the preliminary resolution if none has been adopted.

§ 36626.5. [Section repealed 1999.]

§ 36626.6. [Section repealed 1999.]

§ 36626.7. [Section repealed 1999.]

§ 36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

§ 36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

§ 36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

§ 36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and a new district established pursuant to this part.

§ 36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments

levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

§ 36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

§ 36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

§ 36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

§ 36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue

derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public meetings and public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

§ 36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

§ 36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with *Section 6584*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

§ 36641. [Section repealed 2001.]

§ 36642. [Section repealed 2001.]

§ 36643. [Section repealed 2001.]

§ 36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

§ 36651. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

§ 36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

§ 36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

§ 36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Business	Mailing Street	City, State, Zip		
Doubletree by Hilton Hotel & Spa Napa Valley	3600 Broadway Street	American Canyon	CA	94503
Fairfield Inn & Suites Napa American Canyon	3800 Broadway, Highway 29	American Canyon	CA	94589
Holiday Inn Express & Suites	5001 Main Street	American Canyon	CA	94503
Aurora Park Cottages	1807 Foothill Blvd	Calistoga	CA	94515
Bear Flag Inn	2653 Foothill Blvd	Calistoga	CA	94515
Best Western Stevenson Manor Inn	1830 Lincoln Ave	Calistoga	CA	94515
Brannan Cottage Inn	109 Wapoo Avenue	Calistoga	CA	94515
Calistoga Enchanted Cottage	PO Box 692	Calistoga	CA	94515
Calistoga Inn Restaurant and Brewery	1250 Lincoln Avenue	Calistoga	CA	94515
Calistoga Spa Hot Springs	1006 Washington St.	Calistoga	CA	94515
Calistoga Wayside Inn	1523 Foothill Blvd	Calistoga	CA	94515
Carlin Country Cottages	1623 Lake Street	Calistoga	CA	94515
Casa Lana B & B / Gourmet Retreats	1316 S. Oak Street	Calistoga	CA	94515
Chanric Inn	1805 Foothill Blvd	Calistoga	CA	94515
Chelsea Garden Inn	1443 Second Street at Fairway	Calistoga	CA	94515
Chien Blanc Lodging	1441 Second Street	Calistoga	CA	94515
Christophers Inn	1010 Foothill Boulevard	Calistoga	CA	94515
Comfort Inn Calistoga	1865 Lincoln Street	Calistoga	CA	94513
Cottage Grove Inn	1711 Lincoln Avenue	Calistoga	CA	94515
Dr. Wilkinsons Hot Springs	1507 Lincoln Avenue	Calistoga	CA	94515
EuroSpa & Inn	1202 Pine Street	Calistoga	CA	94515
Fanny's	1206 Spring Street	Calistoga	CA	94515
Golden Haven Hot Springs	1713 Lake St.	Calistoga	CA	94515
Hotel D' Amici	P.O.Box 382	St. Helena	CA	94574
Indian Springs Resort	1712 Lincoln Ave.	Calistoga	CA	94515
Luxe Calistoga	1139 Lincoln Avenue	Calistoga	CA	94515
Mount View Hotel & Spa	1457 Lincoln Ave.	Calistoga	CA	94515
Oakwood B & B	1503 Lake Street	Calistoga	CA	94515
Roman Spa Hot Springs Resort	1300 Washington Street	Calistoga	CA	94515
Solage Calistoga	755 Silverado Trail	Calistoga	CA	94515
The Arbors	1011-1013 Myrtle Street	Calistoga	CA	94515
The Craftman Inn	1213 Foothill Blvd.	Calistoga	CA	94515
The Pink Mansion	1415 Foothill Blvd	Calistoga	CA	94515
The Sunburst Calistoga	1880 Lincoln Avenue	Calistoga	CA	94515
Valley Oak Inn	2273 Grant Street	Calistoga	CA	94515
Wine Way Inn	1019 Foothill Blvd	Calistoga	CA	94515
Zinfandel House	1253 Summit Drive	Calistoga	CA	94515
1801 First Luxury Inn	1801 First Street	Napa	CA	94559
Andaz Napa	1450 First Street	Napa	CA	94559

Business	Mailing Street	City, State, Zip		
		City	State	Zip
Arbor Guest House	1436 G Street	Napa	CA	94559
Beazley House	1910 First Street	Napa	CA	94559
Bel Abri	837 California Blvd.	Napa	CA	94559
Best Western Elm House	800 California Blvd.	Napa	CA	94559
Best Western Inn at the Vines	100 Soscol Ave	Napa	CA	94558
Best Western Premier Ivy Hotel	4195 Solano Ave.	Napa	CA	94558
Blackbird Inn	1755 First Street	Napa	CA	94559
Candlelight Inn	1045 Easum Dr.	Napa	CA	94558
Cedar Gables Inn	486 Coombs Street	Napa	CA	94559
Chablis Inn Napa Valley	3360 Solano Ave.	Napa	CA	94558
Chardonnay Lodge	2640 Jefferson Street	Napa	CA	94558
Churchill Manor	485 Brown Street	Napa	CA	94559
Discovery Inn	500 Silverado Trail	Napa	CA	94559
Embassy Suites Napa Valley	1075 California Blvd	Napa	CA	94559
Hawthorn Suites by Wyndham	314 Soscol Avenue	Napa	CA	94559
Hennessey House	1727 Main St.	Napa	CA	94559
Hilton Garden Inn	3585 Solano Avenue	Napa	CA	94558
Inn on Randolph	411 Randolph St	Napa	CA	94559
La Belle Epoque	1386 Calistoga Ave.	Napa	CA	94559
La Residence Country Inn	4066 Howard Lane	Napa	CA	94558
Mc Clelland - Priest B&B Inn	569 Randolph St.	Napa	CA	94559
Milliken Creek Inn & Spa	1815 Silverado Trail	Napa	CA	94559
Motel 6 Napa	3380 Solano Ave.	Napa	CA	94558
Napa Inn	1137 Warren St.	Napa	CA	94559
Napa River Inn	500 Main Street	Napa	CA	94559
Napa Valley Hotel & Suites	853 Coombs	Napa	CA	94559
Napa Valley Marriott Hotel and Spa	3425 Solano Avenue	Napa	CA	94558
Napa Winery Inn	1998 Trower Ave.	Napa	CA	94558
River Pointe Resort	500 Lincoln Avenue	Napa	CA	94558
River Terrace Inn	1600 Soscol Avenue	Napa	CA	94559
The Inn on First	1938 First Street	Napa	CA	94559
The Meritage Resort and Spa	875 Bordeaux Way	Napa	CA	94559
The Westin Verasa Napa	1314 McKinstry Street	Napa	CA	94559
Vino Bello Resort	501 Mason Street	San Francisco	CA	94120
White House Inn	443 Brown Street	Napa	CA	94559
Wine Valley Lodge	200 South Coombs St.	Napa	CA	94559
Adagio Inn	1417 Kearney St.	St. Helena	CA	94574
Ambrose Bierce House	1515 Main Street	St. Helena	CA	94574
El Bonita Motel	195 Main Street	St. Helena	CA	94574
Harvest Inn	One Main Street	St. Helena	CA	94574
Judy's Bed and Breakfast	2063 Madrona Ave.	Saint Helena	CA	94574
Southbridge Napa Valley	1020 Main Street	St. Helena	CA	94574

Business	Mailing Street	City, State, Zip		
Vineyard Country Inn	201 Main Street	Saint Helena	CA	94574
Wydown Hotel	1424 Main Street	St. Helena	CA	94574
Auberge du Soleil	180 Rutherford Hill Road	Rutherford	CA	94573
Brookside Vineyard B&B	3194 Redwood Road	Napa	CA	94558
Calistoga Ranch	580 Lommel Road	Calistoga	CA	94515
Chateau de Vie	3250 Highway 128	Calistoga	CA	94515
Christian Brothers Retreat and Conference Center	4401 Redwood Road	Napa	CA	94558
Cottages of Napa Valley	1012 Darms Lane	Napa	CA	94558
Hillcrest Country Inn	3225 Lake County Hwy.	Calistoga	CA	94515
Hillview Country Inn	1205 Hillview Lane	Napa	CA	94558
Larkmead Country Inn	1103 Larkmead Lane	Calistoga	CA	94515
Meadowlark Country House Inn	601 Peterfied Forest Rd	Calistoga	CA	94515
Meadowood Napa Valley	900 Meadowood Lane	St. Helena	CA	94574
Oak Knoll Inn	2200 E Oak Knoll Avenue	Napa	CA	94558
Oleander House	7433 St. Helena Hwy.	Yountville	CA	94599
Pleasure Cove Marina	6100 Hwy 128	Napa	CA	94558
Poetry Inn	3680 Silverado Trail	Yountville	CA	94599
Rancho Caymus Inn	P.O. BOX 78	Rutherford	CA	94573
RustRidge Ranch and Winery	2910 Lower Chiles Valley Rd.	St. Helena	CA	94574
Shady Oaks Country Inn	399 Zinfandel Lane	St. Helena	CA	94574
Silverado Resort and Spa	1600 Atlas Peak Road	Napa	CA	94558
Spanish Villa Inn	474 Glass Mountain Rd.	Saint Helena	CA	94574
SpringHill Suites by Marriott - Napa Valley	101 Gateway Road East	Napa	CA	94558
Stahlecker House Bed & Breakfast	1042 Easum Drive	Napa	CA	94558
The Carneros Inn	4048 Sonoma Highway	Napa	CA	94559
Trailside Inn	4201 Silverado Trail	Calistoga	CA	94515
Wine Country Inn	1152 Lodi Lane	St. Helena	CA	94574
Zinfandel Inn	800 Zinfandel Lane	St. Helena	CA	94574
Bardessono	6526 Yount Street	Yountville	CA	94599
Bordeaux House	6600 Washington Street	Yountville	CA	94599
Hotel Yountville	6462 Washington Street	Yountville	CA	94599
Lavender Inn	2020 Webber Street	Yountville	CA	94599
Maison Fleurie	6529 Washington Street	Yountville	CA	94599
Napa Valley Lodge	2230 Madison St.	Yountville	CA	94599
Napa Valley Railway Inn	6488 Washington Street	Yountville	CA	94599
North Block Hotel	757 Washington Street	Yountville	CA	94599
Petit Logis	6527 Yount Street	Yountville	CA	94599
Villagio Inn and Spa	6481 Washington Street	Yountville	CA	94599
Vintage Inn	6481 Washington Street	Yountville	CA	94599