



August 1, 2017

Re: Paso Robles Tourism Improvement District

Dear Paso Robles Lodging Business Owner,

As you've been following the evolution of tourism marketing here in Paso Robles, we wanted to inform you of the new Paso Robles Tourism Improvement District (PRTID). The PRTID was formed on June 20, 2017 by the Paso Robles City Council following a series of hearings and notices mailed to you beginning in April.

You are receiving this letter because you are the owner of a licensed lodging business in Paso Robles and will be assessed by the PRTID. Since 2009 the City of Paso Robles has collected a two (2%) room night assessment from hotels and motels. In an effort to represent the comprehensive picture of all lodging in the destination, the PRTID now includes all Paso Robles lodging businesses in the two (2%) assessment - vacation rentals, short-term rentals, hotel, motels, bed & breakfast establishments and RV Parks. In addition, the governance has changed to a 501(c)6 non-profit organization - Paso Robles Destination. This governance change will further the ability of this group's efforts to stay relevant in the competitive market of California tourism.

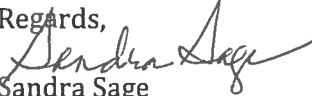
This assessment went into effect on July 1, 2017. The PRTID assessment rate is two (2%) of gross short-term (stays for a period of 30 days or less) room rental revenue.

The assessment shall not be collected on stays of more than 30 consecutive days, stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty, complimentary room stays or stays pursuant to contracts executed prior to July 1, 2017.

The City of Paso Robles will collect the assessment concurrently with transient occupancy tax and any existing assessments. You will notice this line item on your transient occupancy tax form effective July 1, 2017. Because the assessment is collected at the same time as transient occupancy tax, you may submit the assessment and transient occupancy tax in a single check.

If you intend to pass the assessment on to your guests, please begin collecting it by August 1, 2017. The amount of assessment passed on to the guest must be separately stated from the amount of rent charged and any other applicable taxes, and each guest must receive a receipt for payment. Please identify this assessment as the PRTID assessment in a separate line item on the guests' folio. Through the process of transitioning, we became aware of the need to work with some booking resources, particularly those serving short-term rentals, to facilitate transparency of separating assessments and taxes from the rate. As the PRTID works to establish resources, this need continues to remain on our list of goals.

If you have any questions regarding payments or the assessment please contact Paso Robles Destination at 888-988-PASO.

Regards,

Sandra Sage
Chairman, Paso Robles Destination