



Legislation Details (With Board Report)

File #: 23-092 **Name:** Adopt a resolution granting consent for the City of Monterey to renew the Monterey County Tourism Improvement District and include the Unincorporated County of Monterey the MCTID.

Type: General Agenda Item **Status:** General Government - Consent

File created: 1/25/2023 **In control:** Board of Supervisors

On agenda: 2/7/2023 **Final action:** 2/7/2023

Title: Adopt a resolution granting consent for the City of Monterey to renew the Monterey County Tourism Improvement District and include the Unincorporated County of Monterey in the MCTID.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Resolution, 3. Resolution, 4. City of Monterey Resolution, 5. MCTID Management District Plan, 6. Revised Board Report - Clean, 7. Revised Board Report - Redline, 8. Completed Board Order No. 24, 9. Completed Resolution Item No. 24

| Date | Ver. | Action By | Action | Result |
|----------|------|----------------------|--------|--------|
| 2/7/2023 | 1 | Board of Supervisors | | |

Adopt a resolution granting consent for the City of Monterey to renew the Monterey County Tourism Improvement District and include the Unincorporated County of Monterey in the MCTID.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to: Grant consent for the City of Monterey to renew the Monterey County Tourism Improvement District and include the Unincorporated County of Monterey in the MCTID.

SUMMARY/DISCUSSION:

First launched in 2006 under the Property and Business Improvement Area Law of 1989 ('89 Law), the Monterey County Tourism Improvement District ("MCTID") is a benefit assessment district proposed to continue as a revenue source to help fund marketing as sales promotion efforts for lodging businesses in Monterey County. In 2018, an effort to modernize the MCTID led to the disestablishment of the '89 Law district and re-establishment of the MCTID pursuant to the Property and Business Improvement District Law of 1994 ('94 Law). The five-year term of the MCTID is set to expire on June 30, 2023, and the required number of lodging business owners have submitted a written petition to renew the district.

The 94' Law allows for the renewal of multi-jurisdictional tourism improvement districts, with consent of the included jurisdictions being granted to one "lead" jurisdiction. The City of Monterey has requested consent to continue to act as the lead jurisdiction in the renewal of the MCTID (Attachment 2), administering the MCTID countywide. Approval of the proposed resolution will give the City of Monterey authority to include the Unincorporated County of Monterey in the renewed MCTID, which includes all lodging businesses located within the boundaries of the unincorporated areas of Monterey County and the cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, Gonzales, Greenfield, King City and Soledad.

The MCTID is a benefit assessment district proposed to help fund marketing and sales promotion efforts for

Monterey County lodging businesses. The City of Monterey has been working with the Monterey County Convention and Visitors Bureau (MCCVB) and local lodging businesses to continue the MCTID.

The assessment rate is planned to remain the same in the Management District Plan (MDP) at the current rate of \$1 per occupied room for limited service and \$2 for full service. Pacific Grove and Salinas are identified as separate “zones” in the MDP as they have additional assessments that are separately managed.

The County’s collection of the assessments from lodging properties and distribution of the funds to the MCCVB will remain the same including the County’s option to keep 1% of the collected assessments for administrative costs.

The recommended action, adoption of the resolution granting consent to the City of Monterey to renew the MCTID and include the Unincorporated County of Monterey, will enable the City of Monterey and the MCCVB to move forward with the MCTID renewal process. Upon successful renewal, the MCTID will continue to be governed by the Tourism Improvement District Oversight Committee and the MDP, facilitated by the Monterey City Council and the Monterey County Convention and Visitors Bureau.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this recommendation as to form and legality.

FINANCING:

The Treasurer-Tax Collector’s Office retains a fee to cover their costs of collection and administration of the Monterey County Tourism Improvement District. There is no financial impact to the General Fund with this recommendation.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The revenue generated from the Monterey County Tourism Improvement District would promote and support the following Board of Supervisors Strategic Initiatives.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Isela Sandoval, Management Analyst II, x7214

Reviewed by: Richard Vaughn, Economic Development Manager, x5602

Approved by: Dewayne Woods, Assistant County Administrative Officer, x5309

Attachments:

- Board Report
- Resolution
- City of Monterey Resolution
- MCTID Management District Plan

