

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA  
DECLARING RESULTS OF MAJORITY PROTEST PROCEEDINGS AND  
ESTABLISHING THE PASADENA TOURISM BUSINESS  
IMPROVEMENT DISTRICT**

**WHEREAS**, the Property and Business Improvement District Law of 1994 (Streets and Highways Code §36600 et. seq.) authorizes the City to establish business improvement districts upon petition by a weighted majority of the lodging business owners located within the boundaries of the district; and

**WHEREAS**, lodging business owners who will pay more than fifty percent (50%) of the proposed assessment, as weighted according to the amount of the assessment to be paid by the petitioner, within the boundaries of the Pasadena Tourism Business Improvement District ("PTBID") have petitioned the City Council to establish the PTBID; and

**WHEREAS**, included with the petitions was a Management District Plan (Plan) summary that describes the proposed assessment to be levied on lodging businesses within the PTBID to pay for sales promotion and marketing activities, and other improvements and activities set forth in the Plan; and

**WHEREAS**, the assessed lodging businesses within the PTBID will receive a specific benefit from the activities and improvements set forth in the Plan; and

**WHEREAS**, on February 26, 2018 at 7:00 PM at 100 N. Garfield Avenue, Room S-249, Pasadena, CA 91109, the City Council adopted a Resolution of Intention, Resolution No. 9629; and

**WHEREAS**, the public meeting and public hearing to consider the establishment of the PTBID have been properly noticed in accordance with Streets and Highways Code §36623; and

**WHEREAS**, on March 12, 2018 at 7:00 PM at 100 N. Garfield Avenue, Room S-249, Pasadena, CA 91109, the City Council held a public meeting regarding the establishment of the PTBID, and the City Council heard and received objections and protests, if any, to the establishment of the PTBID and the levy of the proposed assessment; and

**WHEREAS**, on April 16, 2018 at 7:00 PM at 100 N. Garfield Avenue, Room S-249, Pasadena, CA 91109, the City Council held a public hearing regarding the establishment of the PTBID, and the City Council heard and received all objections and protests, if any, to the establishment of the PTBID and the levy of the proposed assessment; and

**WHEREAS**, the City Clerk has determined that there was no majority protest. A majority protest is defined as written protests received from owners of businesses in the proposed district

which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each lodging business; and

**WHEREAS**, the City bears the burden of proving by a preponderance of the evidence that an assessment imposed for a specific benefit or specific government service is not a tax, that the amount is no more than necessary to cover the costs to the City in providing the specific benefit or specific government service, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the specific benefits or specific government services received by the payor.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:**

1. The recitals set forth herein are adopted by the City Council as findings and they are true and correct.
2. The Pasadena Tourism Business Improvement District is hereby established for a five (5) year term, beginning July 1, 2018 through June 30, 2023.
3. The Plan dated March 23, 2018 is hereby adopted and approved.
4. The activities to be provided to benefit assessed lodging businesses in the PTBID will be funded by the levy of the assessment. The revenue from the assessment levy shall not be used: to provide activities that directly benefit businesses outside the PTBID; to provide activities or improvements outside the PTBID; or for any purpose other than the purposes specified in this Resolution, the Resolution of Intention, and the Plan. Notwithstanding the foregoing, activities that must be provided outside the PTBID boundaries to create a specific benefit to the assessed lodging businesses may be provided, but shall be limited to marketing or signage pointing to the PTBID.
5. The City Council finds as follows:
  - a) The activities funded by the assessment will provide a specific benefit to assessed lodging businesses within the PTBID that is not provided to those not paying the assessment.
  - b) The assessment is a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
  - c) The assessment is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
  - d) Assessments imposed pursuant to the PTBID are levied solely upon the assessed business, and the business owner is solely responsible for payment of the assessment when



due. If the owner chooses to collect any portion of the assessment from a transient, that portion shall be specifically called out and identified for the transient in any and all communications from the business owner as the "PTBID Assessment."

6. The assessments levied for the PTBID shall be applied towards sales, promotions and marketing programs to market Pasadena lodging businesses as tourist, meeting and event destinations, and other improvements and activities as set forth in the Plan.

7. Assessments levied on lodging businesses pursuant to this resolution shall be levied on the basis of benefit. Because the services provided are intended to increase room rentals, an assessment based on room rentals is the best measure of benefit.

8. The assessments for the entire PTBID will total approximately \$3,800,000 in year one.

9. Bonds shall not be issued to fund the PTBID.

10. The PTBID shall include all lodging business located within the boundaries of the the City of Pasadena. The PTBID shall not include home-sharing or vacation rental businesses as defined by Pasadena Ordinance No. 7317. A boundary map is attached hereto and incorporated herein by reference.

11. The assessments shall be used for the purposes set forth above and any funds remaining at the end of any year may be used in subsequent years in which the PTBID assessment is levied as long as they are used consistent with the requirements set forth herein.

12. The assessments to fund the activities and improvements for the PTBID will be collected by the City on a monthly basis, and in accordance with Streets and Highways Code §36631.

13. The City Council, through adoption of this Resolution and the 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 PTBID as defined in Streets and Highways Code §36612. The City Council has determined that the Pasadena Center Operating Company shall be the Owners' Association.

14. The Pasadena Center Operating Company, pursuant to Streets and Highways Code §36650, 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 improvement and activities described in the report. The first report shall be due after the first year of operation of the PTBID.

15. The PTBID established pursuant to this resolution will be subject to any amendments to the Property and Business Improvement District Law of 1994 (California Streets and Highways Code §36600 et. seq.).

16. The City Clerk, or his or her designee, is directed to take all necessary actions to complete the establishment of the PTBID and to levy the assessments.

17. This Resolution shall take effect immediately upon its adoption by the City Council.

Adopted at the \_\_\_\_\_ meeting of the City Council on the \_\_\_\_ day of \_\_\_\_\_, 2018, by the following vote:

AYES:

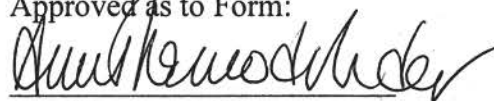
NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mark Jomsky  
City Clerk

Approved as to Form:



Ann Sherwood Rider  
Assistant City Attorney