# NAPA VALLEY TOURISM IMPROVEMENT DISTRICT

### MANAGEMENT DISTRICT PLAN

Formed pursuant to the Property and Business Improvement District Law of 1994



(Streets and Highways Code §36600 et seq.)

#### Submitted to the

Napa Valley Destination Council

Napa Valley Lodging Business Owners

and the

Napa County Board of Supervisors

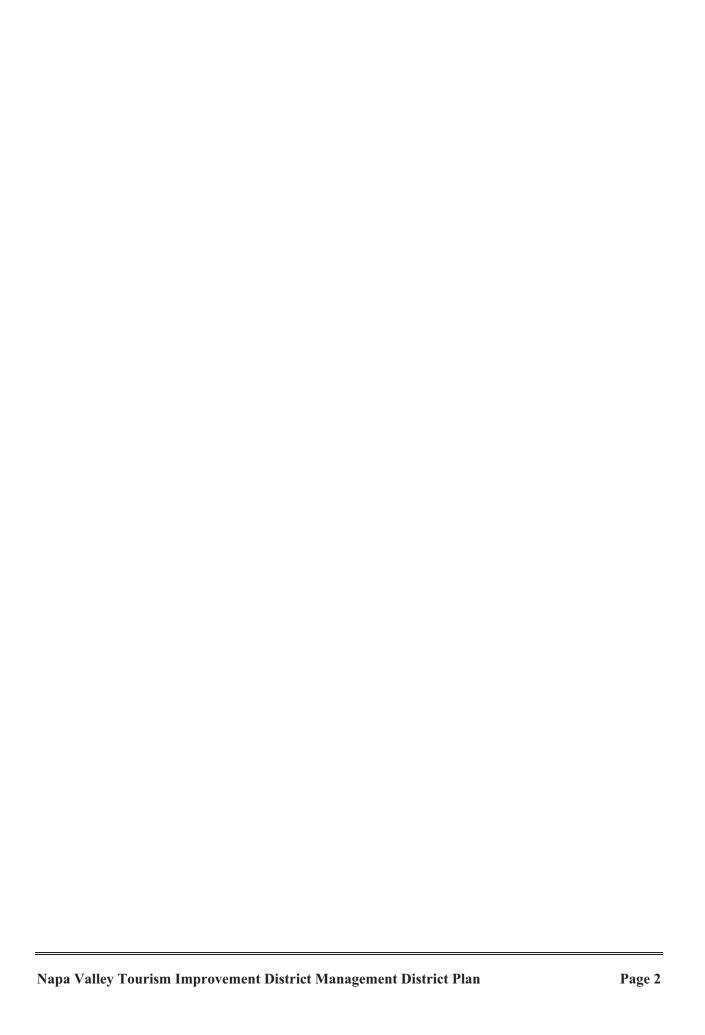
June 15, 2010 by



## NAPA VALLEY TOURISM IMPROVEMENT DISTRICT MANAGEMENT DISTRICT PLAN

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#### I. EXECUTIVE SUMMARY

#### Introduction

Tourism Improvement Districts (TIDs) utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TIDs allow lodging and tourism-related business owners to organize their efforts to increase tourism. Tourism-related business owners within the district fund a TID, and those funds are used to provide services that the businesses desire and that benefit the lodging businesses within the District.

#### Tourism Improvement District services often include, but are not limited to:

- > Marketing of the Destination
- > Tourism Promotion Activities
- Special Event Sponsorship
- ➤ Sales Lead Generation
- > Tourism-related infrastructure improvements

In California, Tourism Improvement Districts may be formed pursuant to the Property and Business Improvement District Law of 1994 (94 Act). This law allows for the creation of a special benefit assessment district to raise funds within a specific geographic area. The key difference between TIDs formed under the 94 Act and other special benefit assessment districts is that funds raised may be returned to the private non-profit corporation under contract with the district to administer and implement the activities and improvements as specified in the management district plan.

#### There are many benefits to Tourism Improvement Districts:

- Funds cannot be diverted for other government programs;
- > Tourism Improvement Districts are customized to fit the needs of each tourism district;
- They allow for a wide range of services, including those listed above;
- > Tourism Improvement Districts are designed and created by those who will pay the assessment;
- > They provide a stable funding source for tourism promotion.

The Property and Business Improvement District Law of 1994 through January 1, 2010, is provided in Appendix 1 of this documen	4 (AB	3754),	as	amended

#### Background

The Napa Valley Destination Council (NVDC), realizing the need for improved marketing and tourist serving programs, determined forming a TID is the best mechanism for funding those vital programs. Studies have shown that investments in marketing and tourist serving programs like those to be provided by the Napa Valley Tourism Improvement District (NVTID) can yield a nearly 600% return on investment. Nearly every other County in California has employed TIDs, and now enjoys the resulting benefits of stable funding and consistent, targeted marketing and tourist serving efforts. NVDC has established a TID committee, composed of Valley tourism business representatives, including representatives from lodging, attractions, and transportation, to oversee the formation process and ensure the proposed district meets the Valley's needs. In October 2009, the committee selected Civitas Advisors, Inc. to assist with the TID formation process. Civitas has formed over half of California's existing TIDs, including several similar to the Napa Valley, and provides unique legal expertise in the TID formation process under the '94 Act.

The NVTID will place a 2.0% assessment on gross room rental in each Napa Valley lodging business (defined further on page 5). The assessment will be collected by the individual Tax Collectors of Yountville, Calistoga, St. Helena American Canyon, the City of Napa, and Napa County, in conjunction with collection of transient occupancy taxes (TOT). A portion of the assessment revenues shall be forwarded to a newly created private non-profit corporation, the Napa Valley Tourism Corporation (NVTC), which will be under contract with Napa County to administer and implement the county-wide marketing and tourist serving programs, and the remaining moneys shall be utilized by newly formed "local governing committees" for each jurisdiction identified above for localized tourism related marketing programs and activities. TID funds will be utilized in the most effective marketing and tourist serving strategies available for the benefit of the assessed tourism businesses.

Creating the NVTID is a key component to strengthening the Napa Valley tourism industry. The NVTID will create a 750% increase in the amount of funding available for tourism promotion, and provide, for the cities and county, funds for localized marketing events and tourist related improvements. The NVTID will give Napa Valley the resources and organization necessary to effectively compete for tourists. By forming a TID, Napa Valley will enjoy a resource utilized by most of California's major tourist destinations, including Sonoma County, San Francisco, San Diego, and Long Beach.

There are several reasons why now is the right time to form a TID in Napa Valley.

#### 1. The Need to Increase Tourism Related Revenues

Formation of the NVTID is a proactive effort to provide supplemental funding for marketing efforts. The funding will ensure that adequate financing exists for the investment required to increase guest room revenues in the lodging industry, while stimulating added unit sales for tourism related attractions and transportation business. The investment will cover an expanded marketing and promotional budget needed to reach a broader market segment.

#### 2. An Opportunity for Increasing Tax Revenues

An increase in guest room revenues will result in increased revenues to each jurisdiction's TOT collections. With stable public/private funding for tourism marketing efforts, annual guest room revenues should increase significantly as new marketing and sales promotion programs are implemented. Greater guest room revenue, as well as other tourism related spending, will produce an increase in sales tax revenues from tourist spending. Additionally, greater tourism demand stimulates higher employment rates in the area, which creates a trickle down of spending in all sectors, as well as added tax revenues. This represents a substantial return to the County and cities within the Valley. The formation of the NVTID in partnership with the NVDC creates a stable funding source tied directly to tourism promotion.

#### 3. Stable Funding for Tourism Promotion

The NVTID will provide a stable and more predictable source of funding for consistent tourism promotion efforts. The NVTID will provide funding for tourism promotion free of circumstances that can reduce or eliminate other funding for tourism promotion.

#### Overview

Developed by NVDC in conjunction with lodging businesses, the NVTID is a benefit assessment district proposed to help fund marketing and sales promotion efforts and other tourist serving activities for Napa Valley lodging businesses. This approach has been used successfully in other destination areas throughout the country to improve tourism related revenues.

Location:

The proposed NVTID includes all lodging businesses (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) located within the cities of American Canyon, Calistoga, Napa, and St. Helena, the Town of Yountville, and the unincorporated areas of Napa County. The NVTID 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.

Services:

Marketing, sales promotions and other tourist serving activities to increase tourism and to market Napa Valley as a tourist, meeting and event destination.

Budget:

The total NVTID annual budget for each year of its five (5) year operation is anticipated to be approximately \$4,000,000. Of that amount, approximately \$2,220,000 will be allocated to County-wide marketing efforts, \$1,000,000 to individual destination promotional efforts, \$500,000 to operational expenses, \$200,000 to a contingency fund, and \$80,000 to jurisdictional administrative expenses. The annual budget is expected to fluctuate based on market conditions, however, expenditures shall generally remain proportionally the same.

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.

Formation:

TID formation begins with each City Council granting consent to the Napa County Board of Supervisors to include lodging businesses within their jurisdictions in the NVTID, allowing the County to act as the lead jurisdiction and form the TID. After consent has been obtained, the 94 Act requires submittal of petitions, from lodging businesses collectively representing more than 50% of the total annual assessment, to the Board of Supervisors. When enough petitions have been submitted, the Board of Supervisors will adopt a resolution expressing their intention to form the district. The County will mail notice of this resolution to all businesses to be assessed within the NVTID.

The opportunity for owners to protest to the County, in writing, will be available for at least forty-five days. The Board of Supervisors will hold a public meeting for comments, followed by a public hearing. At the public hearing, the County Clerk will tally any written protests received. If there is a majority written protest by lodging business owners who will pay 50% or more of the proposed assessment, the TID will not be formed. If a majority of assessed owners have not protested, the Board of Supervisors may adopt a resolution forming the NVTID.

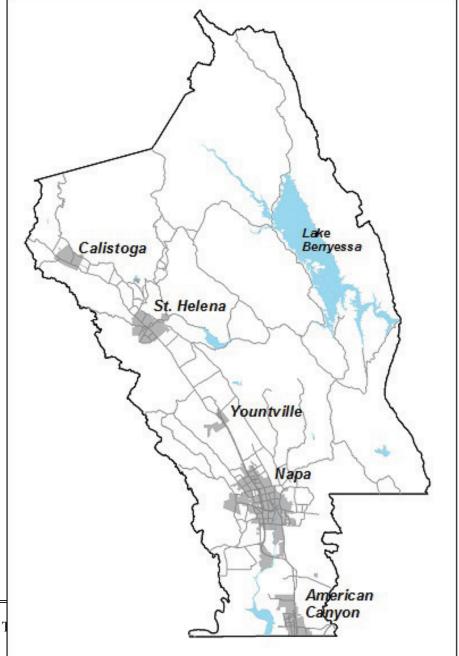
Duration:

The proposed NVTID will have a five (5) year life. The NVTID assessment will be implemented beginning July 1, 2010. Once per year beginning on the anniversary of the formation of the district there is a 30 day period in which owners paying more than 50% of the assessment may protest and terminate the district.

#### II. NVTID BOUNDARIES

The proposed NVTID includes all lodging businesses (hotels, motels, inns, or any other structure or portion thereof occupied, intended, or designed for occupancy by transients as defined in the agency's municipal/county code) located within the cities of American Canyon, Calistoga, Napa, and St. Helena, the Town of Yountville, and the unincorporated areas of Napa County. The NVTID 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 currently includes 201 lodging businesses. The number of lodging businesses will fluctuate as additional lodging development takes place. Please see the map below. A listing of lodging businesses within the proposed NVTID can be found on Appendix 2 of this Plan.



Napa Valley

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#### III. ASSESSMENT

#### Rate and Application

NVTID assessment rates shall be 2.0% of gross short term (stays of 30 days or less) room rental revenue for 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 jurisdiction'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 amount of assessment, if passed on to each transient, shall be 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.

#### **Bonds**

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

#### Collection

The NVTID assessment will be implemented beginning July 1, 2010 and will continue for five (5) years. 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, which will have the responsibility of managing the TID programs as provided in this Management District Plan. 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.

#### Determination of Special Benefit

State law provides that no assessment shall be imposed on any business which exceeds the reasonable cost of the proportional special benefit conferred on that business.

A special benefit is defined as a particular and distinct benefit over and above general benefits conferred on the public at large. Conversely, a general benefit is a benefit to businesses in the surrounding community or a benefit to the public in general resulting from the improvement, activity or service to be provided by the assessment levied. Many general benefits to the public at large are conveyed by municipal services, such as fire protection, police services and public

transit services. These services are targeted to serve the public at large and do not confer special benefits on particular businesses.

The services in this Management District Plan are designed to provide targeted services to 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 tourism related revenue for assessed businesses within the boundaries of the District, and are narrowly tailored. NVTID funds will be used exclusively to benefit the assessees.

The activities paid for from assessment revenues are lodging business services creating special benefit to those businesses. In addition, these activities are not for the benefit of the general public and do not provide general benefit as defined above. All general benefits (if any) to the surrounding community and general public are intangible and unquantifiable. It is appropriate that these special lodging business-related benefits, i.e., increased tourism resulting in increased lodging occupancies, be funded through lodging business assessments.

#### IV. SERVICE PLAN & BUDGET

#### **Summary**

A summary of the annual service plan budget for the NVTID is provided below. The total five year improvement and service plan budget is projected at approximately \$4,000,000 annually, or \$20,000,000 through 2015.

#### Napa Valley Tourism Improvement District Draft Annual Budget, Years One through Five

Category	Description	Total
VALLEY WIDE	SALES and MARKETING -55.5%	\$2,220,000
INDIVIDUAL I 25%	DESTINATION MARKETING –	\$1,000,000
ADMINISTRAT	TIVE and OPERATIONS – 12.5%	\$500,000
LOCAL GOVE	RNMENT ADMIN FEES - 1%	\$40,000
AUDITING CO	OSTS – 1%	\$40,000
CONTINGENO	CY and RENEWAL - 5%	\$200,000
Total Tourism	n District Annual Budget	\$4,000,00
		0

#### Valley Wide Sales and Marketing

Sales and marketing activities will seek to increase occupancy rates for assessed lodging businesses. Sales and Marketing activities account for 55.5% of the budget, approximately \$2,220,000, 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

<ul><li>Professional Industry Conferences / Affiliation Events</li><li>Special Event Sponsorship</li></ul>		
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#### **Individual Destination Marketing**

25% of the budget, approximately \$1,000,000, 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 Section V of this Management District 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.

#### Administrative and Operations

The administrative and operations portion of the budget, 12.5%, approximately \$500,000, 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

#### Local Government Administrative Fees

Each tax collector will charge a 1% fee, a total of approximately \$40,000, 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.

#### **Auditing Costs**

1% of the budget, approximately \$40,000, shall be apportioned to the costs of annual audits.

#### Contingency / Renewal

5% of the annual budget, approximately \$200,000, will be dedicated to a contingency fund, to be used for unanticipated or increased costs incurred in the provision of services previously described. If this fund has money available at the expiration of the district, that money may be used for costs associated with renewing the district.

#### Adjustments

The NVTC board (see Section V) has full authority to manage expenditures consistent with this Plan, subject to 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.

#### Expiration

If the district expires and is not renewed, 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.

#### V. GOVERNANCE

#### Owners' Association

The Napa Valley Tourism Corporation shall be established as a private non-profit corporation and have the responsibility of managing NVTID funds as provided for in this management district plan, subject to oversight of the Napa County Board of Supervisors.

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 the Napa Valley Destination Council. Each member of the board shall have one vote.

#### Brown Act and Public Records Act Compliance

Pursuant to Streets and Highways Code §36614.5, the NVTC shall be subject to the provisions of the Ralph M. Brown Act (Government Code §54950 et seq.) and the California Public Records Act (Government Code §6250 et seq.) for all meetings held and documents produced or held relating to all matters of the NVTID.

Except as provided above, neither the NVTC nor its board members shall be considered a public entity or public official for any purpose.

#### **Annual Report**

The NVTC board 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.

#### **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 '94 Act. Each local governing committee shall submit a progress report to the NVTC every six (6) months.

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

#### 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:

- Four (4) representatives of assessed lodging businesses selected by lodging businesses.
- One (1) representative (staff or board member) designated by the Napa Chamber of Commerce.

• Two (2) representatives (appointed staff or city council members) designated by the Napa City Council.

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 City of Napa shall be responsible for performing the administrative tasks associated with the following related to the .5% funding:

- Implementation of the annual work plan and budget oversight, to the extent approved by the City Council.
- Periodic meetings with the local governing committee as necessary to provide oversight of expenditures to ensure consistency with approved annual work plan and budget.
- Preparation of a six-month progress report which will be provided to the NVTC Board and Napa County Board of Supervisors.

#### 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 the NVTID Management District Plan.

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

#### County of Napa

Napa County shall form a seven 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 the NVTID Management District Plan.
- Preparation of a six-month progress report and annual year-end progress report which will be provided to the NVTC.

#### 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 '94 Act, 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, including violations of this management district plan, the Board may take action including, but not limited to conducting an audit or designating a new owner's association to conduct the activities of the district.

#### **Audits and Accounting**

The Napa County Auditor-Controller shall be allowed to review the financial records of the NVTC and local governing committees. A Memorandum of Understanding shall be entered into between the County and all local entities involved in accounting for TID dollars. The MOU will 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.

#### **NVTID Modifications**

No changes may be made to this management district plan that impact assessments or expenditures within a local jurisdiction without the consent of that jurisdiction's City Council.

## APPENDIX 1 - THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

#### PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

STREETS AND HIGHWAYS CODE

Division 18. Parking

\*\*\* THIS DOCUMENT IS CURRENT THROUGH 2009-2010 EXTRAORDINARY SESSIONS 1-5, AND 7, AND URGENCY LEGISLATION THROUGH CH 4 OF THE 2010 REGULAR SESSION\*\*\*

#### § 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.

#### § 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.
  - (I) 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"; "Owner"

"Property owner" or "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. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property 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) 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.
  - **(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 to overlap with a property assessment district created pursuant to this part to overlap with a property 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.
- **(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.
- **(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. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.
  - (I) 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. A written protest which does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners of businesses in the proposed district which 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.

#### § 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 or businesses 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 or 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 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.

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§ 36626.5. [Section repealed 1999.]
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§ 36626.6. [Section repealed 1999.]

§ 36626.7. [Section repealed 1999.]

#### § 36627. Notice and assessment diagram

Following adoption of the resolution establishing the district pursuant to Section 36625 or 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses, within the area of the district. 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 parking and business improvement area.

#### § 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 establishing the management district plan described in Section 36622. 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.

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§ 36641. [Section repealed 2001.]
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§ 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 assessees 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 of real property or 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 of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

- (a) Upon the disestablishment 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. 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 – LODGING BUSINESSES TO BE ASSESSED WITHIN THE NVTID

Property	Phone	City
1801 First Luxury Inn	(707) 224-3739	Napa
Adagio Inn	(707) 963-2238	St. Helena
Adiance House	(707) 257-2411	Napa
Adlers Nest	(415) 350-0381	Napa
Adorable Purple Victorian	(858) 354-4470	Napa
Ambrose Bierce House	(707) 963-3003	St. Helena
Anderson Vacation Rental Bungalow	(707) 290-8228	Napa
Andrew Lane House	65359	St. Helena
Angels Inn	(707) 942-2268	Calistoga
Arbor Guest House	(707) 252-8144	Napa
Auberge Brisebois	(707) 963-4658	Unincorporated
Auberge du Soleil	707.963.1211	Unincorporated
Aurora Park Cottages	(707)942-6733	Calistoga
Authentic Victorian	67891	Napa
AVIA   Napa Hotel	(866) 644-2842	Napa
Bardessono Hotel	(707) 204-6002	Yountville
Barro Station B&B	707-963-5169	Unincorporated
Bartel Ranch and B&B Country Inn	707-963-4001	St. Helena
Bear Flag Inn	(707) 942-5534	Calistoga
Beazley House	(707) 257-1649	Napa
Bel Abri	(707) 253-2100	Napa
Bella Vista	37769	Yountville
Best Western Elm House	(707) 255-1831	Napa
Best Western Inn at the Vines	(707) 257-1930	Napa
Best Western Stevenson Manor Inn	(707) 942-1112	Calistoga
BJ's Nest	230491	Napa
Blackbird Inn	(707) 226-2450	Napa
Bordeaux House	(707) 944-2855	Yountville
Brannan Cottage Inn	(707) 942-4200	Calistoga
Breathtaking Views	203638	Napa
Brookside Vineyard B&B	(707) 252-6690	Unincorporated
Calistoga Country Lodge	(707) 942-5555	Calistoga
Calistoga Enchanted Cottage	(707) 942-9463	Calistoga
Calistoga Hacienda Guest House	(707) 942-5259	Calistoga
Calistoga Inn Restaurant and Brewery	(707) 942-4101	Calistoga
Calistoga Ranch	(707) 254-2805	Unincorporated

Calistoga Spa Hot Springs	(707) 942-6269	Calistoga
Calistoga Village Inn and Spa	(707) 942-0991	Calistoga
Calistoga Wayside Inn	(707) 942-0645	Calistoga
Calistoga Wine Way Inn	(707) 942-0680	Calistoga
Candlelight Inn	(707) 257-3717	Napa
Carlin Country Cottages	(707) 942-9102	Calistoga
Carolines Getaway	(707) 226-5602	Napa
Casa Lana B and B	(707) 942-0615	Calistoga
Castle In The Clouds	(707) 944-2785	Unincorporated
Cedar Gables Inn	(707) 224-7969	Napa
Chablis Inn Napa Valley	(707) 257-1944	Napa
Chanric Inn	(707) 942-4535	Calistoga
Chardonnay Lodge	(707) 224-0789	Napa
Chateau de Vie	(707) 942-6446	Unincorporated
Chateau Hotel	(707) 253-9300	Napa
Chelsea Garden Inn	(925) 376-3770	Calistoga
Chien Blanc Lodging	(925) 376-3770	Calistoga
Christian Brothers Retreat	(707) 252-3703	Unincorporated
Christophers Inn	(707) 942-5755	Calistoga
Churchill Manor	(707) 253-7733	Napa
Comfort Inn	(707) 942-9400	Calistoga
Cottage Grove Inn	(707) 942-8400	Calistoga
Crystal Rose Victorian Inn	(707) 944-8185	Unincorporated
Czech Inn	(707) 942-9341	Calistoga
Dante Vinyards Cottage	(760) 707-4274	Calistoga
De Mar House	(707) 299-0009	Napa
Deer Run Inn	707 963-3794	Unincorporated
Discovery Inn	(707) 253-0892	Napa
Division Street House	(707) 255-7898	Napa
Dr. Wilkinsons Hot Springs	(707) 942-4102	Calistoga
Eagle and Rose Hotel	707-963-1532	Unincorporated
El Bonita Motel	(707) 963-3216	St. Helena
Embassy Suites Napa Valley	(707) 253-9540	Napa
Euro Spa & Inn	(707) 942-6829	Calistoga
Fairfield Inn & Suites American Canyon	(707) 643-3800	Am Canyon
Fairway Condominiums at Silverado	(707) 255-0199	Unincorporated
Fanny's Napa Valley	(707) 942-9491	Calistoga
Farmhouse (The)		Unincorporated
Foothill House	(707) 942-6933	Unincorporated
Gaia Napa Valley Hotel & Spa	(707) 674-2550	Am Canyon
Garnet Creek Inn	(707) 942-9797	Calistoga
Glass Mountain Inn	(707) 968-9400	Unincorporated

Golden Haven Hot Springs	707-942-6793	Calistoga
Harvest Inn	(707) 967-4681	St. Helena
Hawthorn Inn & Suites Napa Valley	(707) 226-1878	Napa
Hennessey House	(707) 226-3774	Napa
Hideaway Cottages	(707) 942-4108	Calistoga
Hillcrest B&B	(707) 942-6334	Unincorporated
Hillrise Cottages	(707) 254-0222	Calistoga
Hillview Country Inn	(707) 224-5004	Unincorporated
Hilton Garden Inn	(707) 227-3223	Napa
Holiday House		Unincorporated
Holiday Inn Express & Suites	(707) 552-8100	Am Canyon
Hotel D' Amici	(707) 963-7988	Calistoga
Hotel Luca	(707) 944-8080	Yountville
Hotel St. Helena	(707) 963-4388	St. Helena
Indian Springs Resort & Spa	(707) 942-9035	Calistoga
Ink House B&B	(707) 963-3890	Unincorporated
Inn at Southbridge	(707) 967-9400	St. Helena
Inn on Randolph	(707) 257-2886	Napa
John Muir Inn	(707) 257-7220	Napa
Judy's Ranch House		Unincorporated
Judy's Bed and Breakfast	(707) 963-3081	St. Helena
Klingbeil B&B		Unincorporated
La Belle Époque	(707) 257-2161	Napa
La Chaumiere	(707) 942-5139	Calistoga
La Fleur B&B		Unincorporated
La Maison Bleue	(707) 265-0547	Napa
La Residence Country Inn	(707) 253-0337	Napa
Lake Berryessa Marina Resort	CLOSED	Lake B
Large Home w/hot tub	232925	Napa
Larkmead Country Inn	(707) 942-5360	Unincorporated
Laurel House Napa	(707) 224-4663	Napa
Lavender Inn	(707) 944-1388	Yountville
Lodge at Calistoga	(707) 942-9400	Calistoga
Log Cabin of Napa Valley	(415) 420-2263	St. Helena
Maison Fleurie	(707) 944-2056	Yountville
Markley Cove	(707) 966-2134	Unincorporated
Mayacamas Ranch, Inc.	(707) 942-5127	Calistoga
Mc Clelland - Priest B&B Inn	(800) 290-6881	Napa
Meadowlark Country House Inn	(707) 942-5651	Unincorporated
Meadowood Napa Valley	(707) 967-1216	Unincorporated
Milat Guest House	(866) 270-5669	St. Helena
Milat Vineyard B&B		Unincorporated

Milliken Creek Inn	(707) 255-1197	Napa
Mount View Hotel & Spa	(707) 942-6877	Calistoga
Mountain Home Ranch	(707) 942-6616	Calistoga
Nance's Hot Springs	(707) 942-6211	Calistoga
Napa Inn	(707) 257-1444	Napa
Napa River Inn	707-251-8500	Napa
Napa Valley Escape	(707) 738-4332	Napa
Napa Valley Lodge	(707) 944-2468	Yountville
Napa Valley Marriott Hotel and Spa	(707) 254-3300	Napa
Napa Valley Railway Inn	(707) 944-2000	Yountville
Napa Valley Redwood Inn	(707) 257-6111	Napa
Napa Valley Resorts		Unincorporated
Napa Valley Travelodge	(707) 226-1871	Napa
Napagetaway.com	(707) 265-0547	Napa
Oak Knoll Inn	707-255-2200	Unincorporated
Oakville Vineyard BB	(707) 963-7222	Unincorporated
Oakwood B&B	(707) 942-5381	Calistoga
Old World Inn	(707) 257-0112	Napa
Oleander House	(707) 944-8315	Unincorporated
Oliver House Bed and Breakfast	(707) 963-4089	Unincorporated
On Mayacamas		Unincorporated
Palmer's B&B	(707) 942-0809	Calistoga
Petit Logis	(707) 944-2332	Yountville
Pleasure Cove Resort	(707) 966-9600	Unincorporated
Poetry Inn		Unincorporated
Prager Winery B&B	(707) 963-3720	Unincorporated
Putah Creek Resort		Unincorporated
Quail Cove Inn		Unincorporated
Quail Mountain B&B	(707) 942-0316	Unincorporated
Rancho Caymus Inn	(707) 963-1777	Unincorporated
River Pointe Resort	(707) 252-4200	Napa
River Terrace Inn	(707) 320-9000	Napa
Rockhaven		Unincorporated
Roman Spa Hot Springs Resort	(707) 942-4441	Calistoga
Rose Garden Inn	(707) 963-4417	Unincorporated
RustRidge Ranch and Winery	(707) 965-9353	Unincorporated
Scarlett's Country Inn	(707) 942-6669	Unincorporated
Scott Courtyard	(707) 942-0948	Calistoga
Shady Oaks Country Inn	707-963-1190	Unincorporated
Silver Rose Inn	(707) 942-9581	Calistoga
Silverado Resort and Spa	(707) 257-5587	Unincorporated
Silverado Resort Vacation Homes	(707) 257-0200	Napa

Sleepy Hollow B&B	(707) 963-0181	Calistoga
Solage Calistoga	(866) 942-7442	Calistoga
Spanish Villa Inn	(707) 963-7483	Unincorporated
SpringHill Suites by Marriott - Napa Valley	(707) 253-1900	Unincorporated
Stag's Leap Winery B&B		Unincorporated
Stahlecker House B&B	(707) 257-1588	Unincorporated
Stami's B&B		Unincorporated
Steele Park Resort		Unincorporated
Sutter Home Winery Inn		Unincorporated
The Brambles	(707) 942-4781	Calistoga
The Carneros Inn	(707) 299-4968	Unincorporated
The Corner Cottage	(707) 224-2862	Napa
The Cottages of Napa Valley	(707) 252-7810	Unincorporated
The Craftsman Inn	(707) 341-3035	Calistoga
The Elms	(707) 942-9476	Calistoga
The Inn on First	(707) 253-1331	Napa
The Meritage Resort at Napa	(707) 251-1945	Napa
The Pink Mansion	(707) 942-0558	Calistoga
The Red Door Inn	(707) 963-5400	St. Helena
Trailside Inn	(707) 942-4106	Unincorporated
Turtle Rock Motel		Unincorporated
Vacation Rentals Napa	(707) 738-0682	Napa
Valley Oak Inn	(707) 942-4720	Calistoga
Villa Napa	(415) 681-1511	Napa
Villa Palma	(415) 420-2263	Calistoga
Villagio Inn and Spa	(707) 948-5084	Yountville
Vineyard Country Inn	(707) 963-1000	St. Helena
Vino Bello Resort	(707) 251-1992	Napa
Vintage Inn	(707) 945-4595	Yountville
Washington Street Lodging	(707) 942-6968	Calistoga
Westin Verasa Napa	(707) 257-5124	Napa
White House Inn & Spa	(707) 254-9301	Napa
White Sulphur Springs Resort		Unincorporated
Wine Country Inn	(707) 963-7077	Unincorporated
Wine Country Villas	(707) 963-9073	St. Helena
Wine Valley Lodge	(707) 224-7911	Napa
Wisteria Gardens B&B	(707) 942-5358	Calistoga
Yountville Inn	(707) 944-5600	Yountville
Zinfandel House		Unincorporated
Zinfandel Inn	(707) 963-3512	Unincorporated