



Terrie Banish

Director

Community Services & Promotions

October 9, 2024

Subject: ATBID Assessment Increase

Dear Atascadero Lodging Business Owner,

The Atascadero Tourism Business Improvement District (ATBID) Advisory Board at their September 11, 2024 regular Board meeting, approved a request to the City Council to increase the ATBID Transient Occupancy Assessment from two percent (2%) to two and one-half percent (2.5%) of the rent charged by the business per occupied room or space per night for transient occupancies, effective January 9, 2025. The purpose of this increase is to help fund physical improvements to the Charles Paddock Zoo and adjacent areas in the Lake Park to drive events, tourism, and hotel stays in the City.

To assess the increase in the ATBID Assessment from 2.0% to the 2.5%, each lodging business will collect and remit to the City an ATBID assessment equal to 2.5% (an additional amount of ½% over the current rate of 2.0%) of the rent charged by the business per occupied room or space per night for transient occupancies.

On October 8th, 2024, the proposed ATBID Assessment Increase went before City Council for review. Council approved the modified ATBID Annual Report and adopted the Draft Resolution declaring the intent to levy an increased Business Improvement District assessment on lodging businesses within the Atascadero Tourism Business Improvement District and setting the following dates/times for the public to participate in this process.

New Lodging Assessment Increase from 2% to 2.5%

Public Meeting: Monday, December 2, 2024, at 6 p.m.,

Public Hearing: Tuesday, December 10, 2024, at 6 p.m.

Council Chamber, Atascadero City Hall

(6500 Palma Avenue, Atascadero, CA 93422, enter at Lewis Avenue)

Lodging owners can protest this increase in person at the above meetings or mail a protest against the assessment to c/o ATBID, City of Atascadero, 6500 Palma Ave., Atascadero, CA 93422. If written protests are received from the owners of assessed businesses which will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than that 50 percent, no further proceedings to levy the proposed assessment will occur.

Working together to **serve**, build **community** and enhance **quality of life**.

A copy of the resolution of intention and updated ATBID report is included with this letter. Should you have any questions, please contact ATBID Destination Management Administrative Services at 805-470-3428.

Sincerely,

Terrie Banish,
ATBID Destination Management Administrative Services

Encl.(s): ATBID Draft Resolution (1), Updated ATBID Report (2)

DRAFT RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN INCREASED ASSESSMENT ON LODGING BUSINESSES WITHIN THE ATASCADERO TOURISM BUSINESS IMPROVEMENT DISTRICT, PURSUANT TO STREETS & HIGHWAYS CODE SECTION 36500 ET SEQ.

WHEREAS, the City of Atascadero (“City”) has formed the Atascadero Tourism Business Improvement District (“ATBID”), pursuant to Section 36500 of the Streets & Highways Code of the State of California; and

WHEREAS, the City Council has previously received an annual report pursuant to Section 36533 of said Code; and

WHEREAS, the City Council approved said report and adopted a resolution of intention pursuant to Section 36534, setting the assessment at two percent (2%) of the rent charged by the business per occupied room or space per night for transient occupancies; and

WHEREAS, on September 11, 2024, the ATBID Advisory Board recommended a request to the City Council to increase the assessment from two percent (2%) to two and one-half percent (2.5%) of the rent charged by the business per occupied room or space per night for transient occupancies to help fund improvements and facilities at the Charles Paddock Zoo and adjacent areas with the purpose of increasing hotel stays in the City; and

WHEREAS, the City Council has received the revised ATBID Advisory report which details the additional activities to be funded by the proposed increase in the assessment rate; and

WHEREAS, Streets and Highways Code Section 36541(a) provides that the City Council shall modify the basis and method of levying the ATBID assessment by ordinance; and

WHEREAS, Streets and Highways Code Section 36541(b) provides that the City Council shall adopt a resolution of intention which states the proposed modification of the basis and method of levying the ATBID assessment; and

WHEREAS, Streets and Highways Code Section 36541(b) requires a public hearing be set for the proposed modification in conformity with Streets and Highways Code Sections 36524 and 36525 and Government Code Section 54954.6; and

WHEREAS, Government Code Section 54954.6 requires a separate public meeting to allow public testimony regarding the proposed increased assessment no earlier than seven days in advance of the public hearing.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The City Council hereby accepts modified ATBID Advisory Board report attached hereto as Exhibit “A” and declares its intent to modify the basis and method of

assessments within the Atascadero Tourism Business Improvement District for Fiscal Year 2024-2025 from two percent (2%) to two and one-half percent (2.5%).

SECTION 2. The ATBID includes all of the lodging businesses, including hotels, motels, bed and breakfasts, and each business defined as a “hotel” in Section 3-3.02 of Chapter 3 (Transient Occupancy Tax) of the Atascadero Municipal Code (“Lodging Businesses”) within the corporate boundaries of the City.

SECTION 3. The activities to be funded by the levy of assessments against Lodging Businesses within the ATBID are tourism promotions and marketing programs to promote the City as a tourism destination and projects, programs, and activities that benefit Lodging Businesses located and operating within the boundaries of the ATBID. The proposed activities will primarily be targeted at increasing transient stays at Lodging Businesses.

SECTION 4. The City Council sets December 2, 2024, as the date of the public meeting on the proposed increase to the basis and method of assessments. The public meeting will be held at 6:00 p.m. or as soon thereafter as practicable, in the City of Atascadero Council Chambers, 6500 Palma Ave., Atascadero, California 93422.

SECTION 5. The City Council sets December 10, 2024, as the date of the public hearing on the proposed increase to the basis and method of assessments. The public hearing will be held at 6:00 p.m. or as soon thereafter as practicable, in the City of Atascadero Council Chambers, 6500 Palma Ave., Atascadero, California 93422.

SECTION 6. A protest may be made orally or in writing by any owner of a Lodging Business that is within the ATBID boundaries and subject to the ATBID assessment. Written protests must be received by the City Clerk, City of Atascadero, before the close of the public hearing on December 10, 2024, and may be delivered or mailed to the City Clerk, Atascadero, 6500 Palma Ave., Atascadero, California 93422. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing.

SECTION 7. Further information regarding the proposed ATBID may be obtained from the City Manager’s Office, City of Atascadero, 6500 Palma Ave., Atascadero, CA 93422.

SECTION 8. The City Clerk is directed to provide notice of the public hearing on the proposed ATBID assessment by causing this resolution to be published once in a newspaper of general circulation in the City not less than seven days before said public hearing. The City Clerk is further directed to transmit such copies of this resolution by mail as are required by Streets and Highways Code Section 36523.5 and Government Code Section 54954.6.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of October, 2024.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ADOPTED:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

EXHIBIT A

Modified ATBID Annual Report Fiscal Year 2024-2025

(Pursuant to Streets & Highways Code Section 36533)

1. Proposed activities, programs and projects for the fiscal year:
 - Contract Services
 - Marketing Firm
 - Administration Services
 - Marketing Plan
 - Maintenance of Visual Assets
 - Photography & Content
 - Creative Services
 - Digital Marketing
 - Website Content & Updates (i.e., Visit Atascadero; SLO CAL)
 - Social Media
 - Advertising
 - Print & Promotional Items
 - Digital
 - Reactive & Co-op Opportunities
 - Public Relations
 - Group FAM (familiarization tours for journalists, tour operators and meeting & event coordinators)
 - Individual Journalist Hosted Itineraries; Attend conferences.
 - Press Releases
 - Tour & Travel
 - Collaboration with CCTC FAMs
 - Collaboration with Visit CA FAMs
 - Collaboration with SLO CAL FAMs
 - Consumer Outreach
 - Event Sponsorships Opportunities
 - Event Marketing
 - Email Marketing
 - Physical Improvements to the Charles Paddock Zoo and adjacent areas in Lake Park to drive events, tourism, and additional hotel stays
 - Administration of TBID fund
2. Approximate cost of such activities, programs and projects for the fiscal year is projected to be \$478,970.
3. Amount of fund balance as of June 30, 2024, is projected to be \$740,152.
4. Estimated fund balance for June 30, 2025, is budgeted at \$749,870.
5. Contributions received other than assessments:
 - Estimated interest income of \$19,400 for fiscal year 2023/24.
 - Estimated interest income for fiscal year 2024/25 is budgeted at \$19,790.