

**RESOLUTION NO. 2025-****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT, CALIFORNIA, DECLARING RESULTS OF MAJORITY PROTEST PROCEEDINGS AND RENEWING THE CLAREMONT TOURISM BUSINESS IMPROVEMENT DISTRICT (CTBID)**

**WHEREAS**, the City of Claremont (City) created the Claremont Tourism Business Improvement District (CTBID) on November 10, 2009 by Resolution No. 2009-81; and

**WHEREAS**, the CTBID was renewed for a ten (10) year term which ends on December 31, 2024; and

**WHEREAS**, the Property and Business Improvement Law of 1994, Streets and Highways Code § 36600 et seq., authorizes the City to renew business improvement districts upon petition by a weighted majority of the 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 CTBID have petitioned the City Council of the City of Claremont (Council) to renew the CTBID; and

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

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

**WHEREAS**, on November 26, 2024 at 6:30 PM at the Council Chambers located at 225 West Second Street, Claremont, CA 91711, the Council adopted a Resolution of Intention, Resolution No.2024-59; and

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

**WHEREAS**, on December 10, 2024 at 6:30 PM at the Council Chambers located at 225 West Second Street, Claremont, CA 91711, the Council held a public meeting regarding the renewal of the CTBID, and the Council heard and received objections and protests, if any, to the renewal of the CTBID and the levy of the proposed assessment; and

**WHEREAS**, on January 14, 2025 at 6:30 PM at the Council Chamber located at 225 West Second Street, Claremont, CA 91711, the Council held a public hearing

regarding the renewal of the CTBID, and the Council heard and received all objections and protests, if any, to the renewal of the CTBID 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 renewed CTBID 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, THE CLAREMONT CITY COUNCIL DOES HEREBY RESOLVE:**

**SECTION 1.** The recitals set forth herein are adopted by the Council as findings and they are true and correct.

**SECTION 2.** The CTBID is hereby renewed for a ten (10) term, beginning January 1, 2025, or as soon as possible thereafter, and ending ten (10) from its start date, unless renewed pursuant to Streets and Highways Code § 36660.

**SECTION 3.** The Plan dated November 19, 2024 is hereby adopted and approved.

**SECTION 4.** The activities to be provided to benefit businesses in the CTBID 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 CTBID; to provide activities or improvements outside the CTBID; or for any purpose other than the purposes specified in this Resolution, the Resolution of Intention, and the Plan. Notwithstanding the foregoing, improvements and activities that must be provided outside the CTBID boundaries to create a specific benefit to the assessed businesses may be provided, but shall be limited to marketing or signage pointing to the CTBID.

**SECTION 5.** The Council finds as follows:

- A. The activities funded by the assessment will provide a specific benefit to assessed businesses within the CTBID 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 CTBID 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 "CTBID Assessment" or "Tourism Assessment" as specified in the Plan.

**SECTION 6.** The assessments levied for the CTBID shall be applied towards marketing programs to market Claremont lodging businesses as tourist, meeting and event destinations, and other improvements and activities as set forth in the Plan.

**SECTION 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 night sales, an assessment based on gross short-term sleeping room rental revenue is the best measure of benefit.

**SECTION 8.** The annual assessment rate is two percent (2%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any person as to whom it is beyond the power of the City to impose the assessment; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; and stays by any federal or state employee when on official business.

**SECTION 9.** The assessments for the entire CTBID will total approximately \$325,000 in year one (1).

**SECTION 10.** Bonds shall not be issued to fund the CTBID.

**SECTION 11.** The CTBID shall include all lodging businesses, existing and in the future, available for public occupancy located within the boundaries of the City of Claremont. A boundary map is attached hereto as an exhibit and incorporated herein by reference.

**SECTION 12.** 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 CTBID assessment is levied as long as they are used consistent with the requirements set forth herein.

**SECTION 13.** The assessments to fund the activities and improvements for the CTBID will be collected by the City on a monthly basis, and in accordance with Streets and Highways Code §36631.

**SECTION 14.** The 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 CTBID as defined in Streets and Highways Code §36612. The Council has determined that the Claremont Chamber of Commerce shall be the CTBID Owners' Association.

**SECTION 15.** The Claremont Chamber of Commerce, 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 CTBID.

**SECTION 16.** The CTBID renewed 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.).

**SECTION 17.** The City Clerk, or his or her designee, is directed to take all necessary actions to complete the renewal of the CTBID and to levy the assessments.

**SECTION 18.** This Resolution shall take effect immediately upon its adoption by the Council.

**SECTION 19.** That the Mayor shall sign this Resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

**PASSED, APPROVED, AND ADOPTED** this 14<sup>th</sup> day of January, 2025.

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Mayor, City of Claremont

ATTEST:

\_\_\_\_\_  
City Clerk, City of Claremont

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney, City of Claremont

### Boundary Map

