

CITY COUNCIL RESOLUTION NO. 02-152

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
IRVINE ESTABLISHING THE IRVINE HOTEL IMPROVEMENT
DISTRICT AND LEVYING AN ASSESSMENT

WHEREAS, at its October 8, 2002 meeting, the City Council of the City of Irvine adopted Resolution 02-139, A RESOLUTION OF INTENT OF THE CITY COUNCIL OF THE CITY OF IRVINE TO ESTABLISH A BUSINESS IMPROVEMENT AREA; and

WHEREAS, the City Council of the City of Irvine held a public hearing on November 12, 2002 at 4:00 p.m. in the City Council Chambers of Irvine City Hall, One Civic Center Plaza, Irvine, California; and

WHEREAS, at that public hearing the City Council did not receive written protests from affected businesses that would, in total, represent in excess of fifty percent of the total assessment to be levied; and

WHEREAS, the City Council of the City of Irvine affirms that it is in the public interest to promote, maintain and enhance the economic strength and physical maintenance of the business districts within the City in order to create and conserve jobs, attract new businesses, and prevent erosion of the City's business districts;

NOW, THEREFORE, the City Council of the City of Irvine HEREBY DOES RESOLVE AS FOLLOWS:

Section 1. Pursuant to Section 2-7-752 of the Irvine Municipal Code, the City establishes a business improvement area that shares the same boundaries as the legal boundaries of the City of Irvine, and such business improvement area shall have no separate benefit zones.

Section 2. That a business improvement area has been established and shall be named the "Irvine Hotel Improvement District."

Section 3. The activities in Section 6 of this Resolution shall be funded by the levy of an assessment upon all hotels within the City. The City shall assess a two percent (2%) room rental assessment for all hotel room rentals in Irvine. The assessment will be collected by all Irvine hotels and remitted to the City at the same time and in the same manner as the City's Transient Occupancy Tax. Included with the remittance will be an itemization of the total amount of Transient Occupancy Tax and the corresponding percent, and the total room rental assessment and the corresponding percent.

Section 4. To reduce administrative costs to the hotels, hotels may, but shall not be required to, combine the Irvine Hotel Improvement District assessment and Transient Occupancy Tax into a single room charge, so long as the single room charge equals the aggregate of the adopted rates for Transient Occupancy Tax and the Irvine Hotel Improvement District assessment. The City will segregate all funds received by the City as the payment of the Irvine Hotel Improvement District assessment, and credit the revenue to an account created for that purpose. All contract commitments made by a hotel prior to this resolution shall be exempt from the assessment. The definition of "Hotel" will be as defined in Section 2-9-401 of the Irvine Municipal Code.

Section 5. All hotels in the Irvine Hotel Improvement District will be subject to any amendments to this resolution.

Section 6. The types of improvements and activities to be funded by the levy of assessments on businesses within the Irvine Hotel Improvement District will be programs designed to promote tourism within the City; attract, recruit and retain businesses in the City; and to furnish cultural programs in public places in Irvine.

Section 7. The City will fund the programs described in Section 6 above by distributing the Irvine Hotel Improvement District assessment revenue as follows: 1.5% to fund the Irvine Chamber of Commerce's Destination Irvine program to attract and recruit business and tourism to Irvine, and .5% to fund City of Irvine cultural programs, for a total assessment of two percent (2%). Except where funds are otherwise available, the assessment will fund all activities, as specified in Section 6 above, in the Irvine Hotel Improvement District.

Section 8. The City finds that the businesses and property within the Irvine Hotel Improvement District will be benefited by those activities funded by the assessment.

Section 9. The City's costs and expenses in auditing and administering the assessment and programs will not be funded from the assessment.

Section 10. The Irvine Hotel Improvement District assessment is to commence on January 1, 2003, and shall continue in effect until disestablishment of the Irvine Hotel Improvement District as provided for in Chapter 7.5, Section 2-7-766, of the Irvine Municipal Code.

Section 11. The City will create a joint committee entitled, "City of Irvine Hotel Improvement District Operating Committee," composed of four representatives for the Irvine Chamber of Commerce Hospitality Committee, four representatives for the City of Irvine, and a Chairperson appointed by the City of Irvine to identify cultural and signature events within the Irvine Hotel Improvement District.

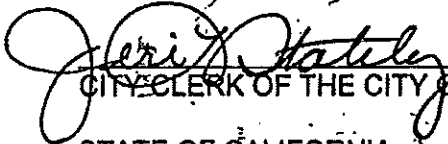
Section 12. No later than July of each year, the City will provide to the Chamber of Commerce and the Chamber of Commerce will provide to the City a report detailing the proposed use of funds for the next fiscal year.

Section 13. No later than August 15 of each year, the Chamber of Commerce will provide to the City, in a form required by the City, a report detailing the assessments received and program expenditures for tourism and economic development for the past fiscal year. Within 30 days after conclusion of its annual audit, the Chamber of Commerce will submit to the City a copy of its audited financial statements from the funds appropriated to the Chamber of Commerce for Destination Irvine or any other program operated with such funds.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the 12th day of November, 2002.


MAYOR OF THE CITY OF IRVINE

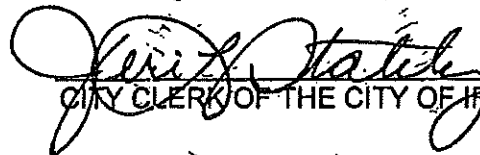
ATTEST:


CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I JERI L. STATELY, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Irvine, held on the 12th day of November, 2002.

AYES: 5 COUNCILMEMBERS: Krom, Mears, Smith, Ward and Agran
NOES: 0 COUNCILMEMBERS: None
ABSENT: 0 COUNCILMEMBERS:


CITY CLERK OF THE CITY OF IRVINE

CC RESOLUTION 02-152