

ORDINANCE NO. 2-06 N.S.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF RICHMOND AMENDING CHAPTER 13.57 OF THE MUNICIPAL CODE OF THE CITY OF RICHMOND (RICHMOND TOURISM BUSINESS IMPROVEMENT DISTRICT). THE ORDINANCE ADDS THE RICHMOND CONVENTION AND VISITOR'S BUREAU, PROVIDES A MECHANISM FOR FULL IMPLEMENTATION OF THE ORDINANCE AND CLARIFICATION OF THE PROCESS FOR HANDLING OF FUNDS COLLECTED PURSUANT TO THE ORDINANCE

On April 20, 2004, the City Council of the City of Richmond on behalf of the City (the "City"), adopted Ordinance No. 6-04 (the "Ordinance") establishing the Richmond Tourism Business Improvement District ("RTBID") and adding Chapter 13.57 to the Municipal Code (the "Code") to implement the Ordinance.

It appears necessary and desirable to amend the ordinance to provide for implementation of the provisions and clarification of the handling of the funds collected pursuant to the Ordinance.

The City Council of the City of Richmond do ordain as follows:

Section I. Chapter 13.57 - Richmond Tourism Business Improvement District (Ordinance No. 6-04 N.S.) is amended to read as follows:

Chapter 13.57

**Richmond Tourism Business Improvement District and
The Richmond Convention and Visitors Bureau**

Sections:

13.57.010	Purpose
13.57.015	Definitions
13.57.020	Establishment of the District
13.57.025	Mission
13.57.030	Amendments
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13.57.045	Assessment Collection
13.57.050	Protests to Formation
13.57.060	Annual Review of Assessments
13.57.070	Use of Assessments
13.57.080	Imposition of Assessment

13.57.010 Purpose.

The purpose of this chapter is to establish the Richmond Tourism Business Improvement District, which shall act by and through a non-profit, mutual benefit corporation with members to be formed by the Richmond Chamber of Commerce. The name of this corporation shall be "The Richmond Convention and Visitors Bureau, Inc." ("RCVB").

13.57.015 Definitions.

"**Lodging or Lodging Establishments**" shall mean businesses such as hotels, inns or motels, or similar lodging facilities, which cater to casual business or tourist visitors, in whole or in part.

“Operator,” when used in conjunction with a lodging establishment, shall mean the business entity responsible for day-to-day operation of the establishment and which is responsible for the collection of an accounting for accommodation charges.

“Marketing Programs” shall mean all manner of advertising and promotional schemes to increase visitation to and within the a Richmond Tourism Business Improvement District shall not be construed narrowly.

13.57.020 Establishment of the District.

Pursuant to the Act, the Richmond Tourism Business Improvement District (“District”) is hereby created and established, the boundaries of which shall be those of the incorporated territory of the City of Richmond.

13.57.025 Mission.

The RCVB shall act to promote tourism and business visitation within the District for the benefit of the lodging establishments and other businesses and attractions within the District. To accomplish this, the RCVB shall administer Marketing Programs to promote the City of Richmond (“City”) as a tourist and meeting destination and to fund projects, programs and activities to accomplish this goal.

13.57.030 Amendments.

All lodging establishments within the boundaries of the District established by this Ordinance shall be subject to any amendments of the Parking and Business Improvement Area Law of 1989, codified as California Streets and Highways Code Sections 36500 through 35551, inclusive.

13.57.040 Assessment.

The assessment, \$1.50 per room per night for Lodging Establishments of more than 50 rooms, \$1.00 per room per night for Lodging Establishments with fewer than 50 rooms, is to be levied on all Lodging Establishments, existing and future, within the RTBID in the City. Upon request by the City, Lodging Establishments shall furnish copies of records to the City or its designee that will allow confirmation that appropriate assessments have been paid.

13.57.045 Assessment Collection.

The City shall collect the assessments provided for herein, acting by and through the RCVB, which shall act as the City’s agent for collection. The obligation to enforce this Ordinance shall remain with the City. The RCVB shall retain and use all such assessments collected in accordance with this Ordinance.

13.57.050 Protests to Formation.

All protests, both written and oral, are overruled and denied and the City Council finds that there is not a majority protest within the meaning of Section 36523 of the Act.

13.57.060 Annual Review of Assessments.

An accounting of the assessments imposed pursuant to this Ordinance shall be reviewed by the City Council or its designee agency annually, based upon an annual report prepared at the direction of the Board of Directors of the RCVB, which shall constitute the Advisory Board appointed in accordance with Sections 36530 and 36533 of the California Streets and Highways code.

13.57.070 Use of Assessments.

No portion of the revenues from the assessments within the District shall be used to provide improvements outside of the District for any purpose other than for the purposes of the expenses, services, activities and programs as specified in the Resolution of Intention to form the District, in Section 13.57.25 above or as modified by the City Council pursuant to compliance with the California Streets and Highways Code Sections 36534 and 36535. Notwithstanding the foregoing, the RCVB also may fund its activities through additional revenues obtained by dues or contributions and use of such funds shall not be so limited.

13.57.080 Imposition of Assessment.

The assessment imposed by this Ordinance is levied upon the Lodging Establishments within the District, and the operator of each Lodging Establishment shall be solely responsible for paying all assessments when due. Notwithstanding the foregoing, in the event that the operator of a Lodging Establishment elects to pass on some or all of the assessment to customers of the Lodging Establishment, the operator of the establishment shall separately identify or itemize the assessment on any document provided to a customer. Assessments levied on the operators of Lodging Establishments pursuant to this Ordinance and passed on to customers are not part of a Lodging Establishment’s gross receipts or gross revenues for any purpose, including the calculation of sales or use tax, transient occupancy tax, or income pursuant to any lease. However, assessments that are passed on to customers shall be included in gross receipts for purposes of income and franchise taxes.

I certify that the foregoing ordinance was passed and adopted by the Council of the City of Richmond at a regular meeting held on January 10, 2006, by the following vote:

Ayes:	Councilmember Butt, Griffin, Marquez, McLaughlin, Rogers, Thurmond, Viramontes, and Mayor Anderson
Noes:	None
Abstentions:	Councilmember Bates
Absent:	None

DIANE HOLMES
Clerk of the City of Richmond

(SEAL)

Approved:

IRMA L. ANDERSON
Mayor

Approved as to form:

JOHN EASTMAN
City Attorney

State of California	}
County of Contra Costa	: ss.
City of Richmond	}

I certify that the foregoing is a true copy of Ordinance No. 2-06 N.S., finally passed and adopted by the Council of the City of Richmond at a regular meeting held on January 10, 2006, and published in accordance with law.