

000023

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR) 50

TO: Council President Scott Peters

2. FROM (ORIGINATING DEPARTMENT):
CITY ATTORNEY

3. DATE: 12/04
10/30/07

4. SUBJECT:
SAN DIEGO TOURISM MARKETING DISTRICT – Corrections to SDMC Section 61.2501 et. seq.

5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.)
DCA Alex Sachs, 619/533-5875

6. SECONDARY CONTACT (NAME, PHONE, & MAIL STA.)
Meredith Dibden-Brown, 619/236-6485

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

| | | | | | |
|----------------|--|--|--|--|---|
| FUND | | | | | 9. ADDITIONAL INFORMATION / ESTIMATED COST: |
| DEPT. | | | | | |
| ORGANIZATION | | | | | |
| OBJECT ACCOUNT | | | | | |
| JOB ORDER | | | | | |
| C.I.P. NUMBER | | | | | |
| AMOUNT | | | | | |

10. ROUTING AND APPROVALS

| ROUTE (#) | APPROVING AUTHORITY | APPROVAL SIGNATURE | DATE SIGNED | ROUTE (#) | APPROVING AUTHORITY | APPROVAL SIGNATURE | DATE SIGNED |
|-----------|---------------------|--------------------|-------------|-----------|---------------------|--------------------|-------------|
| 1 | ORIG. DEPT | ALEX W. SACHS | 10/30/07 | 8 | DEPUTY CHIEF | BILL ANDERSON | 10-30-07 |
| 2 | CPCI | SCOTT KESSLER | 10-30-07 | 9 | COO | | |
| 3 | | | | 10 | CITY ATTORNEY | ALEX W. SACHS | 10/30/07 |
| 4 | LIAISON OFFICE | ED PLANK | 10-30-07 | 11 | ORIG. DEPT | ALEX W. SACHS | 10/30/07 |
| 5 | | | | | DOCKET COORD: | | |
| 6 | | | | | COUNCIL PRESIDENT | | |
| 7 | | | | | | | |

11. PREPARATION OF: RESOLUTIONS ORDINANCE(S) AGREEMENT(S) DEED(S)

Corrections to SDMC Section 61.2501 et. seq, the San Diego Tourism Marketing District Procedural Ordinance

11A. STAFF RECOMMENDATIONS:

Introduce the Ordinance and take the actions

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): 1, 2, 3, 4, 5, 6, 7, 8

COMMUNITY AREA(S):

ENVIRONMENTAL IMPACT: Activity has been determined exempt from CEQA pursuant to CEQA Guidelines 15060(c)(3)

HOUSING IMPACT:

OTHER ISSUES:

EXECUTIVE SUMMARY SHEET

DATE ISSUED: 10/30/07 REPORT NO.:
ATTENTION: CITY COUNCIL
ORIGINATING DEPARTMENT CITY ATTORNEY
SUBJECT: Corrections to SDMC 61.2501 *et. seq.* – San Diego Tourism Marketing
District Procedural Ordinance
COUNCIL DISTRICT(S): 1, 2, 3, 4, 5, 6, 7, 8
CONTACT/PHONE NUMBER: Alex W. Sachs, 619/533-5875 or Meredith Dibden-
Brown, 619/236-6485

REQUESTED ACTION: Introduce the Ordinance

STAFF RECOMMENDATION: Take the Action

EXECUTIVE SUMMARY:

The San Diego Tourism Marketing District Procedural Ordinance was introduced on May 8, 2007, was approved on second reading on May 22, 2007 and became effective on June 29, 2007.

The proposed amendments to the Municipal Code would correct several erroneous citations to other sections of the Ordinance that arose in the final drafting and codifying of the document. In addition, the Treasurer's Office has requested that San Diego Municipal Code section 61.2518 regarding exemptions be amended to be more consistent with the language in regarding exemptions from the Transient Occupancy Tax (TOT).

The definition of "district management plan" is also clarified, as well as section 61.2507 regarding the implementation of the management plan. The language in section 61.2510 regarding "formation" of a tourism marketing district is changed to more clearly state that the Council would be approving the "establishment" of such an entity. Section 61.2511 would be repealed as its elements repeat many provisions already included in 61.2510. Section 61.2519 would be clarified and Section 61.2520 would be edited to address concerns raised by the Independent Budget Analyst (IBA). Section 61.2522 clarifies the procedure to be established for the modification of the district plan.

FISCAL CONSIDERATIONS: None with this action.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Ordinance introduced on May 8, 2007 and approved on second reading on May 22, 2007

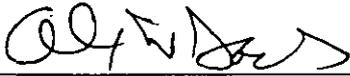
COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Staff of City Planning and Community Investments conducted extensive outreach with the tourism industry prior to the enactment of the Procedural Ordinance. The effort

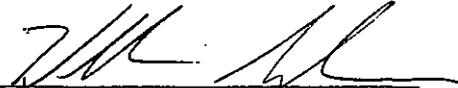
included appearances before the Hotel/Motel Association, the Lodging Industry Association and the Greater San Diego Chamber of Commerce.

KEY STAKEHOLDERS & PROJECTED IMPACTS (if applicable):

The San Diego County Hotel-Motel Association, the Lodging Industry Association, and other tourism development entities, including the San Diego Convention and Visitors Bureau and the North County Convention and Visitors Bureau.



Originating Department



Deputy Chief/Chief Operating Officer

CITY ATTORNEY DIGEST

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

EFFECTIVE DATE _____

AN ORDINANCE AMENDING CHAPTER 6, ARTICLE 1, DIVISION 25 OF THE SAN DIEGO MUNICIPAL CODE TO MAKE CORRECTIONS TO THE SAN DIEGO TOURISM MARKETING DISTRICT PROCEDURAL ORDINANCE BY AMENDING SECTIONS 61.2504, 61.2506, 61.2507, 61.2508, 61.2510, 61.2512, 61.2515, 61.2516, 61.2518, 61.2519, 61.2520, 61.2522, 61.2523 AND REPEALING SECTION 61.2511, ALL RELATING TO PROCEDURES FOR ESTABLISHING A TOURISM MARKETING DISTRICT.

This ordinance amends San Diego Municipal Code Chapter 6, Article 1, Division 25, by amending Section 61.2504, 61.2506, 61.2507, 61.2508, 61.2510, 61.2512, 61.2515, 61.2516, 61.2518, 61.2519, 61.2520, 61.2522, 61.2523 and repealing section 61.2511, all relating to procedures for establishing a Tourism Market District.

This ordinance contains a notice that a full reading of this ordinance is dispensed with prior to its final passage, since a written or printed copy will be available to the City Council and the public a day prior to its final passage.

This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

A complete copy of the Ordinance is available for inspection in the Office of the City Clerk of the City of San Diego, 2nd Floor, City Administration Building, 202 C Street, San Diego, CA 92101.

AWS:mm
10/30/07
11/20/07 revised
Or.Dept:CPCI
O-2006-36

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE AMENDING CHAPTER 6, ARTICLE 1, DIVISION 25 OF THE SAN DIEGO MUNICIPAL CODE TO MAKE CORRECTIONS TO THE SAN DIEGO TOURISM MARKETING DISTRICT PROCEDURAL ORDINANCE BY AMENDING SECTIONS 61.2504, 61.2506, 61.2507, 61.2508, 61.2510, 61.2512, 61.2515, 61.2516, 61.2518, 61.2519, 61.2520, 61.2522, 61.2523 AND REPEALING SECTION 61.2511, ALL RELATING TO PROCEDURES FOR ESTABLISHING A TOURISM MARKETING DISTRICT.

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Division 25, Chapter 6, Article 1, of the San Diego Municipal Code is hereby amended by amending Section 61.2504, 61.2506, 61.2507, 61.2508, 61.2510, 61.2512, 61.2515, 61.2516, 61.2518, 61.2519, 61.2520, 61.2522, 61.2523 and repealing section 61.2511 all relating to procedures for establishing a Tourism Marketing District.

§61.2504 Definitions

Each word or phrase that is defined in this Division appears in the text of this Division in italicized letters. For purposes of this Division, the following definitions shall apply:

"Activities" [No Change]

"Assessment" [No Change]

"Business" [No Change]

"Business owner" [No Change]

"District management plan" or "plan" means a framework for the operation of a *tourism marketing district* as defined in Code section 61.2507.

"Tourism marketing district," or "district," [No Change]

"Tourism marketing district association" or "association" [No Change]

Transient [No Change]

§61.2505 Alternative Financing Method; No Limit on Other

Provisions of Law

[No Change]

§61.2506 Establishment of Tourism Marketing District

A tourism marketing district may be established as provided in this Division, in the following manner:

A tourism marketing district may be established as provided in this Division, in the following manner:

- (a) Upon the submission of a written petition, signed by the *business owners* in the proposed *district* who will pay more than 50 percent of the *assessments* proposed to be levied, the San Diego City Council [Council] will initiate proceedings to establish a *district* by the adoption of a resolution expressing its intention to establish a *district*. Where the same *business owner* would be assessed an amount in excess of 40 percent of the total amount of all *assessments* proposed to be levied, that *business owner's* share of the *assessment* over such 40 percent shall not be included in determining whether the petition is signed by *business owners* who will pay more than 50 percent of the total amount of *assessments* proposed to be levied.

- (b) [No Change]
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:
 - (1) [No Change]
 - (2) A time and place for a public hearing on the establishment of the *tourism marketing district* and the levying of *assessments*, which shall be consistent with the requirements of San Diego Municipal Code section 61.2508.

§61.2507 Tourism Marketing District Management Plan

The *district management plan* shall contain all of the following:

- (a) and (b) [No Change]
- (c) A description of the boundaries of the *district*, including the boundaries of any benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and *businesses* included. Nothing in this Division prohibits the boundaries of a *district* created pursuant to this Division 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, California Streets and Highways Code section 36500 *et.seq.*, or the Property and Business Improvement District Law of 1994, California Streets and Highways Code section 36600 *et.seq.*
- (d) through (m) [No Change]

The *district management plan* shall be approved by the San Diego City Council at the time the Council considers the petition of *businesses* seeking to establish a *tourism marketing district*. Should the *businesses* or the *tourism marketing district association* seek to modify the *plan* at any time, such modifications shall be subject to the requirements of San Diego Municipal Code sections 61.2521 and 61.2522.

§61.2508 Notice of Proposed Assessments; Public Hearing

If the San Diego City Council [Council] proposes to levy an *assessment* that is consistent with the *assessment* proposed in the petition of *businesses* submitted pursuant to San Diego Municipal Code [Code] section 61.2506 and with the *district management plan* submitted pursuant to Code section 61.2507, the City shall provide notice to the *business owners* of the public hearing set pursuant to paragraph (2) of subdivision (c) of Code section 61.2506.

(a) and (b) [No Change]

(c) If the proposed *assessment* formula is based on gross room revenue, the amount of the proposed *assessment* for each identified *business* shall be estimated based on gross room rental revenue for the City's most recent complete fiscal year. The City shall give the *business owner* written notice, by mail, of the proposed establishment of the *tourism marketing district*, the estimated total initial annual *assessments* for the entire *district*, the duration of the payments, the reason for the *assessment* and the basis upon which the amount of the proposed *assessment* was calculated, a specific formula in sufficient detail to allow the *business owner* to calculate the proposed assessment for the *owner's* establishment, together

with the date, time, and location of a public hearing on the proposed *assessment*. Each notice shall also include, in a conspicuous place thereon, a summary of the procedures applicable to the completion, return, and tabulation of the ballots required pursuant to Code section 61.2508(d) and 61.2508(e), including a disclosure statement that the existence of a majority protest, as defined in Code section 61.2508(e), will result in the *assessment* not being imposed.

(d) Each notice mailed to owners of identified *businesses* within the *district* pursuant to Code section 61.2508(c) shall contain a ballot which includes the City's address for receipt of the ballot once completed by any *business owner* receiving the notice, whereby the *business owner* may indicate their name, reasonable identification of the *business*, and their support or opposition to the proposed *assessment*.

(e) [No Change]

§61.2509 City Council Adoption, Revision or Modification of Assessments; Modification of Approved Activities; Changes to District Boundaries

[No Change]

§61.2510 Resolution of Establishment of Tourism Marketing District

(a) If the San Diego City Council [Council], following a public hearing, decides to establish a proposed *tourism marketing district*, the Council shall adopt a resolution of establishment that shall contain all of the following:

(1) through (9) [No Change]

(b) The adoption of the resolution of establishment and recordation of the notice and map pursuant to San Diego Municipal Code section 61.2512 shall constitute the levy of an assessment in each of the fiscal years referred to in the *district management plan*.

§61.2511 **[Repealed]**

§61.2512 **City Clerk to Record Notice and Map of District**

Following adoption of a resolution establishing a *district* pursuant to San Diego Municipal Code section 61.2510 the City Clerk shall record a notice and map of the *district*.

§61.2513 **Council Establishment of Benefit Zones**

[No Change]

§61.2514 **Establishment, Modification or Disestablishment; Districts and Benefit Zones**

[No Change]

§61.2515 **Expiration of Tourism Marketing District**

If a *tourism marketing district* expires due to the time limit set pursuant to San Diego Municipal Code section 61.2507(h), a new *district management plan* may be created and a new *district* established pursuant to this Division.

§61.2516 **Collection of Assessments**

The collection of the *assessments* levied pursuant to this Division shall be made at the time and in the manner set forth by the San Diego City Council in the resolution establishing the *district* described in San Diego Municipal Code section 61.2510. A method for charging interest and

penalties for delinquent payments of *assessments* may also be prescribed in the resolution establishing the *district*.

§61.2517 Assessments Based on Estimated Benefits

[No Change]

§61.2518 Exemptions from Assessments

The following *business* revenues are considered exempt from assessment under this Division:

- (1) [No Change]
- (2) Revenues from a *transient* whose room rent is being paid directly by the federal government or the State of California, or
- (3) [No Change]

§61.2519 Validity of Assessments; Contests

The validity of an *assessment* levied under this Division shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution establishing the *district* and levying the *assessment* is adopted pursuant to San Diego Municipal Code section 61.2510. Any appeal from a final judgment in an action or proceeding shall be perfected by the appellant within 30 days after the entry of judgment.

§61.2520 City's Promotional Responsibilities

- (a) [No Change]
- (b) The City Manager, or the Manager's designee, will provide the *tourism marketing district association*, on an annual basis, a statement detailing actual TOT revenues collected under Code

section 35.0103 that are available for promoting the City. This statement should also describe the prescribed use of revenues from the City's TOT to include, but not be limited to:

- (1) [No Change]
- (2) The annual marketing subsidy as requested by the San Diego Convention Center Corporation and approved by the Council; and
- (3) [No Change]

§61.2521 Modifications of District Management Plan

[No Change]

§61.2522 District Plan Modification; Public Hearing Required

- (a) Upon the written request of a *tourism marketing district association*, the San Diego City Council [Council] may modify the *district management plan* after conducting one public hearing on the proposed modifications. The Council may modify the *activities* to be funded with the revenue derived from the levy of the *assessments* by adopting a resolution to make the modifications after holding a public hearing. Notice of the public hearing and the proposed modifications shall be accomplished by a first-class mailing to all affected *businesses* of the resolution of intention to modify the *plan*, as well as an official notice of the public hearing regarding the proposed modifications. If the modification includes the levy of a new or increased *assessment*, the Council shall comply with Code section 61.2508.

- (b) The 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 and not less than 45 days after the mailing of the notice as referenced in 61.2522(a) above.

§61.2523 Tourism Marketing District Association; Report of Activities

(a) and (b) [No Change]

- (c) The San Diego City Council [Council] may approve the report as filed by the *tourism marketing district association*, or may modify any portion of the report and approve it as modified. Such modification shall only be made subject to the noticing provisions of San Diego Municipal Code section 61.2522. The 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*.

§61.2524 Tourism Marketing District Association; Contract With Nonprofit

[No Change]

§61.2525 Renewal of Expired District

[No Change]

§61.2526 Disestablishment of District; Procedures

[No Change]

§61.2527 Disestablishment; Refund of Assessments

[No Change]

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Section 2. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 3. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By Alex W. Sachs
Alex W. Sachs
Deputy City Attorney

AWS:mm
10/30/07
11/20/07 revised
Or.Dept:CPCI
O-2006-36
MMS#5400

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

STRIKEOUT ORDINANCE

OLD LANGUAGE: ~~STRIKEOUT~~

NEW LANGUAGE: UNDERLINE

(O-2008-36)
Revised

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE AMENDING CHAPTER 6, ARTICLE 1, DIVISION 25 OF THE SAN DIEGO MUNICIPAL CODE TO MAKE CORRECTIONS TO THE SAN DIEGO TOURISM MARKETING DISTRICT PROCEDURAL ORDINANCE BY AMENDING SECTIONS 61.2504, 61.2506, 61.2507, 61.2508, 61.2510, 61.2512, 61.2515, 61.2516, 61.2518, 61.2519, 61.2520, 61.2522, 61.2523 AND REPEALING SECTION 61.2511, ALL RELATING TO PROCEDURES FOR ESTABLISHING A TOURISM MARKETING DISTRICT.

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Division 25, Chapter 6, Article 1, of the San Diego Municipal Code is hereby amended by amending Section 61.2504, 61.2506, 61.2507, 61.2508, 61.2510, 61.2512, 61.2515, 61.2516, 61.2518, 61.2519, 61.2520, 61.2522, 61.2523 and repealing section 61.2511, all relating to procedures for establishing a Tourism Market District.

§61.2504 Definitions

Each word or phrase that is defined in this Division appears in the text of this Division in italicized letters. For purposes of this Division, the following definitions shall apply:

- "Activities"* [No Change]
- "Assessment"* [No Change]
- "Business"* [No Change]

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"Business owner" [No Change]

"District management plan" or "plan" means a ~~proposal~~ framework for the operation of a tourism marketing district as defined in Code section ~~61.2506~~ 61.2507.

"Tourism marketing district," or "district," [No Change]

"Tourism marketing district association" or "association" [No Change]

Transient [No Change]

§61.2506 Establishment of Tourism Marketing District

A *tourism marketing district* may be established as provided in this Division, in the following manner:

- (a) Upon the submission of a written petition, signed by the *business owners* in the proposed *district* who will pay more than 50 percent of the *assessments* proposed to be levied, the San Diego City Council [Council] will initiate proceedings to ~~form~~ establish a *district* by the adoption of a resolution expressing its intention to ~~form~~ establish a *district*. Where the same *business owner* would be assessed an amount in excess of 40 percent of the total amount of all *assessments* proposed to be levied, that *business owner's* share of the *assessment* over such 40 percent shall not be included in determining whether the petition is signed by *business owners* who will pay more than 50 percent of the total amount of *assessments* proposed to be levied.
- (b) [No Change]
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:

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- (1) [No Change]
- (2) A time and place for a public hearing on the establishment of the *tourism marketing district* and the levying of *assessments*, which shall be consistent with the requirements of San Diego Municipal Code section ~~61.2507~~ 61.2508.

§61.2507 Tourism Marketing District Management Plan

The *district management plan* shall contain all of the following:

- (a) and (b) [No Change]
- (c) A description of the boundaries of the *district*, including the boundaries of any benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and *businesses* included. Nothing in this Division prohibits the boundaries of a *district* created pursuant to this Division 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, California Streets and Highways Code section 36500 *et.seq.*, or the Property and Business Improvement District Law of 1994, California Streets and Highways Code section 36600 *et.seq.*-
- (d) through (m) [No Change]

The *district management plan* shall be approved by the San Diego City Council at the time the Council considers the petition of *businesses* seeking to establish a *tourism marketing district*. Should the *businesses* or the *tourism marketing district association* seek to modify the *plan* at any time, such modifications shall be subject to the requirements of San Diego Municipal Code sections 61.2521 and 61.2522.

§61.2508 Notice of Proposed Assessments; Public Hearing

If the San Diego City Council [Council] proposes to levy an *assessment* that is consistent with the *assessment* proposed in the petition of *businesses* submitted pursuant to San Diego Municipal Code [Code] section ~~61.2505~~ 61.2506 and with the *district management plan* submitted pursuant to Code section ~~61.2506~~ 61.2507, the City shall provide notice to the *business owners* of the public hearing set pursuant to paragraph (2) of subdivision (c) of Code section ~~61.2505~~ 61.2506.

(a) and (b) [No Change]

(c) If the proposed *assessment* formula is based on gross room revenue, the amount of the proposed *assessment* for each identified *business* shall be estimated based on gross room rental revenue for the City's most recent complete fiscal year. The City shall give the *business owner* written notice, by mail, of the proposed establishment of the *tourism marketing district*, the estimated total initial annual *assessments* for the entire *district*, the duration of the payments, the reason for the *assessment* and the basis upon which the amount of the proposed *assessment* was calculated, a specific formula in sufficient detail to allow the *business owner* to calculate the proposed assessment for the *owner's* establishment, together with the date, time, and location of a public hearing on the proposed *assessment*. Each notice shall also include, in a conspicuous place thereon, a summary of the procedures applicable to the completion, return, and tabulation of the ballots required pursuant to Code section ~~61.2507(d)~~ 61.2508(d) and 61.2508(e), including a disclosure statement that the

existence of a majority protest, as defined in Code section ~~61.2507(e)~~ 61.2508(e), will result in the *assessment* not being imposed.

- (d) Each notice mailed to owners of identified *businesses* within the *district* pursuant to Code section ~~61.2507(e)~~ 61.2508(c) shall contain a ballot which includes the City's address for receipt of the ballot once completed by any *business owner* receiving the notice, whereby the *business owner* may indicate their name, reasonable identification of the *business*, and their support or opposition to the proposed *assessment*.
- (e) [No Change]

§61.2510 ~~Resolution of Formation~~ Establishment of Tourism Marketing District

- (a) If the San Diego City Council [Council], following a public hearing, decides to establish a proposed *tourism marketing district*, the Council shall adopt a resolution of ~~formation~~ establishment that shall contain all of the following:
- (1) through (9) [No Change]
- (b) The adoption of the resolution of ~~formation~~ establishment and recordation of the notice and map pursuant to San Diego Municipal Code section ~~61.2511~~ 61.2512 shall constitute the levy of an assessment in each of the fiscal years referred to in the *district management plan*.

§61.2511 [Repealed] ~~Council Resolution Establishing District~~

~~If the San Diego City Council [Council], following a public hearing, desires to establish a proposed *tourism marketing district*, and the Council has not made changes pursuant to San Diego Municipal Code [Code] section 61.2508, or has made changes that do not substantially change the proposed *assessment*, the~~

Council shall adopt a resolution establishing the *district*. The resolution shall contain all of the information specified in paragraphs (1) to (9), inclusive, of Code section ~~61.2509(b)~~.

§61.2512 City Clerk to Record Notice and Map of District

Following adoption of a resolution establishing a *district* pursuant to San Diego Municipal Code section ~~61.2509~~ 61.2510 the City Clerk shall record a notice and map of the *district*.

§61.2515 Expiration of Tourism Marketing District

If a *tourism marketing district* expires due to the time limit set pursuant to San Diego Municipal Code section ~~61.2506(h)~~ 61.2507(h), a new *district management plan* may be created and a new *district* established pursuant to this Division.

§61.2516 Collection of Assessments

The collection of the *assessments* levied pursuant to this Division shall be made at the time and in the manner set forth by the San Diego City Council in the resolution establishing the *district* described in San Diego Municipal Code section ~~61.2509~~ 61.2510. A method for charging interest and penalties for delinquent payments of *assessments* may also be prescribed in the resolution establishing the *district*.

§61.2518 Exemptions from Assessments

The following *business* revenues are considered exempt from assessment under this Division:

- (1) [No Change]

- (2) Revenues from a *transient* whose room rent is being paid directly ~~or indirectly~~ by the federal government or the State of California, or
- (3) [No Change]

§61.2519 Validity of Assessments; Contests

The validity of an *assessment* levied under this Division shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution establishing the *district* and levying the *assessment* is adopted pursuant to San Diego Municipal Code section 61.2510. Any appeal from a final judgment in an action or proceeding shall be perfected by the appellant within 30 days after the entry of judgment.

§61.2520 City's Promotional Responsibilities

- (a) [No Change]
- (b) The City Manager, or the Manager's designee, will provide the *tourism marketing district association*, on an annual basis, a statement detailing actual TOT revenues collected under Code section 35.0103 that are available for promoting the City. This statement should also describe the prescribed use of revenues from the City's TOT to include, but not be limited to:
 - (1) [No Change]
 - (2) The annual marketing subsidy as ~~required~~ requested by the San Diego Convention Center Corporation and approved by the Council; and
 - (3) [No Change]

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§61.2522 District Plan Modification; Public Hearing Required

- (a) Upon the written request of a *tourism marketing district association*, the San Diego City Council [Council] may modify the *district management plan* after conducting one public hearing on the proposed modifications. The Council may modify the *activities* to be funded with the revenue derived from the levy of the *assessments* by adopting a resolution to make the modifications after holding a public hearing. Notice of the public hearing and the proposed modifications shall be ~~published as provided in San Diego Municipal Code [Code] section 61.2507~~ accomplished by a first-class mailing to all affected *businesses* of the resolution of intention to modify the *plan*, as well as an official notice of the public hearing regarding the proposed modifications. If the modification includes the levy of a new or increased *assessment*, the Council shall comply with Code section ~~61.2507~~ 61.2508.
- (b) The 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 and not less than 45 days after the mailing of the notice as referenced in 61.2522(a) above.

§61.2523 Tourism Marketing District Association; Report of Activities

- (a) and (b) [No Change]
- (c) The San Diego City Council [Council] may approve the report as filed by the *tourism marketing district association*, or may modify any portion of the report and approve it as modified. Such modification shall only be

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made subject to the noticing provisions of San Diego Municipal Code sections ~~61.2519~~ 61.2522 ~~and 61.2520~~. The 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*.

AWS:mm
10/30/07
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