



SONOMA COUNTY TOURISM ASSESSMENT

Amendment of DISBURSEMENT AGREEMENT

CITY COUNCIL | January 12, 2021

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Planning & Economic Development Department

BACKGROUND

May 2004

- All incorporated cities except Healdsburg and Sonoma passed resolutions consenting to inclusion in assessment district

November 2004

- Sonoma County Tourism Business Improvement Area assessment established

2004 - 2020

- Series of 6 administrative agreement for assessment collection and disbursement entered into between City and County
- RES-2020-161 approving the agreement for assessment collection and disbursement was passed by Council on October 13, 2020.



BACKGROUND

Clerical Error Requiring Correction

- **Timing of fund transfers** from the City to the County
 - Should be 30 days per Section 33-6(b) of Sonoma County Ordinance No. 5525, not the 60 days indicated in the agreement
- To bring the Administrative Agreement into compliance with the Ordinance, **Sections 4 and 5 of the Agreement** must have “60 business days,” and “the 60th day” corrected respectively to read “30 business days,” and, “the 30th day”



BACKGROUND

Sonoma County Ordinance 5525; Section 33-6(b)

Collecting Entities; Administrative Fee; Registration.

(b) Each Collecting Entity (including the Tax Collector) shall be entitled to charge an amount equal to its actual costs of collection and administration, not to exceed two percent (2%), of the Assessments collected from Operators of Lodging establishments to defer the administrative costs incurred by the Collecting Entity for the operation of the Area.

Notwithstanding the foregoing, for the first two (2) years of the Area, the two percent (2%) administrative fee shall be charged in full for extraordinary enforcement costs and other related unforeseeable costs. All Assessments collected by any City, less the aforementioned administrative fee, shall be transferred to the Sonoma County Tax Collector within 30 days following collection of the Assessment by the applicable City. The Sonoma County Tax Collector will not charge an administrative fee for Assessments collected by a City if to do so would result in the imposition of a total administrative fee of greater than 2%.



RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council, by resolution:

Approve the correction of clerical errors found in Sections 4 and 5 of the administrative agreement with the County of Sonoma for collection of assessments on Santa Rosa lodging establishments resulting from Santa Rosa's participation in the Sonoma County Tourism Business Improvement Area (SCTBIA) per Resolution No. 25954.

