January 9, 2023



To Whom It May Concern:

The City of Salinas has received a letter from the City of Monterey requesting the City of Salinas take to council and consider the renewal of the Monterey County Tourism Improvement District ("MCTID"), which would replace the existing TID. At this time, you should have received a notice from the City of Monterey notifying you of a public meeting and public hearing concerning the renewal of the MCTID and levy of an assessment on business within the MCTID zones. The City of Salinas would like to formally notify Hotel/Motel Owners and Operators at the City's intent to consent to the renewal of the Monterey County Tourism Improvement District on the January 24, 2023 City Council meeting. The current TID assessment is \$1.50 per-room night for Limited-Service Hotels/Motels.

The proposed TID will have the following amendments:

- 1. Renewed to a ten (10) year term
- 2. Assessment will be increased from \$1.50 to \$2.00 per-room night for Limited-Service Hotels/Motels. (\$1.50 will be provided to the Monterey County Convention and Visitor Bureau (MCCVB) and the remainder \$0.50 will be utilized to fund the Salinas Welcome Center.)
- 3. Automatic biennial increase of \$0.20 beginning FY 2025-26, unless the MCCVB Board's TID Committee votes not to implement the automatic increase based on circumstances they deem significant. (Welcome Center \$0.50 will not increase through the term of the MCTID)
- 4. Once per year, beginning on the anniversary of this district renewal, there is a 30-day period in which lodging business operators paying fifty percent (50%) or more of the assessment may protest and initiate proceeds in to terminate the MCTID

The transition from the old to the renewed MCTID is anticipated to take place July 1, 2023, and end ten (10) years from its start date. The City of Salinas will continue to be responsible for collecting the assessment from each lodging business located in the City of Salinas.

City of Monterey MCTID Renewal Process

December 20, 2022 RESOLUTION ADOPTED - INTENTION TO RENEW

The City of Monterey received Petitions in favor of MCTID by lodging businesses that represent more than fifty percent (50%) of the total MCTID assessment to renew the MCTID.

December 20, 2022 RESOLUTION ADOPTED - REQUESTING CONSENT

The Monterey City Council requested consent from the County of Monterey and cities of Carmel-by-the-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Pacific Grove, Salinas, Sand City, Seaside, and Soledad to be included in the renewed MCTID. Consent must be received from the cities and County prior to the final public hearing for their jurisdiction to be included in the renewed MCTID. The City of Salinas will take to Council on January 24, 2023 requesting council consent.

December 20, 2022 RESOLUTION ADOPTED - PROCEDURAL GUIDELINES

Procedural guidelines for the formation of the MCTID have been proposed. Those guidelines cover the petition process, protest submittals, protest requirements, protest withdrawals, majority protest, and tabulation process.

January 7, 2023 NOTICE

Written notice shall be mailed to the owners of all businesses proposed to be within the renewed MCTID.

January 17, 2023 PUBLIC MEETING

Allow public testimony on the renewal of the MCTID and levy of assessments. No Council action required.

January 24, 2023 CITY OF SALINAS PUBLIC MEETING

City of Salinas will take to council to adopt Resolution consenting to the renewal of the MCTID

February 21, 2023 CITY OF MONTEREY FINAL PUBLIC HEARING; POTENTIAL ADOPTION OF RESOLUTION OF FORMATION

If written or oral protests are received from the owners of lodging businesses in the renewed MCTID which will pay more than fifty percent (50%) of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than fifty percent (50%), no further proceedings to levy the proposed assessment against such businesses shall be taken for a period of one (1) year from the date of the finding of a majority protest by the Council.

If protests totaling less than 50% proposed assessments are received, the Council, following the public hearing, may decide to renew the MCTID, and then shall adopt a resolution of formation.

If you have any questions feel free to contact Jennifer Johnson, Vice President of Operations for the Monterey County Convention and Visitors Bureau at jennifer@seemonterey.com or 831-657-6406. The above QR code will allow you to view the MCTID Management Plan and City of Monterey adopted Resolutions.