

**RESOLUTION NO. 2024-\_\_\_\_\_**

**A RESOLUTION OF INTENTION OF THE CITY  
COUNCIL OF THE CITY OF MERCED,  
CALIFORNIA, INITIATING FORMATION  
PROCEEDINGS FOR THE TOURISM BUSINESS  
IMPROVEMENT DISTRICT**

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCED  
DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS  
FOLLOWS:

**SECTION 1.** The City Council finds and declares as follows:

A. The City Council of the City of Merced (the “City Council”) is authorized pursuant to Chapter 1 (commencing with Section 36600) of the California Streets & Highways Code, commonly known as the “Property and Business Improvement District Law of 1994” to establish a tourism business improvement district for the purpose of funding and promoting tourism;

B. The City Council has received signed petitions from the lodging businesses who will pay more than fifty percent (50%) of the assessment under the Tourism Business Improvement District (“TBID”) within the City of Merced (the “City”) requesting that the City Council initiate proceedings for the formation of the TBID pursuant to the Property and Business Improvement District Law of 1994 for the purpose of providing certain services that are necessary to promote the local lodging industry, and agreeing to the collection of 2% of each assessed lodging properties’ gross short-term room rental revenue sufficient to pay the costs of such services and costs incidental thereto;

C. Section 36600 of the California Streets & Highways Code allows for cities to fund lodging business improvements and activities through the levy of assessments upon the businesses that may benefit. Such improvements and activities may include providing security, marketing/ sales/ promotions, and management within the District;

D. Pursuant to Section 36600 of the California Streets & Highways Code, the City Council is authorized upon receiving such signed petitions to adopt a resolution of intention to establish a Tourism Business Improvement District; and

E. The City Council believes it to be in the best interest of the City and its businesspersons and citizens to initiate proceedings to form the TBID.

**SECTION 2. Proposed District.** It is the intention of the City Council to initiate proceedings to form a TBID, in accordance with Streets and Highways Code Sections 36600 et seq.

**SECTION 3. Management Plan.** Pursuant to Section 36622 of the California Streets & Highways Code, a copy of the new Management District Plan is on file in the office of the City Clerk and is hereby incorporated and made a part hereof as though set forth in full herein.

**SECTION 4. Activities.** The activities and improvements proposed for this District include security, marketing, sales, promotions, and management of the District once formed.

**SECTION 5. Amount of Assessment.** Annual assessment rates are 2% of the gross short term (less than 31 consecutive days) room rental revenue on lodging businesses.

**SECTION 6. Boundaries.** The tourism business improvement district will include all transient occupancy lodging businesses within the city limits of Merced, which includes any future annexation areas. At the time of formation, there are 18 lodging businesses with approximately 1,115 rooms. As new lodging businesses come online, they too will be included in the TBID. It is not the intent of the district to include short-term vacation rentals.

**SECTION 7. Public Meeting.** Notice is hereby given that on Monday, November 4, 2024, at the hour of 6:00 p.m. in the Council Chambers, City of Merced, 678 West 18<sup>th</sup> Street, Merced, CA 95340, a public meeting to hear testimony on establishing the TBID and levying assessments, shall be conducted by the City Council.

**SECTION 8. Public Hearing.** Notice is hereby given that on Monday, December 2, 2024, at the hour of 6:00 p.m. in the Council Chambers, City of Merced, 678 West 18<sup>th</sup> Street, Merced, CA 95340, a public hearing on the formation of the new tourism business improvement district and the levy of assessments, at which evidence and testimony may be offered by any and all persons having an interest in said proposed district, shall be conducted by the City Council.

**SECTION 9. Notice.** The City Clerk is directed to give written notice to the lodging businesses subject to the assessment of the time and place of the public meeting and public hearing in accordance with Streets and Highways Code section 36623.

**SECTION 10.** At the public meeting and public hearing, the testimony of all interested persons for or against the establishment of the TBID may be received. If at the conclusion of the public hearing, there are of record written protests by the owners of the lodging businesses within the TBID that will pay more than fifty percent (50%) of the estimated total TBID assessment, no further proceedings to establish the TBID shall occur for a period of one (1) year.

**SECTION 11.** The City Clerk is directed to certify the adoption of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2024, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:  
MATTHEW SERRATTO, MAYOR

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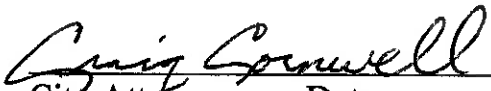
Mayor

ATTEST:  
D. SCOTT MCBRIDE, CITY CLERK

BY: \_\_\_\_\_  
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:  
CRAIG J. CORNWELL, CITY ATTORNEY

 9-20-2024  
City Attorney      Date