



CITY OF CORONADO

CITY COUNCIL STAFF REPORT

April 16, 2024

{{section.number}}b

PUBLIC HEARING: ASSESSEE PROTEST HEARING AND ADOPTION OF “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, REAUTHORIZING THE LEVYING OF ASSESSMENTS DURING FISCAL YEAR 2024-25 ON FOUR HOTEL BUSINESSES (HOTEL DEL CORONADO, GLORIETTA BAY INN, CORONADO ISLAND MARRIOTT RESORT & SPA, AND LOEWS CORONADO BAY RESORT) WITHIN CORONADO TOURISM IMPROVEMENT DISTRICT (CTID) I AND II”

RECOMMENDATION:

Conduct a public hearing to receive testimony regarding the City Council's reauthorization of Coronado Tourism Improvement District I and II and rule upon any oral or written protests received from the assessed hotel businesses. If no legally sufficient protest showing is made, adopt “A Resolution of the City Council of the City of Coronado, California, Reauthorizing the Levying of Assessments during Fiscal Year 2024-25 on Certain Hotel Businesses within Coronado Tourism Improvement District (CTID) I and II.”

BACKGROUND:

On March 19, 2024, the City Council accepted and approved the Annual Report submitted by the CTID I/II Advisory Board, pursuant to the Parking and Business Improvement Law of 1989 (“1989 Law”), Sections 36500, et seq., of the California Streets and Highways Code. At that meeting, the City Council also formally adopted a Resolution of Intent to reauthorize CTID I and II and continue the levying of the existing one-half (0.5%) percent assessment on hotels with 90 or more rooms within CTID I and II. These hotels include the Hotel del Coronado, Loews Coronado Bay Resort, Coronado Island Marriott Resort & Spa, and Glorietta Bay Inn.

ANALYSIS:

As set forth in Sections 36534 and 36535 of the California Streets and Highways Code and Section 16.14.080 of the Coronado Municipal Code, the City Council has the ability to reauthorize CTID I and II at this hearing unless oral or written protests are received from City hoteliers that pay 50% or more of the proposed assessments within either District. Under Municipal Code Section 16.14.080, protests are weighted based upon the annual assessment for the prior year by each hotel. Protests received from the assessed entities, if any, will be announced during the hearing.

In the event that a majority protest of the assessed hotels is received, no further proceedings to continue the levy of assessments for FY 2024-25 for the designated District shall take place for a period of one year from the date of the finding of the majority protest by the City Council. If the majority protest is only against the furnishing of a specified type of activity within the designated District, only those types of activities shall be eliminated.

At the conclusion of the hearing, if no protest or an insufficient protest is received from the assessed hotels, the Council may then adopt the resolution reauthorizing Coronado Tourism Improvement District I and II, setting forth the basis for the assessment in each District, and levying the assessment upon hotels in each District for FY 2024-25.

FISCAL IMPACT:

The City receives \$5,000 from both CTID I and CTID II to cover the cost of an annual financial review, accounting costs, and other in-kind services. The CTID Board adopted the Annual Report on February 8, 2024. The report projects FY 2024-25 assessments will generate \$950,000 in revenues for CTID I and the same amount for CTID II for a total of \$1.9 million.

ALTERNATIVE:

The City Council could decide not to adopt the Resolution.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Not Applicable.

PUBLIC NOTICE:

A legal notice of the Resolution of Intent announcing the public hearing was published in the Coronado Eagle & Journal on April 3, 2024. A Notice of Public Hearing was mailed via certified mail to the ownership representatives of the four affected properties informing them of this public hearing.

ATTACHMENTS:

1. Resolution 2024-027 Reauthorizing CTID I and II
2. Notice of Public Hearing

Submitted By: City Manager's Office / Kelli Maples