

RESOLUTION NO. 2020-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH
ESTABLISHING CITY POLICY REGARDING THE DEFERRAL OF HUNTINGTON
BEACH TOURISM BUSINESS IMPROVEMENT DISTRICT ASSESSMENT IN RESPONSE
TO COVID-19

WHEREAS, the Parking and Business Improvement Area Law of 1994, codified at Streets and Highways Code §36600 et seq. (the "Act") authorizes cities to establish property and business improvement areas for the purpose of imposing benefit assessments on property and businesses for certain purposes; and

The Huntington Beach Tourism Business Improvement District (HBTBID) was established for a five (5) year term, beginning October 1, 2014 through September 30, 2019. And subsequently renewed renewed for a nine (9) and five (5) months year term, beginning February 1, 2019 through June 30, 2028.

COVID-19 pandemic has cause tremendous negative impacts to the global and local economies. Many of the Huntington Beach businesses experienced significant losses of income as a result. The steep and sudden drop in revenues has made it extremely difficult for businesses to keep up with ongoing costs. Many businesses have furloughed and/or laid off employees and in some cases are at risk of going out of business. Hotels and motels have been particularly harmed by the lack of travel and tourism created by COVID-19.

This deferral of assessments will give temporary relief to our valued hotels and motels during these difficult economic times. The deferral of HBTBID assessments is contingent upon written authorization and approval by the HBTBID.

In response to COVID-19, the date upon which the assessments are due to the City will be temporarily extended until July 31, 2020 for assessments charged and/or collected from March 1 to June 30, 2020. This will protect the health, safety and welfare of the citizens of Huntington Beach by allowing downtown Huntington Beach businesses some temporary financial security.

NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

SECTION 1. The City Council of the City of Huntington Beach adopts the following policy regarding the payment of assessment by hotels and motels within the Huntington Beach Tourism Business Improvement District:

In the spirit of the Governor's Order N-28-20, the City will extend the time to pay assessment on hotels and motels within the HBTBID area until July 31, 2020, because of the hardships caused by the COVID-19 pandemic. City Council delegates to the City Manager the authority to provide a program for the repayment assessments during this time period. City

Council also delegates to the City Manager the authority to extend the deferral period past July 31, 2020. In no event will the deferral extend beyond September 30, 2020. In any case, the City will provide a no-interest repayment arrangement option for a period not to extend past June 30, 2021.

SECTION 2. If any action, subsection, sentence, clause or phrase of this Resolution shall be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this Resolution, the, or other attachments thereto or fees levied by this Resolution.

SECTION 3. This Resolution shall take effect immediately and apply retroactively to March 16, 2020.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the _____ day of _____, 2020.

Mayor

REVIEWED AND APPROVED:

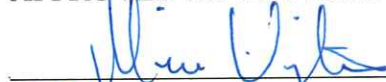
City Manager

INITIATED AND APPROVED:



Chief Financial Officer

APPROVED AS TO FORM:



City Attorney