



Date: 09/18/2018 revised 10/25/2018
Subj: Proposed Hotel Promotion Policy
To: MCTC Board of Directors
From: Travis Scott, Executive Director

At the September 11, 2018 board meeting it was asked that MCTC Staff draft a policy, for the board, regarding hotels and their promotion by the Mendocino County Tourism Commission. In the 2006 MCLA By-laws there was a policy such as this and we've taken some of its verbiage to create this proposed policy.

In a meeting with Shari Schapmire, on October 24, 2018, we discussed how to successfully attain the necessary information from her department. The Treasurer – Tax Collectors office can't send us any reports with regularity at this point due to staffing issues. The Treasurer-Tax Collectors office is currently willing to answer questions as to any lodging properties status, as needed. In January 2019 we will meet again and discuss getting a regularly generated report scheduled. It was felt that the report would be generated after the close of each quarter. We would still be able to call with questions, as needed, between reports. Shari suggested a 90 day cure clause based on how her department processes TOT and BID.

A. As of August 31, 2006, any hotel in Mendocino County who pays Transient Occupancy Tax (TOT) to the County of Mendocino, or a city within Mendocino County, is obligated to pay the Mendocino County Lodging Business Improvement District assessment (BID) (Mendocino County Chapter 5.140). The hotel is then granted the promotional benefits and privileges of the Mendocino County Tourism Commission (dba Visit Mendocino County).

B. A hotel (lodging establishment) is defined as being in good standing by being current with all TOT and BID payments. Current is defined as not being reported on the latest Treasurer-Tax Collector's Delinquent Report. This also includes operating under all required county and/or city licenses and permits.

Privileges and benefits of being in Good Standing include:

1. Eligible to have a person serve on the Board of Directors – if a director's hotel is found on the delinquent list, they shall have 90 days to become current with the Treasurer – Tax Collector.
2. Each lodging establishment in good standing shall have one vote in elections. Votes cannot be cast by proxy.
3. Advertising in all festival and event promotional materials
4. Co-op or other paid promotional materials and opportunities
5. Business and event listings on the Visit Mendocino website

6. Promotion to group travel operators
7. Various Travel Show sales opportunities
8. Media and travel writer engagement
9. Support of the MCTC staff

Any lodging establishment found to be out of compliance, based on the above requirements, will have all benefits and privileges revoked, until at such time as they are back in compliance. Compliance will be reported to MCTC by the County of Mendocino.

C. Definitions by the Mendocino County Code Section 5.20.020;

1. "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate or any other group or combination acting as a unit.
2. "Hotel" means any structure or any portion of any structure which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging houses, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof.
3. "Occupancy" means the use or possession or the right to the use or possession of any room or rooms or portion thereof in any hotel for dwelling, lodging or sleeping purposes.
4. "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until a period of thirty (30) days has expired, unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of this Article [May, 1965] may be considered.
5. "Rent" means the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.
6. "Operator" means the person who is proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity, including but not limited to use of a managing agent.
7. "Tax Administrator" means the Treasurer-Tax Collector of the County of Mendocino.

It is proposed that the responsibility of oversight of this policy will be by the MCTC Board Secretary.