

RESOLUTION NO. 26-015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD DECLARING RESULTS OF MAJORITY PROTEST PROCEEDINGS FOR RENEWAL OF THE WEST HOLLYWOOD TOURISM IMPROVEMENT DISTRICT (WeHoTID) AND RENEWING THE WEST HOLLYWOOD TOURISM IMPROVEMENT DISTRICT

WHEREAS, the City of West Hollywood (City) created the West Hollywood Tourism and Improvement District (WeHoTID) on October 7, 2013, via Resolution No. 13-4503 for an initial term of five years; and

WHEREAS, the City subsequently renewed the WeHoTID on January 1, 2019, by Resolution No. 18-5087 for a ten (10) year term which ends on December 31, 2028; and

WHEREAS, the Property and Business Improvement Law of 1994, Streets and Highways Code §§ 36600 et seq., authorizes the City to renew business improvement districts upon petition by a weighted majority of the business owners located within the boundaries of the district; and

WHEREAS, lodging business owners who will pay more than fifty percent (50%) of the proposed assessment, as weighted according to the amount of the assessment to be paid by the petitioner, within the boundaries of the WeHoTID have petitioned the City Council of the City of West Hollywood (Council) to renew the WeHoTID; and

WHEREAS, included with the petitions was a Management District Plan (Plan) summary that describes the proposed assessment to be levied on lodging businesses, existing and in the future, within the WeHoTID to pay for Marketing and Sales promotions, and other improvements and activities set forth in the Plan; and

WHEREAS, the assessed lodging businesses within the WeHoTID will receive a specific benefit from the activities and improvements set forth in the Plan; and

WHEREAS, on November 17, 2025 at 6:00 PM at the Council Chambers located at 625 N. San Vicente Blvd, West Hollywood, CA 90069, the Council adopted a Resolution of Intention, Resolution No.25-076 and declaring its intention to renew the WeHoTID and fixing the time and place of a public meeting and public hearing; and

WHEREAS, the public meeting and public hearing to consider the renewal of the WeHoTID have been properly noticed in accordance with Streets and Highways Code §36623; and

WHEREAS, on January 20, 2026 at 6:00 PM at the Council Chambers located at 625 N. San Vicente Blvd, West Hollywood, CA 90069, the Council held a public meeting

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regarding the renewal of the WeHoTID, and the Council heard and received objections and protests, if any, to the renewal of the WeHoTID and the levy of the proposed assessment; and

WHEREAS, on February 17, 2026 at 6:00 PM at the Council Chambers located at 625 N. San Vicente Blvd, West Hollywood, CA 90069, the Council held a public hearing regarding the renewal of the WeHoTID, and the City Council heard and received all objections and protests, if any, to the renewal of the WeHoTID and the levy of the proposed assessment; and

WHEREAS, the City Clerk has determined that there was no majority protest. A majority protest is defined as written protests received from owners of businesses in the renewed WeHoTID which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each lodging business; and

WHEREAS, the City bears the burden of proving by a preponderance of the evidence that an assessment imposed for a specific benefit or specific government service is not a tax, that the amount is no more than necessary to cover the costs to the City in providing the specific benefit or specific government service, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the specific benefits or specific government services received by the payor.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD THAT:

1. The recitals set forth herein are true and correct and adopted by the City Council as findings.
2. The West Hollywood Tourism Improvement District (WeHoTID) is hereby renewed for a nine (9) year and three (3) month term, beginning April 1, 2026, or as soon as possible thereafter, and ending nine (9) years and three (3) months from its start date, unless renewed pursuant to Streets and Highways Code § 36660.
3. The name of the district shall be the West Hollywood Tourism Improvement District ("WeHoTID").
4. The Management District Plan ("Plan") of the WeHoTID dated September 18, 2025, is hereby adopted and approved.
5. The activities to be provided to benefit businesses in the WeHoTID will be funded by the levy of the assessment. The revenue from the assessment levy shall not be used: to provide activities that directly benefit businesses outside the WeHoTID; to provide activities or improvements outside the WeHoTID; or for any purpose other than the purposes specified in this Resolution, the Resolution of Intention, and the Plan. Notwithstanding the foregoing, improvements and

activities that must be provided outside the WeHoTID boundaries to create a specific benefit to the assessed businesses may be provided but shall be limited to marketing or signage pointing to the WeHoTID.

6. The activities funded by the assessment will provide a specific benefit to assessed businesses within the WeHoTID that is not provided to those not paying the assessment.
7. The assessment is a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
8. The assessment is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
9. Assessments imposed pursuant to the WeHoTID are levied solely upon the assessed business, and the business owner is solely responsible for payment of the assessment when due. If the owner chooses to collect any portion of the assessment from a transient, that portion shall be specifically called out and identified for the transient in any and all communications from the business owner as the "WeHoTID Assessment" or "Tourism Assessment" as specified in the Plan.
10. The assessments levied for the WeHoTID shall be applied towards Sales and Marketing programs to market West Hollywood lodging businesses as tourist, meeting and event destinations, and other improvements and activities as set forth in the Plan.
11. Assessments levied on lodging businesses pursuant to this resolution shall be levied on the basis of benefit. Because the services provided are intended to increase demand for overnight tourism, an assessment based on gross short-term sleeping room rental revenue is the best measure of benefit.
12. The current annual assessment rate is three percent (3%). For the new term commencing on April 1, 2026, the annual assessment rate is four percent (4%) of gross short-term sleeping room rental revenue. During the WeHoTID's term, the assessment rate may be increased by West Hollywood Marketing Corporation d.b.a. Visit West Hollywood (VWH) to a maximum rate of five percent (5%) of gross short-term sleeping room rental revenue. The maximum increase or decrease in any year shall be one-quarter of one percent (0.25%). If the assessment rate is increased, it may subsequently be decreased, but shall not be decreased below a minimum of four percent (4%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any

federal or State of California officer or employee when on official business; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.

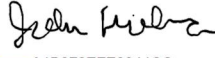
13. The assessments for the entire WeHoTID will total approximately \$10,560,000 in the first full fiscal year of operation. The initial "year" of operations will be a partial year consisting of three (3) months, with an anticipated assessment budget of \$1,947,000.
14. Bonds shall not be issued to fund the WeHoTID.
15. The WeHoTID shall include all lodging businesses, existing and in the future, available for public occupancy located within the boundaries of the City. A boundary map is attached hereto as Exhibit "A" and incorporated herein by reference.
16. The assessments shall be used for the purposes set forth above and any funds remaining at the end of any year may be used in subsequent years in which the WeHoTID assessment is levied as long as they are used consistent with the requirements set forth herein.
17. The assessments to fund the activities and improvements for the WeHoTID will be collected by the City on a monthly basis, and in accordance with Streets and Highways Code § 36631.
18. The City Council, through adoption of this Resolution and the Plan, has the right pursuant to Streets and Highways Code § 36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the WeHoTID as defined in Streets and Highways Code § 36612. The Council has determined that VWH shall be the WeHoTID Owners' Association.
19. VWH, pursuant to Streets and Highways Code § 36650, shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvement and activities described in the report. The first report shall be due after the first year of operation of the WeHoTID.
20. The WeHoTID renewed pursuant to this Resolution will be subject to any amendments to the Property and Business Improvement District Law of 1994 (California Streets and Highways Code §§ 36600 et. seq.).
21. The City Clerk, or his or her designee, is directed to take all necessary actions to complete the renewal of the WeHoTID and to levy the assessments.
22. The complete Plan is on file with the City Clerk and may be reviewed upon request.

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23. This Resolution shall take effect immediately upon its adoption by the City Council.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of West Hollywood at a regular meeting held this 17<sup>th</sup> day of February, 2026 by the following vote:

AYES:	Councilmember:	Byers, Erickson, Meister, Vice Mayor Hang, and Mayor Heilman.
NOES:	Councilmember:	None.
ABSENT:	Councilmember:	None.
ABSTAIN:	Councilmember:	None.

Signed by:  
  
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JOHN HEILMAN, MAYOR

ATTEST:

Signed by:  
  
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MELISSA CROWDER, CITY CLERK

# EXHIBIT A

## Boundary Map

