

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, AMENDING SECTION 4.49.020 OF THE COACHELLA MUNICIPAL CODE REGARDING THE HOTEL OPERATIONS INCENTIVE PROGRAM**

**WHEREAS**, the City Council previously adopted a Hotel Operations Incentive Program by Ordinance No. 1106 on May 24, 2017; and

**WHEREAS**, the City Council wishes to extend the sunset period of the Hotel Operations Incentive Program for an additional three years, which requires minor modifications to the language of Section 4.49.020 of the Coachella Municipal Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA DOES ORDAIN AS FOLLOWS:

**Section 1. Recitals.** The above recitals are hereby adopted by the City Council and incorporated as set forth in this section.

**Section 2. Amendment to Coachella Municipal Code.** Coachella Municipal Code Chapter 4.49, *Hotel Operations Incentive Program*, Section 4.49.020 is hereby amended and restated to read as follows (deleted text in ~~strike through~~, new text in **bold underline**):

"4.49.020 - Definitions.

For the provisions of this chapter, the following definitions shall apply:

"Adjusted tax rate" means the hotel operations incentive program tax rates which shall be exclusively utilized for the calculation of the operating assistance to be paid by the city to qualified operators of hotels participating in the hotel performance incentive program.

"Comfort hotel" means a hotel which provides appropriate standards of physical features and operational services established for hotels by the American Automobile Association, J.D. Power & Associates, Forbes, or Smith's Travel Research Service.

"Existing hotel" means a property that was constructed, occupied, and used as a hotel on or before January 1, 2018.

"First class hotel" means a hotel which provides standards of physical features and operational services which meet or exceed the higher rating criteria established for hotels by the American Automobile Association, J.D. Power & Associates, Forbes, or Smith's Travel Research Service.

"First class hotel standard" means standards of physical features and operation which qualify a hotel as a first class hotel and which include operation of the hotel on a

twenty-four (24) hours per day/seven days a week basis with housekeeping services, food and beverage services, room services, banquet and meeting services, concierge and bellman services, and parking services.

"Fully entitled" means a hotel that has received and/or been issued all discretionary permits and entitlements from the city required for the construction of a new hotel.

"Hotel" means any property containing four or more guest rooms used by four or more guests for compensation and where the guest rooms are designed and intended as transient occupancy accommodations.

"New hotel," "first class new hotel," and "comfort new hotel" means a first class hotel or comfort hotel that is or was fully entitled as a hotel after January 1, 2018, but before December 31, ~~2020~~ **2023**. The term "new hotel" does not include all, or any portion of, or addition to, an existing hotel.

"Operating covenants" means the covenants described in Section 4.49.050 of this Code.

"Operator" means the person who is proprietor of a hotel, whether in the capacity of owner, lessee, sub-lessee, mortgagee in possession, licensee, franchisee, or any other capacity, or the assignee or designee of such proprietor.

"Transient occupancy" means an uninterrupted stay of no more than twenty-eight (28) consecutive calendar days.

"Transient occupancy tax base" means the existing transient occupancy rate in place at the adoption of this ordinance, nine percent."

**SECTION 3. CEQA.** The City Council finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonable foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**SECTION 4. Effective Date.** This Ordinance shall take effect thirty (30) days after its adoption.

**SECTION 5. Severability.** If any provision or clause of this Ordinance or any application of it to any person, firm, organization, partnership, or corporation is held invalid, such invalidity shall not affect other provisions of this Ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this Ordinance are declared to be severable.

**SECTION 6. Certification.** The City Clerk shall certify the passage of this Ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after

the passage and adoption thereof, cause the same to be published as required by law, in a local newspaper of general circulation and which is hereby designated for that purpose.

**ORDINANCE PASSED AND APPROVED** at a regular meeting of the City Council of the City of Coachella this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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Steven Hernandez, Mayor

ATTEST:

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Angela M. Zepeda, City Clerk

APPROVED AS TO FORM:

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Carlos Campos, City Attorney