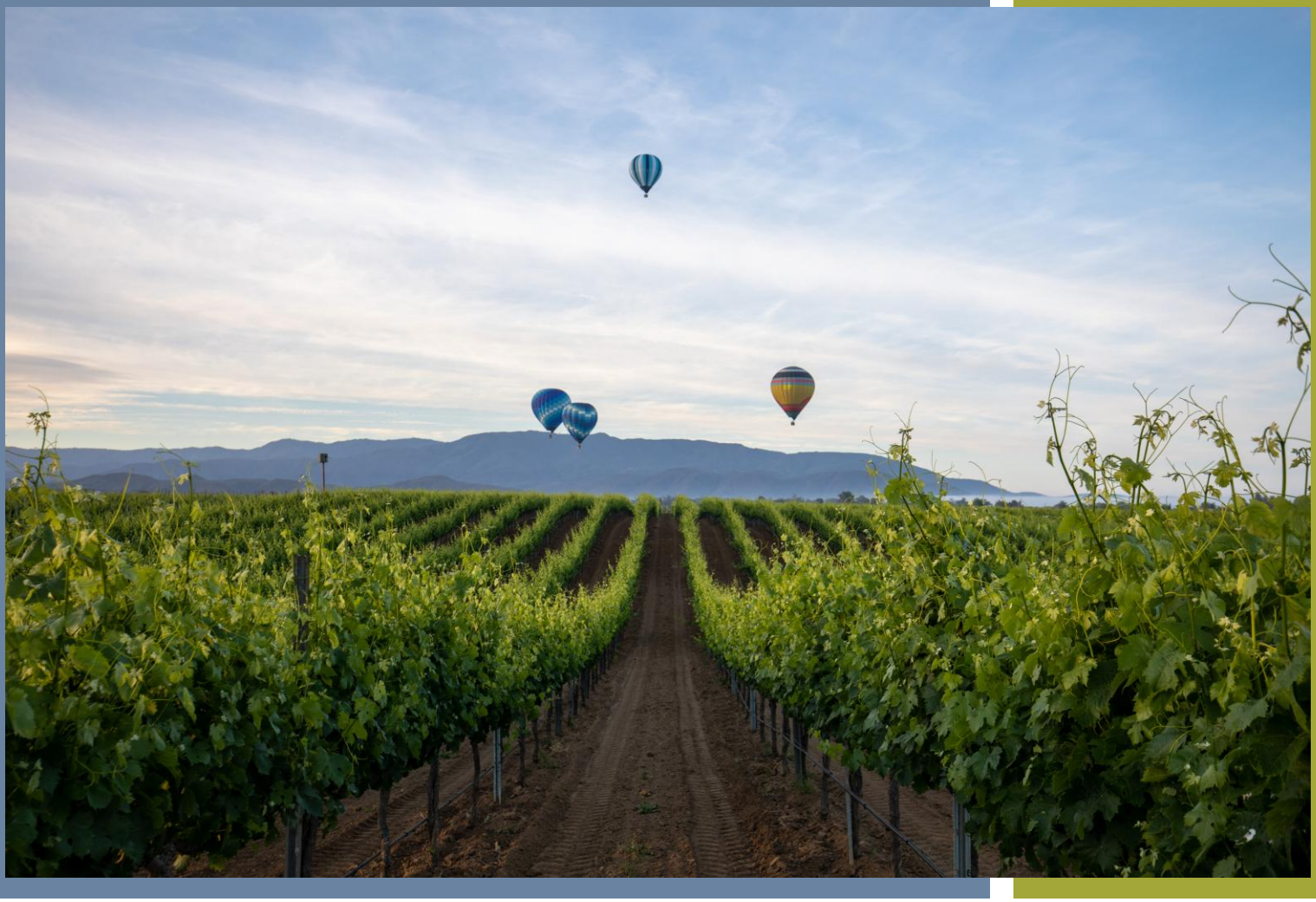
2026-2031



TEMECULA VALLEY WINE & AGRICULTURAL HERITAGE DISTRICT

MANAGEMENT DISTRICT PLAN

Prepared pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code Section 36600 et seq.

November 12, 2025

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Temecula Wines
Temecula Valley Winegrowers Association

I. OVERVIEW

Developed by wineries in Temecula Valley Wine Country and the Temecula Valley Winegrowers Association (TVWA), the Temecula Valley Wine and Agricultural Heritage District (TVWAHD) is an assessment district proposed to provide specific benefits to payors, by funding Marketing, Brand Awareness & Events programs, and Business Improvements & Special Projects with the goal to advance assessed wineries in the Temecula Valley region. This approach has now been used successfully in other regions throughout the country to provide the benefit of driving increased business sales directly to payors. The TVWAHD was initially created in 2021 for a five (5) year term. Wineries in Temecula Valley Wine Country and the TVWA now wish to renew the TVWAHD for an additional five (5) year term.

Location: The TVWAHD includes all wineries, existing and in the future, located in the Temecula Valley region of Riverside County (County), as shown on the map in Section IV and in the map series included in Appendix 3.

Services: The TVWAHD is designed to provide specific benefits directly to payors by increasing winery sales and revenue therefrom. Marketing, Brand Awareness & Events and Business Improvements & Special Projects will promote assessed wineries in the TVWAHD to increase winery sales revenue and demand for visitation.

Budget: The total TVWAHD annual assessment budget for the initial year of its five (5) year operation is anticipated to be approximately $2,125,000. A similar assessment budget is expected to apply to subsequent years, but this budget is expected to fluctuate as sales do, and as wineries open and close.

Cost: The annual assessment rate is one and a quarter percent (1.25%) of gross direct to consumer sales revenue on winery sales. Based on the benefit received, assessments will not be collected on purchases made outside of the state of California. Revenue generated from the TVWAHD is intended only to provide programs and services for assessed wineries, all of which are located in California. Sales made outside of the state of California are not subject to assessment due to a lack of benefit from targeted programs. Assessment dollars will not be spent on any programs or activities to benefit individual wineries outside of the state of California. Assessment dollars may be spent outside of California to elevate the notoriety of the Temecula Valley region as a premier winery destination with the desired outcome of increased in-person visitation to wineries paying the assessment.

Collection: A third-party collection agency shall be responsible for collecting the assessment on a quarterly basis (including any delinquencies, overdue charges and interest) from each winery located in the boundaries of the TVWAHD. The third-party collection agency shall take all reasonable efforts to collect the assessments from each assessed winery.

Duration: The renewed TVWAHD will have a five (5) year life, beginning on April 1, 2026, or as soon as possible thereafter, and ending 5 years from its start date. After 5 years, the TVWAHD may be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq. (94 Law) if assessed winery owners support continuing the TVWAHD programs.

Management: The TVWA shall continue to serve as the Owners' Association. The TVWA is charged with managing funds and implementing programs in accordance with this Plan, and must provide an annual report on activities and expenditures to the County Board of Supervisors.

II. BACKGROUND

Wine and Agricultural Heritage Districts (WAHDs) are an evolution of the traditional Business Improvement District (BID). BIDs utilize the efficiencies of private sector operation in the market-based promotion of business districts. BIDs allow business owners to organize their efforts to increase sales and promotional efforts. Business owners within the district fund a BID, and those funds are used to provide services that the businesses desire and benefit the businesses within the district.

Business Improvement District services may include, but are not limited to:

- Marketing of the District
- Business Promotion Activities
- Infrastructure Improvements

In California, BIDs are formed pursuant to the 94 Law. This law allows for the creation of special benefit assessment districts to raise funds within a specific geographic area. *The key difference between BIDs and other special benefit assessment districts is that funds raised are managed by the private non-profit corporation governing the district.*

There are many benefits to Business Improvement Districts:

- Funds cannot be diverted for other government programs;
- Services are customized to fit the needs of each district;
- They allow for a wide range of services, including those listed above;
- Business Improvement Districts are ***designed, created and governed by those who will pay*** the assessment; and
- They provide a stable funding source for business promotion.

The 94 Law is provided in Appendix 1 of this document.

III. ACCOMPLISHMENTS

Introduction

Since its creation, the Temecula Valley Wine & Agricultural Heritage District has transformed the way our region shares its story with the world. As California's first wine tourism district, funded by a direct assessment, we have not only strengthened Temecula Valley's reputation but also set a model that other regions now seek to follow. Together, we have built a foundation that celebrates our agricultural heritage, drives economic growth, and secures Temecula Valley's place as Southern California's wine country.

Elevating the Region's Reputation

- Professional Rebrand & Recognition - Partnering with a professional marketing agency, we launched a complete rebrand of Temecula Wines — unifying our image, amplifying our voice, and ensuring that our brand is instantly recognizable.
- PR & Social Media Impact- Proactive public relations efforts elevated Temecula Valley's profile, securing widespread regional and national coverage that positioned us as *Southern California's Wine Country* and reinforced our reputation as a premier destination. Media coverage surged from 25 articles in 2021 to 84 in 2024—a 236% increase—while impressions skyrocketed from 60 million to 1.12 billion, a remarkable 1,767% jump. At the same time, our expanded social media strategy- including the launch of a TikTok channel-drove deeper engagement, growing Facebook reach by 15% and Instagram by 48%, while continuing to share the beauty, people, and stories of our wine country with millions. TikTok was also added to our social media platforms.
- Strengthening Local Connections - Our first-ever locals campaign invited the surrounding community to rediscover their own backyard, driving foot traffic and deepening local pride.
- Recognition on the Wine Stage- We proudly sponsored wineries' participation in respected wine competitions, giving Temecula Valley wines the opportunity to shine alongside established regions. These entries not only brought home awards but also demonstrated to the wider industry that our wines stand shoulder-to-shoulder with the best. In recent years, Temecula Valley wineries have earned consistent acclaim: South Coast Winery secured multiple Best of Region and Double Gold medals, Monte De Oro's Syrah and Cabernet Franc achieved top state and national recognition, and Wiens Family Cellars emerged as a rising star in Italian varietals. Across competitions such as the California State Fair, Pacific Rim, San Francisco Chronicle, and Toast of the Coast, Temecula wines are now scoring 90+ points with increasing regularity. This trajectory reflects the Valley's evolution from a developing region into a recognized leader in varietal specialization, sparkling innovation, and consistent medal performance.

Expanding Our Reach

- Festival Presence - To expand our story beyond our immediate region, we purchased a dedicated activation booth and sponsored winery participation at high-profile tasting festivals in Santa Barbara, Palm Desert, Del Mar, San Diego, Phoenix, and Las Vegas, building awareness and a reputation far beyond Temecula.
- FAM Trips & Media Engagement—We hosted both local and out-of-state media at media familiarization trips to secure coverage in high-value markets and further grow visitation.
- Wayfinding & Enhancing the Visitor Journey – Installed modern wayfinder signage across wine country, redesigned the website, resulting in a 27% traffic increase from 2022–2024, and transitioned the mid-week SIP Passport to a fully digital platform with expanded marketing – all streamlining navigation and enriching the visitor experience.

Investing in People

- Education & Training - Recognizing that people are at the heart of our success, the District sponsored dozens of diverse programs for winery employees, including sales and customer service training, WSET certifications, wine flaw detection, winemaker-led courses like *Better Know a Winemaker*, and PR/social media workshops. These opportunities strengthen front-line skills and elevate the visitor experience.
- Investing in Futures - We established the *Temecula Valley Wine Country Hall of Fame Scholarship Program*, awarding five college scholarships to local winery and vineyard families, reinforcing our commitment to future generations.
- Strengthening Communication – Expanded member engagement with timely industry newsletters, a dedicated winery employee Facebook group, and two winery staff familiarization trips – all designed to share knowledge, build community, and equip tasting room teams to tell the Temecula Valley story with confidence.

Building Strong Partnerships

- Partnering with County Leadership - Partnered with Riverside County officials to position Temecula Valley as a regional tourism gem, while advocating for policies and infrastructure improvements that support wine country's and the assessed businesses long-term growth and visibility.
- Expanding Local & Industry Partnerships— Strengthened ties with Visit Temecula Valley, the Temecula Valley Chamber of Commerce, community organizations, and local media outlets to broaden our influence and amplify our regional voice. At the industry level, deepened collaboration with the Wine Institute of California and the California Association of Winegrape Growers (CAWG) has expanded our reach, aligned us with statewide initiatives, and ensured Temecula Valley is represented in the broader wine conversation.

Financial Stewardship & Growth

- Assessment Growth - Since 2021, we have grown our assessment budget from $1.2 million to $1.7 million — a 44% increase, enabling us to deliver more value for our assessed businesses and invest in long-term strategies.
- Tourism Resilience—Achieved a 1.08% year-over-year visitation growth for the past three years, outperforming industry benchmarks.
- Transparency & Accountability — Maintained open communication by hosting annual all-member meetings, convening monthly Board of Directors and marketing committee sessions, publishing annual reports, and making all agendas, decks, and minutes readily accessible online to both members and the public.
- Strengthening Our Team — Hired a Director of Marketing & PR and a Digital Media Manager, creating dedicated in-house expertise to elevate our reputation and deepen connections with consumer audiences.

Looking Ahead

The accomplishments of the Temecula Valley Wine & Agricultural Heritage District reflect more than marketing campaigns and visitor growth — they represent a community united in its vision. With renewal of the TVWAHD, we will secure the Valley's future for the next five years, continuing to elevate our reputation, strengthen our economy, and share our story with the world.

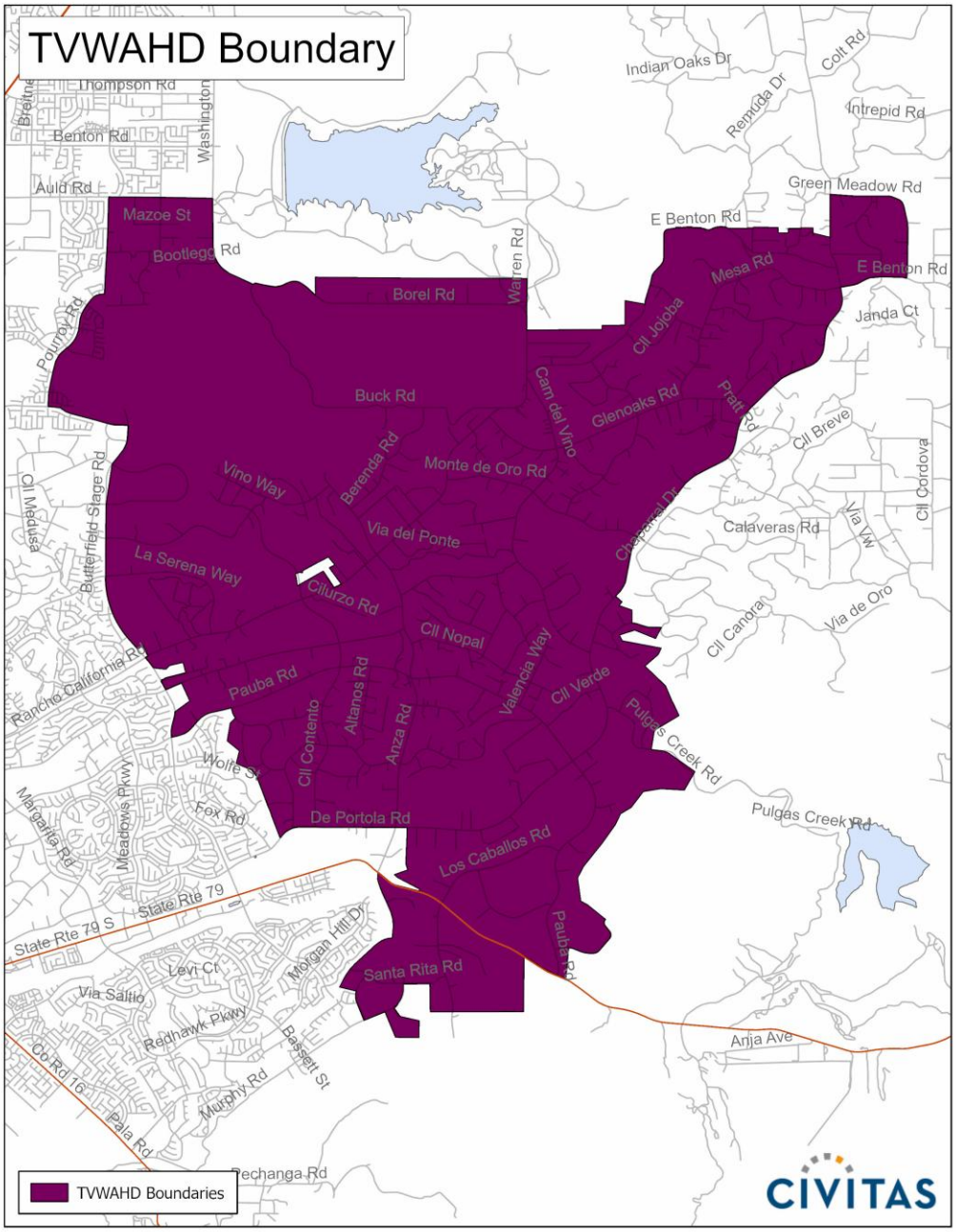
Temecula Valley Wine Country has always been more than vineyards and tasting rooms. It is a living legacy — of agriculture, hospitality, and community — and together, we are ensuring that legacy thrives for generations to come.

IV. BOUNDARY

The TVWAHD shall include all wineries, existing and in the future, located in the Temecula Valley region of the County, as shown on the map below. A detailed map series displaying the boundaries of the TVWAHD is included herein as Appendix 3.

The term "winery" as used herein means: A business whose primary purpose is to produce or procure wine and sell it at retail locations within the boundaries of the TVWAHD.

A complete listing of assessed wineries within the renewed TVWAHD can be found in Appendix 2.

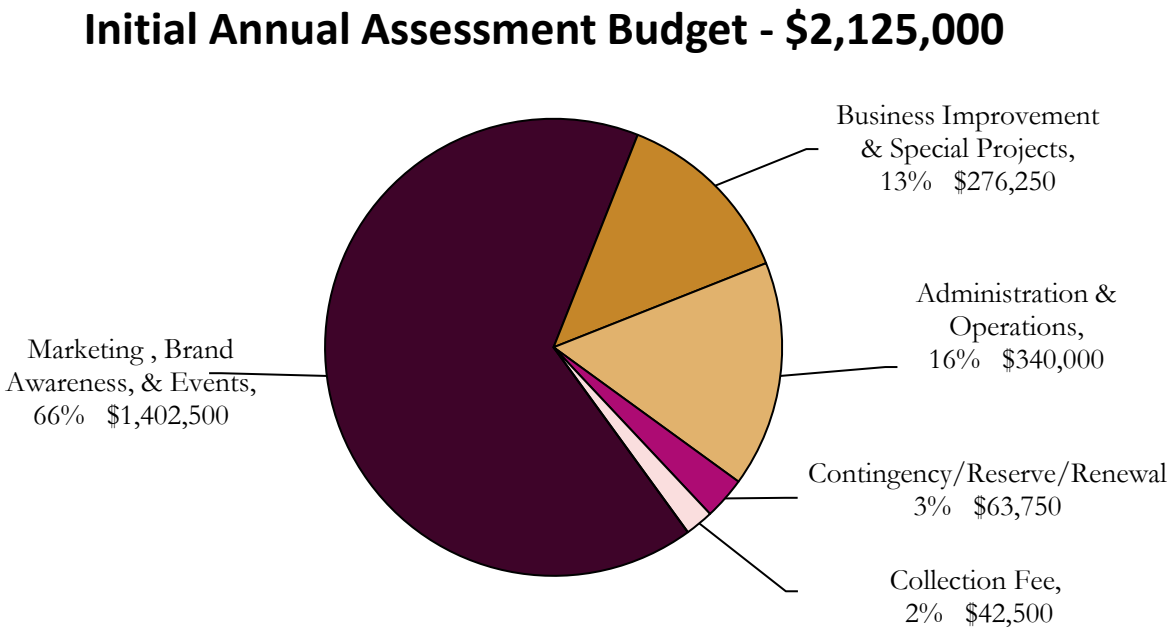


V. ASSESSMENT BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the County of conferring the benefits or granting the privileges as further described in Section V (C). The privileges and services provided with the TVWAHD funds are Marketing, Brand Awareness & Events and Business Improvements & Special Projects, and other improvements and activities set forth in this Plan, available only to assessed wineries.

A service plan assessment budget has been developed to deliver services that benefit the assessed wineries. A detailed annual assessment budget will be developed and approved by TVWA. The chart below illustrates the initial annual assessment budget allocations. These activities and allocations will also apply in subsequent years. The total initial assessment budget is estimated to be $2,125,000.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the assessment budget shall remain the same. However, the TVWA Board shall have the authority to adjust budget allocations between the categories by no more than fifteen percent (15%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the TVWAHD, any and all assessment funds may be used for the costs of defending the TVWAHD.

Each budget category includes all costs related to providing that service. For example, the Marketing, Brand Awareness & Events budget includes the cost of staff time dedicated to overseeing and implementing the Marketing, Brand Awareness & Events program. Staff time dedicated purely to administrative tasks is allocated to the Administration & Operations portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the services below will be determined by the TVWA on an as-needed basis.

Marketing, Brand Awareness & Events

A Marketing, Brand Awareness and Events program will promote the Temecula Valley Wine Country (TVWC) as a premium winegrowing region and as a leader in the global wine community. The program will have a central theme that the wines produced in the Temecula Valley are of the highest quality and equal to those produced in any of the world's wine regions. The program will promote the TVWC as a desirable place to visit, where visitors can experience the wineries and vineyards, and meet the people who make the wines, tend the vineyards, and serve the visitors. The program will also promote the TVWC as a place to enjoy fine food paired with fine wines, and a place to enjoy get-togethers and entertainment with family and friends in a wine country atmosphere. The goals of the program will be (1) to increase the demand for Temecula Valley wines and increase visitation by people who are, or want to become, knowledgeable about wine and who are looking to purchase wines for home consumption, and (2) to increase the demand for special events and social functions. To meet these goals, the following activities may be undertaken:

- Development of effective marketing efforts to promote TVWC across paid, owned, and earned channels to increase awareness and generate website traffic to drive tourism and commerce at assessed wineries;
- Paid advertising efforts will include, but are not limited to, print ads in magazines and newspapers, social media and online digital ads, billboards, video, television ads, and radio ads targeted at potential visitors to drive tourism and commerce at assessed wineries;
- Utilizing social media channels and partner's social media to increase awareness and engagement with assessed wineries;
- Preparing and producing collateral promotional materials such as brochures, flyers and maps;
- Developing and executing winery focused special events to attract customers to assessed wineries;
- Ensuring representatives are provided the opportunity to attend trade shows, meetings, industry conferences, and events to promote assessed wineries;
- Supply and coordination of media relations and communications via press releases, announcements, media placements, and social sharing to drive tourism and commerce at assessed wineries;
- Coordination of familiarization tours and virtual tours with travel trade, media, and influencers to assessed wineries;
- Providing public relations strategies including but not limited to: in and out of market media familiarization tours, proactive media pitching, and influencer relations;
- Develop wine education events and programs targeted to consumers, media, and trade to grow awareness and visitation to assessed wineries;
- Develop grape varietal education programs targeted to consumers, media, and trade;
- Funding social and educational events to enhance community and bring thought leadership to our assessed wineries;
- Developing collaborative marketing activities in conjunction with complimentary marketing organizations;
- Attending professional industry conferences and affiliation events;
- Contracting with a third-party service for our wineries that aggregates visitor data on a regional level to allow us to track results of specific campaigns and develop ROI metrics; and
- Funding awareness and best practice studies to benchmark and track awareness and operational success of the TVWAHD among assessed winery target market segments.

Business Improvement & Special Projects
Business Improvement & Special Projects programs are developed to increase demand for visitation and sales at assessed wineries, and may include, but are not limited to, the following:

- Initiatives that enhance grape growing practices and elevate the overall quality of Temecula Valley fruit to drive increased visitation and commerce to assessed wineries;
- Infrastructure improvements to drive increased visitation and commerce to assessed wineries;
- Collaborative partnerships that support the long-term vitality of the region to drive increased visitation and commerce to assessed wineries;
- Hospitality and sales training programs to provide certified tourism training for front-line employees, designed to increase visitation and increase sales at assessed wineries;
- Creation of the Economic Sustainability and Agricultural Preservation Plan (ESAPP) to guide long-term land use and industry viability to assessed wineries;
- Comprehensive and integrated wayfinding signage system enhancements to direct visitors to assessed wineries;
- Support education efforts regarding sustainable certification programs for assessed wineries;
- Support education efforts regarding adoption of water re-use and quality improvements for assessed wineries;
- Support education of programs to reduce and eliminate pesticide/herbicide use amongst assessed wineries;
- Appellation development initiatives to promote Temecula Valley AVA as a desirable place to visit and to increase sales at assessed wineries;
- Funding destination development activities such as maintaining responsibility for the impact of tourism on the region through trash collection, traffic control, and beautification;
- Assist assessed wineries with guest communications and POS materials.

Administration and Operations
The administration and operations portion of the budget shall be utilized for administrative staffing costs, office costs, advocacy, County administrative costs, and other general administrative costs such as insurance, audits, legal, and accounting fees.

Collection Fee
A third-party collection entity shall be paid a fee equal to two percent (2%) of the amount of assessment collected to cover its costs of collection and administration.

Contingency/Reserve/ Renewal
The budget includes a contingency line item to account for lower than anticipated assessments. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the TVWA Board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the TVWA Board. Contingency/Reserve/Renewal funds may be spent on TVWAHD programs or administrative and renewal costs in such proportions as determined by the TVWA Board. The reserve fund may be used for the costs of renewing the TVWAHD.

B. Annual Budget
The total five (5) year assessment budget is projected at approximately $2125,000 annually, or $10,625,000 through the five (5) year term of the TVWAHD. A similar assessment budget is expected

to apply to subsequent years, but this budget is expected to fluctuate as sales do and as wineries open and close.

C. California Constitutional Compliance

The TVWAHD assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term 'assessments' to levies on real property.[1] Rather, the TVWAHD assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the TVWAHD, a "specific benefit" and a "specific government service." Both require that the costs of benefits or services do not exceed the reasonable costs to the County of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, "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."[2] The services in this Plan are designed to provide targeted benefits directly to assessed wineries, and are intended only to provide benefits and services directly to those wineries paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific wineries within the TVWAHD. The activities described in this Plan are specifically targeted to increase sales for assessed wineries within the boundaries of the TVWAHD, and are narrowly tailored. TVWAHD funds will be used exclusively to provide the specific benefit of increased sales revenue directly to the assessees. Assessment funds shall not be used to feature non-assessed wineries in TVWAHD programs, or to directly generate sales for non-assessed wineries. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed wineries.

The assessment imposed by this TVWAHD is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in winery sales revenue. The specific benefit of an increase in sales revenue for assessed wineries will be provided only to wineries paying the district assessment, with Marketing, Brand Awareness & Events, and Business Improvement & Special Projects promoting wineries paying the TVWAHD assessment. The Marketing, Brand Awareness & Events, and Business Improvement & Special Projects programs will be designed to increase sales revenue at assessed winery businesses. Because they are necessary to provide the Marketing, Brand Awareness & Events, and Business Improvement & Special Projects that specifically benefit the assessed wineries, the Administration and Operations and Contingency/Reserve/Renewal services also provide the specific benefit of increased sales revenue to the wineries.

Although the TVWAHD, in providing specific benefits to payors, may produce incidental benefits to non-paying wineries, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, "A specific benefit is not excluded from classification as a 'specific benefit' merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor."[3]

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[1] *Howard Jarvis Taxpayers Association v. City of San Diego (1999)* 72 Cal App. 4th 230
[2] Cal. Const. art XIII C § 1(e)(1)
[3] Government Code § 53758(a)

2. Specific Government Service

The assessment may also be utilized to provide, "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."[4] The legislature has recognized that marketing and promotions services like those to be provided by the TVWAHD are government services within the meaning of Proposition 26[5]. Further, the legislature has determined that "a specific government service is not excluded from classification as a 'specific government service' merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor."[6]

3. Reasonable Cost

TVWAHD services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the TWVA, and reports submitted on an annual basis to the County. Only assessed wineries will be featured in marketing materials, receive sales leads generated from TVWAHD-funded activities, be featured in advertising campaigns, and benefit from other TVWAHD-funded services. Non-assessed wineries will not receive these, nor any other, TVWAHD-funded services and benefits.

The TVWAHD-funded programs are all targeted directly at and feature only assessed wineries. It is, however, possible that there will be a spill over benefit to non-assessed wineries. If non-assessed wineries receive incremental sales revenue, that portion of the promotion or program generating sales revenue shall be paid with non-TVWAHD funds. TVWAHD funds shall only be spent to benefit the assessed wineries, and shall not be spent on that portion of any program which directly generates incidental sales revenue for non-assessed wineries.

D. Assessment

The annual assessment rate is one and a quarter percent (1.25%) of gross direct-to-consumer sales revenue of assessed wineries. Based on the benefit received, assessments will not be collected on purchases made outside of the state of California. Revenue generated from the TVWAHD is intended only to provide programs and services for assessed wineries, all of which are located in California. Sales made outside of the state of California are not subject to assessment due to a lack of benefit from targeted programs. Assessment dollars will not be spent on any programs or activities to benefit individual wineries outside of the state of California. Assessment dollars may be spent outside of California to elevate the notoriety of the Temecula Valley region as a premier winery destination with the desired outcome of increased in-person visitation to wineries paying the assessment.

The assessment was calculated based on the total cost of the activities to be provided for the benefit of the wineries within the TVWAHD with costs allocated based on the proportional benefit conferred to each winery. Activities funded by the TVWAHD are specifically targeted to increase winery sales revenue at assessed wineries. All winery sales do not represent the same benefit to the payors. For example, a higher priced winery is of greater benefit than a lower priced winery because the assessee derives greater revenue. To account for this benefit differential and to make sure the benefits are proportional, an assessment formula based on a percentage of revenue has been selected. The proposed formula accurately reflects greater benefit to assessed wineries with higher priced winery sales.

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[4] Cal. Const. art XIII C § 1(e)(2)
[5] Government Code § 53758(b)
[6] Government Code § 53758(b)

The term "gross direct to consumer sales revenue" as used herein means: the consideration charged by wineries, for all direct to consumer sales of for wine, wine club shipments (whether shipped or picked up), ticket sales, tasting fees, tours and private and public special events, merchandise, prepared foods for on-premise or off-premise consumption (whether sold in a tasting room or a stand-alone restaurant on-premise), orders placed via telemarketing, telephone, online, email, whether carried out at the time of purchase, shipped or picked up at a later date (pre-sales). Gross direct to consumer sales revenue shall not include any federal, state or local taxes collected, including but not limited to sales and use taxes.

The assessment is levied upon and a direct obligation of the assessed winery. However, the assessed winery may, at its discretion, pass the assessment on to customers. The amount of assessment, if passed on to each customer, shall be disclosed in advance and separately stated from the amount charged and any other applicable taxes, and each customer shall receive a receipt for payment from the winery. If the TVWAHD assessment is identified separately it shall be disclosed as the "TVWAHD Assmt." The assessment is imposed solely upon, and is the sole obligation of the assessed winery even if it is passed on to customers. The California Department of Tax and Fee Administration (CDTFA) issued a written opinion that state sales tax applies to the revenue generated from business improvement district (BID) assessments on items where state sales tax is levied. In light of CDTFA's opinion, businesses that pay both state sales tax and TVWAHD assessments on sales are advised to collect sales tax on the assessment revenue.

Bonds shall not be issued.

E. Overdue Charges and Interest

The TVWAHD shall reimburse the third-party collection agency for any costs associated with collecting unpaid assessments. Assessed wineries which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency*
   Any winery that fails to remit any assessment imposed by this section within the time required shall pay an overdue charge of ten percent (10%) of the amount of the assessment in addition to the assessment.
2. *Continued Delinquency*
   Any winery that fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency overdue charge of ten percent (10%) of the assessment in addition to the assessment and the ten percent (10%) overdue charge first imposed.
3. *Fraud*
   If third-party collection agency determines that the nonpayment of any remittance due under this section is due to fraud, an overdue charge of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the overdue charges stated in paragraph one (1) and two (2) above of this section.
4. *Interest*
   In addition to the overdue charges imposed, any winery who fails to remit any assessment imposed by this section shall pay interest at the rate of one-half of one percent (0.50%) per month or fraction thereof on the amount of the assessment, exclusive of overdue charges, from the date on which the remittance first became delinquent until paid.

F. Time and Manner for Collecting Assessments

The TVWAHD assessment will be implemented beginning April 1, 2026, or as soon as possible thereafter, and ending five (5) years from its start date. The third-party collection agency shall be responsible for collecting the assessment on a quarterly basis (including any delinquencies, overdue changes and interest) from each winery located in each jurisdiction within the TVWAHD. The third-party collection agency shall take all reasonable efforts to collect the assessments from each winery. The third-party collection agency shall forward the assessments collected to the Owners' Association.

VI. GOVERNANCE

A. Owners' Association

The County Board of Supervisors, through adoption of this Management District 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 TVWAHD as defined in Streets and Highways Code §36612. The Board of Supervisors has determined that TVWA shall continue to serve as the Owners' Association for the TVWAHD.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the TVWA board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

C. Annual Report

The TVWA shall present an annual report at the end of each year of operation to the County Board of Supervisors pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

CURRENT THROUGH ALL LEGISLATION OF THE 2024 REGULAR AND SPECIAL SESSIONS

STREETS AND HIGHWAYS CODE
DIVISION 18. PARKING
PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

(a) Businesses located and operating within business districts in some of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.

(d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.

(e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:

(1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.

(2) Job creation.

(3) Business attraction.

(4) Business retention.

(5) Economic growth.

(6) New investments.

(f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.

(g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.

(h) The act amending this section is intended to provide the Legislature's guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.

(1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or

persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.
(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. "Activities"

"Activities" means, but is not limited to, all of the following that benefit businesses or real property in the district:
(a) Promotion of public events.
(b) Furnishing of music in any public place.
(c) Promotion of tourism within the district.
(d) Marketing and economic development, including retail retention and recruitment.
(e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
(f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. "Assessment"

"Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. "Business"

"Business" means all types of businesses and includes financial institutions and professions.

36608. "City"

"City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. "City council"

"City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. "Clerk"

"Clerk" means the clerk of the legislative body.

36609.5. "General benefit"

"General benefit" means, for purposes of a property-based district, any benefit that is not a "special benefit" as defined in Section 36615.5.

36610. "Improvement"

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

(a) Parking facilities.
(b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
(c) Trash receptacles and public restrooms.
(d) Lighting and heating facilities.
(e) Decorations.
(f) Parks.
(g) Fountains.
(h) Planting areas.
(i) Closing, opening, widening, or narrowing of existing streets.
(j) Facilities or equipment, or both, to enhance security of persons and property within the district.
(k) Ramps, sidewalks, plazas, and pedestrian malls.
(l) Rehabilitation or removal of existing structures.

36611. "Management district plan"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

36612. "Owners' association"

"Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), for all records relating to activities of the district.

36614. "Property"

"Property" means real property situated within a district.

36614.5. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

36614.6. "Property-based assessment"

"Property-based assessment" means any assessment made pursuant to this part upon real property.

36614.7. "Property-based district"

"Property-based district" means any district in which a city levies a property-based assessment.

36615. "Property owner"; "Business owner"; "Owner"

"Property owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. "Business owner" means any person recognized by the city as the owner of the business. "Owner" means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. "Special benefit"

(a) "Special benefit" means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

(b) "Special benefit" also includes, for purposes of a property-based district, a particular and distinct benefit provided directly to each assessed parcel within the district. Merely because parcels throughout an assessment district share the same special benefits does not make the benefits general.

36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

(1) A map showing the boundaries of the district.

(2) Information specifying where the complete management district plan can be obtained.

(3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements, maintenance, and activities proposed for each year of operation of the district and the estimated cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the

assessment to be levied against their property or business. The plan also shall state whether bonds will be issued to finance improvements.
(g) The time and manner of collecting the assessments.
(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.
(i) The proposed time for implementation and completion of the management district plan.
(j) Any proposed rules and regulations to be applicable to the district.
(k)

(1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.
(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.
(3) In a property-based district, properties throughout the district may share the same special benefits. In a district with boundaries that define which parcels are to receive improvements, maintenance, or activities over and above those services provided by the city, the improvements, maintenance, or activities themselves may constitute a special benefit. The city may impose assessments that are less than the proportional special benefit conferred, but shall not impose assessments that exceed the reasonable costs of the proportional special benefit conferred. Because one or more parcels pay less than the special benefit conferred does not necessarily mean that other parcels are assessed more than the reasonable cost of their special benefit.

(l) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.
(m) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.
(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.
(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.
(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

36638. Assessment as government imposed fee on Civ C § 1770 transaction [Operative July 1, 2024]

(a) A business assessment pursuant to this part is a fee imposed by a government on the transaction for purposes of paragraph (29) of subdivision (a) of Section 1770 of the Civil Code.

(b) This section shall become operative on July 1, 2024.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association 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 improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements, maintenance, and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment

36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assessees may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

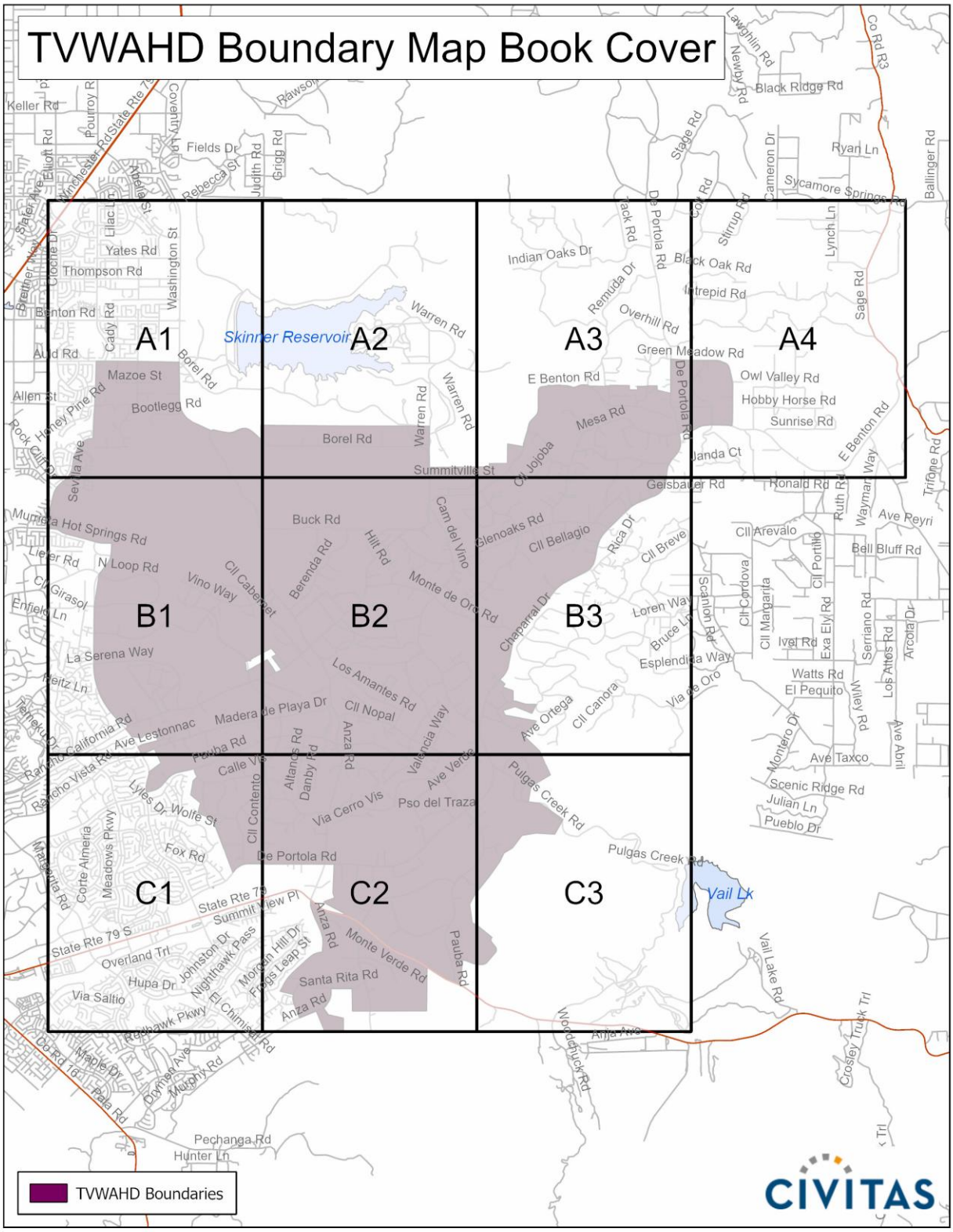
APPENDIX 2 – ASSESSED BUSINESSES*

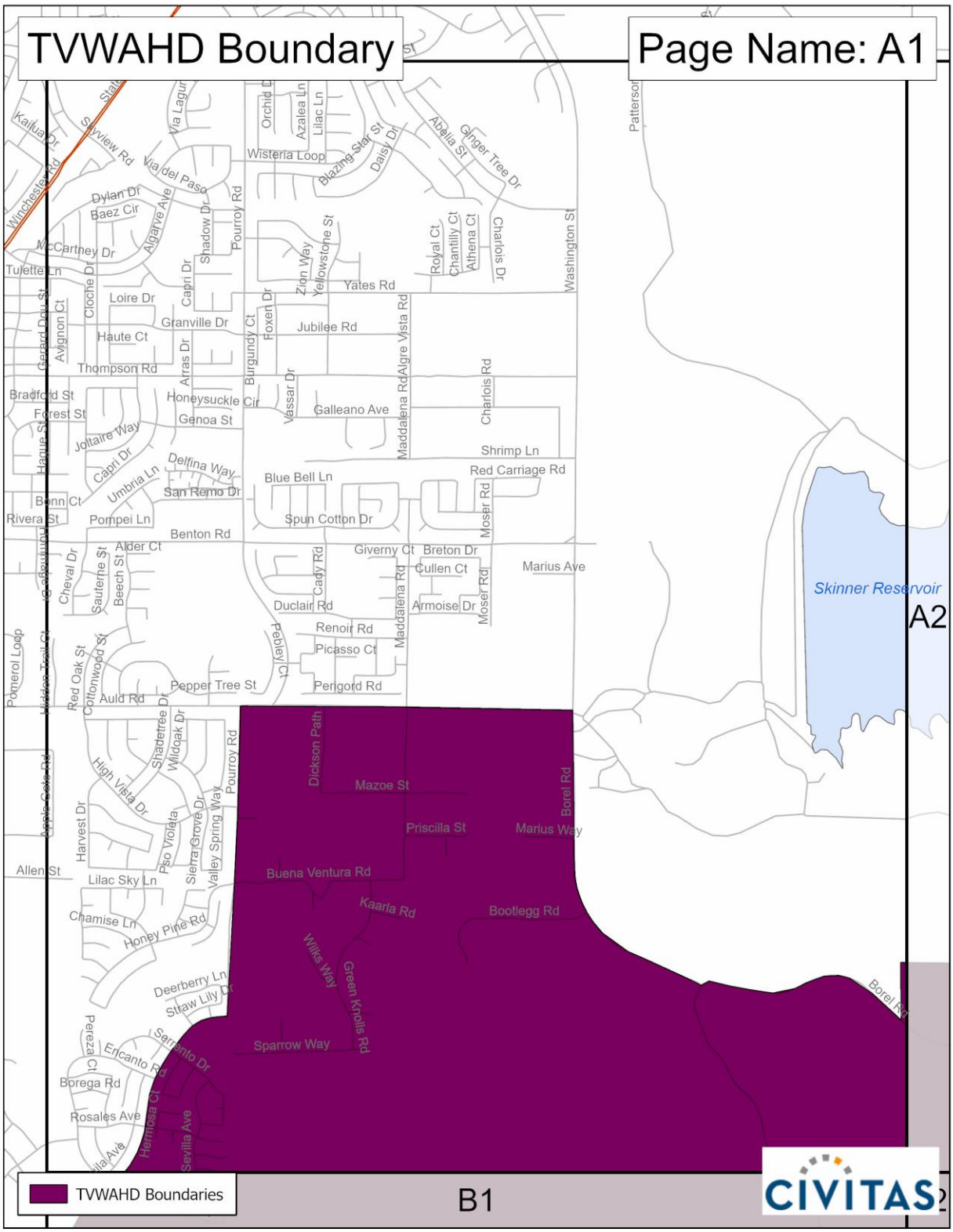
Business Name
Akash Winery & Vineyards
Altisima Winery
Baily Vineyard & Winery
Bel Vino
Bella Vista Winery
Bottaia Winery
Briar Rose Winery
Callaway Vineyard & Winery
Carter Estate Winery & Resort
Chapin Family Vineyards
Churon Winery Bed & Breakfast
Cougar Vineyard & Winery
Danza Del Sol Winery
Doffo Wines
Europa Village Wineries & Resort
Falkner Winery
Fazeli Cellars
Foot Path Winery
Frangipani Estate Winery
Gershon Bachus Vintners
Halter Ranch Winery
Jordan Parker Winery
Julie's Dream Winery
Leoness Cellars
Long Shadow Ranch
Lorenzi Estate Wines
Lorimar Winery
Lumiere Winery
Mama Rosa's Trattoria
Masia De La Vinya Winery
Maurice Car'rie Winery
Meritage at Callaway
Miramonte Winery
Monte De Oro Winery
Mount Palomar Winery
Oak Mountain Winery
Palumbo Family Vineyards
Peltzer Family Cellars

Ponte Family Estate
Raul Ramirez Winery
Robert Renzoni Vineyards
Somerset Winery
South Coast Winery
Thornton Winery
Truffle Pig Winery
Vindemia Vineyard & Winery
Vitagliano Vineyards & Winery
Wiens Cellars
Wilson Creek Winery & Vineyards

* The list was developed with the most reliable information provided; however, the list may contain discrepancies. This list shall include any future to-be opened businesses. Any winery that may have been missed in this list, but is still within the boundaries of the TVWAHD, shall also be subject to assessment.

APPENDIX 3 – BOUNDARY MAP SERIES

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B1
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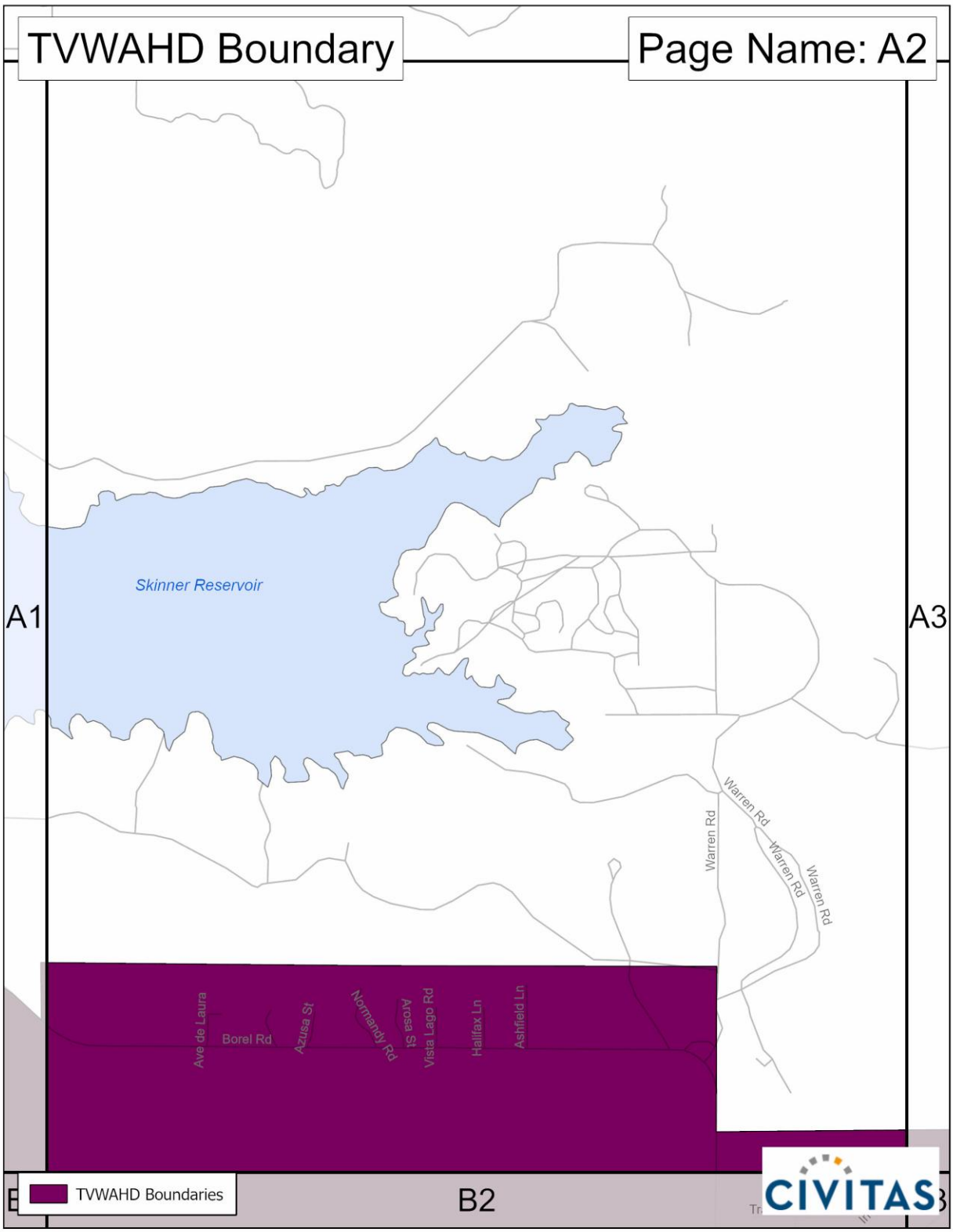
Baez Cir
McCartney Dr
Tulette Ln
Algarve Ave
Shadow Dr
Pourroy Rd
Orchid Dr
Azalea Ln
Lilac Ln
Blazing Star St
Daisy Dr
Abelia St
Ginger Tree Dr
Zion Way
Yellowstone St
Royal Ct
Chantilly Ct
Athena Ct
Charlois Dr
Washington St
Yates Rd
Capri Dr
Cloche Dr
Loire Dr
Granville Dr
Haute Ct
Avignon Ct
Thompson Rd
Arras Dr
Burgundy Ct
Hoxen Dr
Jubilee Rd
Algre Vista Rd
Bradford St
Forest St
Honeysuckle Cir
Genoa St
Vassar Dr
Galleano Ave
Maddalena Rd
Charlois Rd
Joltaire Way
Shrimp Ln
Red Carriage Rd
Delfina Way
Umbria Ln
San Remo Dr
Blue Bell Ln
Benn Ct
Rivera St
Pompei Ln
Spun Cotton Dr
Moser Rd
Benton Rd
Alder Ct
Giverny Ct
Breton Dr
Cullen Ct
Marius Ave
Cheval Dr
Sauterne St
Beech St
Cady Rd
Duclair Rd
Armoise Dr
Renoir Rd
Picasso Ct
Pebley Ct
Perigord Rd
Pepper Tree St
Auld Rd
Red Oak St
Cottonwood St
Pomerol Loop
Shadetree Dr
Wildoak Dr
High Vista Dr
Harvest Dr
Pro Violeta
Sierra Grove Dr
Valley Spring Way
Allen St
Lilac Sky Ln
Chamise Ln
Honey Pine Rd
Deerberry Ln
Straw Lily Dr
Pereza Ct
Encanto Rd
Sarrento Dr
Borega Rd
Rosales Ave
Hermosa Ct
Sevilla Ave
Dickson Path
Mazoe St
Borel Rd
Priscilla St
Marius Way
Buena Ventura Rd
Kaarla Rd
Bootlegg Rd
Wilks Way
Green Knolls Rd
Sparrow Way
Winchester Rd
Kailua Dr
Via Lagun
Patterson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Warren Rd
Warren Rd
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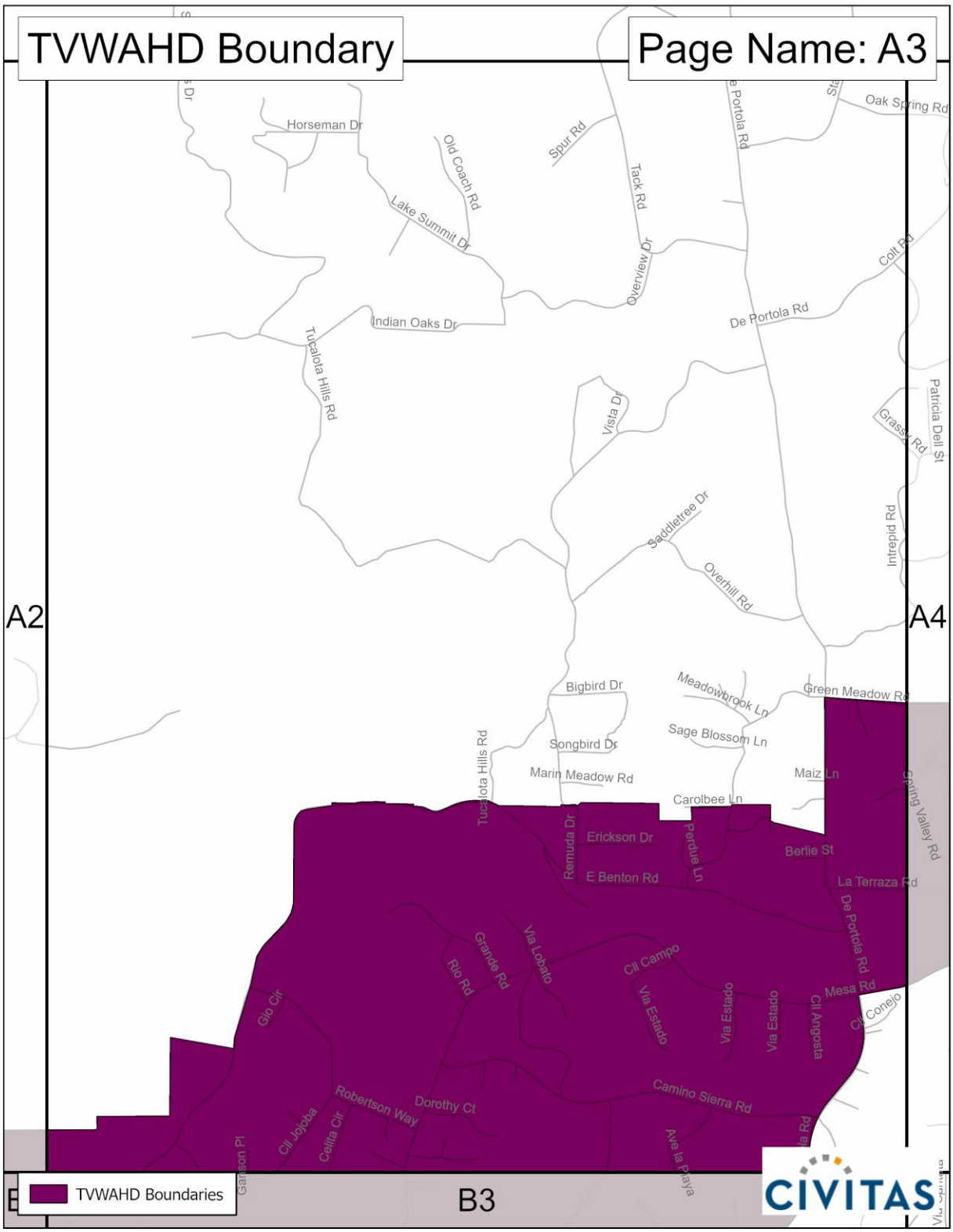
Borel Rd
Azusa St
Normandy Rd
Avoca St
Vista Lago Rd
Halifax Ln
Ashfield Ln
TVWAHD Boundaries
CIVITAS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Lake Summit Dr
Overview Dr
Colt Rd
Indian Oaks Dr
De Portola Rd
Tucalota Hills Rd
Vista Dr
Patricia Dell St
Grass Rd
Saddletree Dr
Intrepid Rd
Overhill Rd
A2
A4
Bigbird Dr
Meadowbrook Ln
Green Meadow Rd
Sage Blossom Ln
Songbird Dr
Marin Meadow Rd
Maiz Ln
Carolbee Ln
Remuda Dr
Erickson Dr
Perdue Ln
Berlie St
E Benton Rd
La Terraza Rd
Spring Valley Rd
Via Lobato
Grande Rd
Rio Rd
Cll Campo
De Portola Rd
Mesa Rd
Glo Cir
Via Estado
Cll Angosta
Cll Conejo
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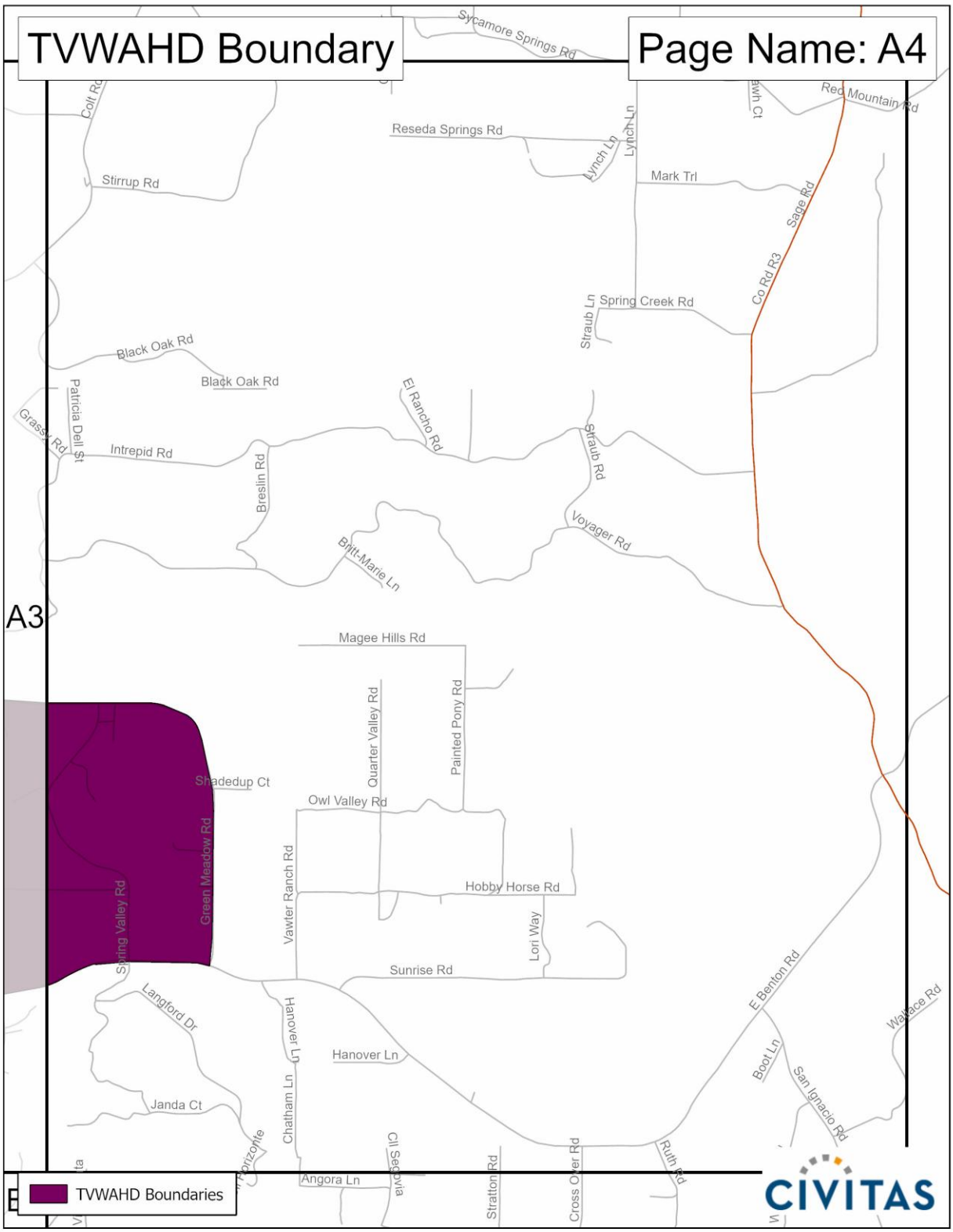
Celita Cir
Garison Pl
Ave la Playa
TVWAHD Boundaries
B3
CIVITAS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Co Rd R3
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Straub Ln
Black Oak Rd
Black Oak Rd
Patricia Dell St
Grassy Rd
Intrepid Rd
El Rancho Rd
Breslin Rd
Straub Rd
Voyager Rd
Britt-Marie Ln
A3
Magee Hills Rd
Quarter Valley Rd
Painted Pony Rd
Shadedup Ct
Owl Valley Rd
Green Meadow Rd
Spring Valley Rd
Vawter Ranch Rd
Hobby Horse Rd
Lori Way
Sunrise Rd
E Benton Rd
Langford Dr
Hanover Ln
Hanover Ln
Wallace Rd
Boot Ln
San Ignacio Rd
Janda Ct
Chatham Ln
Cll Segovia
Angora Ln
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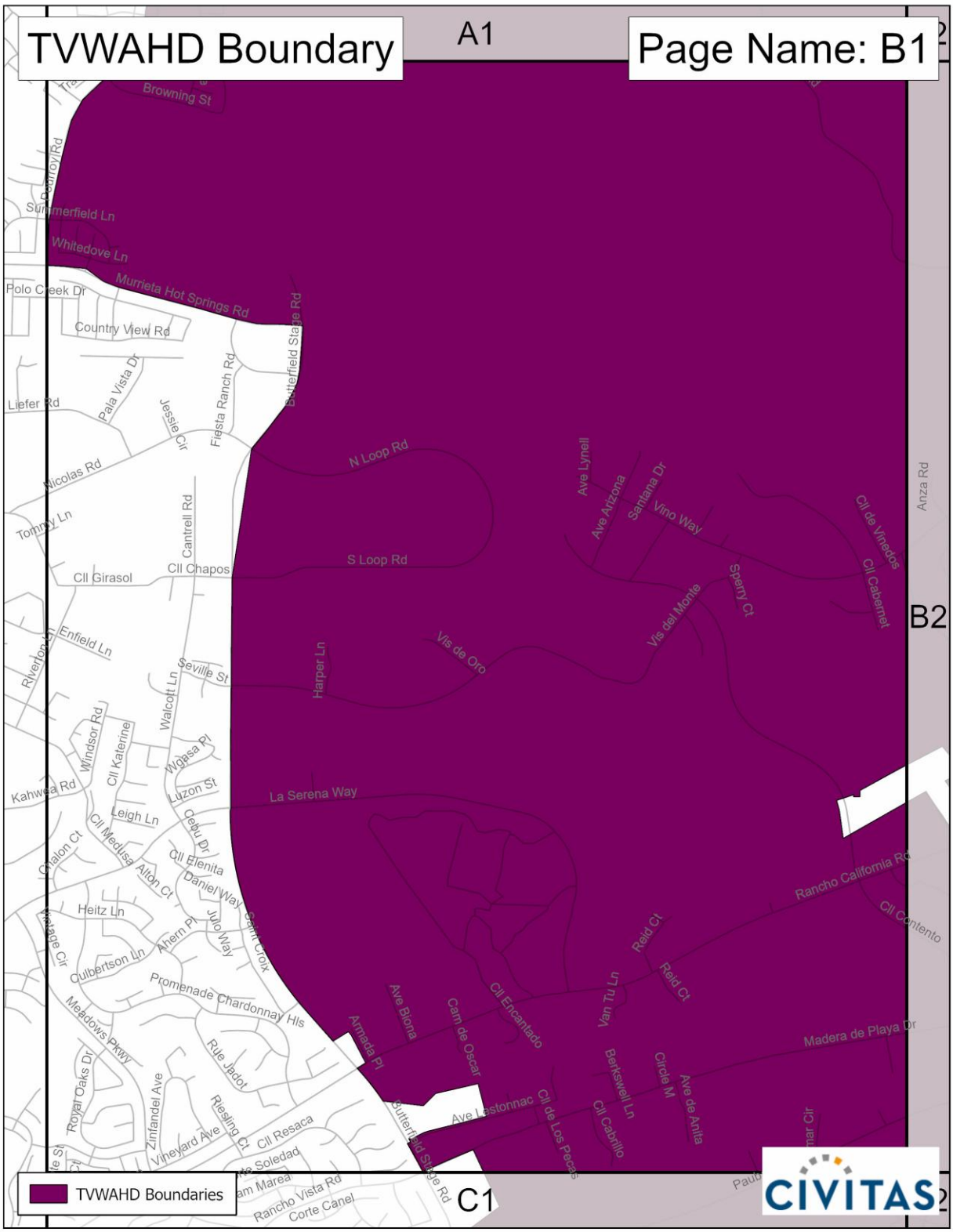
Cross Over Rd
Ruth Rd
TVWAHD Boundaries
CIVITAS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Polo Creek Dr
Country View Rd
Butterfield Stage Rd
Fiesta Ranch Rd
Pala Vista Dr
Jessie Cir
Liefer Rd
Nicolas Rd
Tommy Ln
Cantrell Rd
Cll Girasol
Cll Chapos
N Loop Rd
S Loop Rd
Ave Lynell
Ave Arizona
Santana Dr
Vino Way
Cll de Viñedos
Cll Cabernet
Sperry Ct
Vis del Monte
Vis de Oro
Anza Rd
Enfield Ln
Riverton Ln
Seville St
Harper Ln
Walcott Ln
Windsor Rd
Cll Katerine
Wigasa Pl
Luzon St
Kahwea Rd
La Serena Way
Leigh Ln
Cll Medusa
Cebu Dr
Chalon Ct
Cll Elenita
Alton Ct
Daniel Way
Heitz Ln
Ahern Pl
Julio Way
Santa Croix
Culbertson Ln
Promenade
Chardonnay Hls
Meadows Pkwy
Rule Jadot
Armada Pl
Ave Biona
Cam de Oscar
Cll Encantado
Van Tu Ln
Reid Ct
Rancho California Rd
Cll Contento
Madera de Playa Dr
Berkswell Ln
Circle M
Ave de Anita
Cll Cabrillo
Cll de Los Pecos
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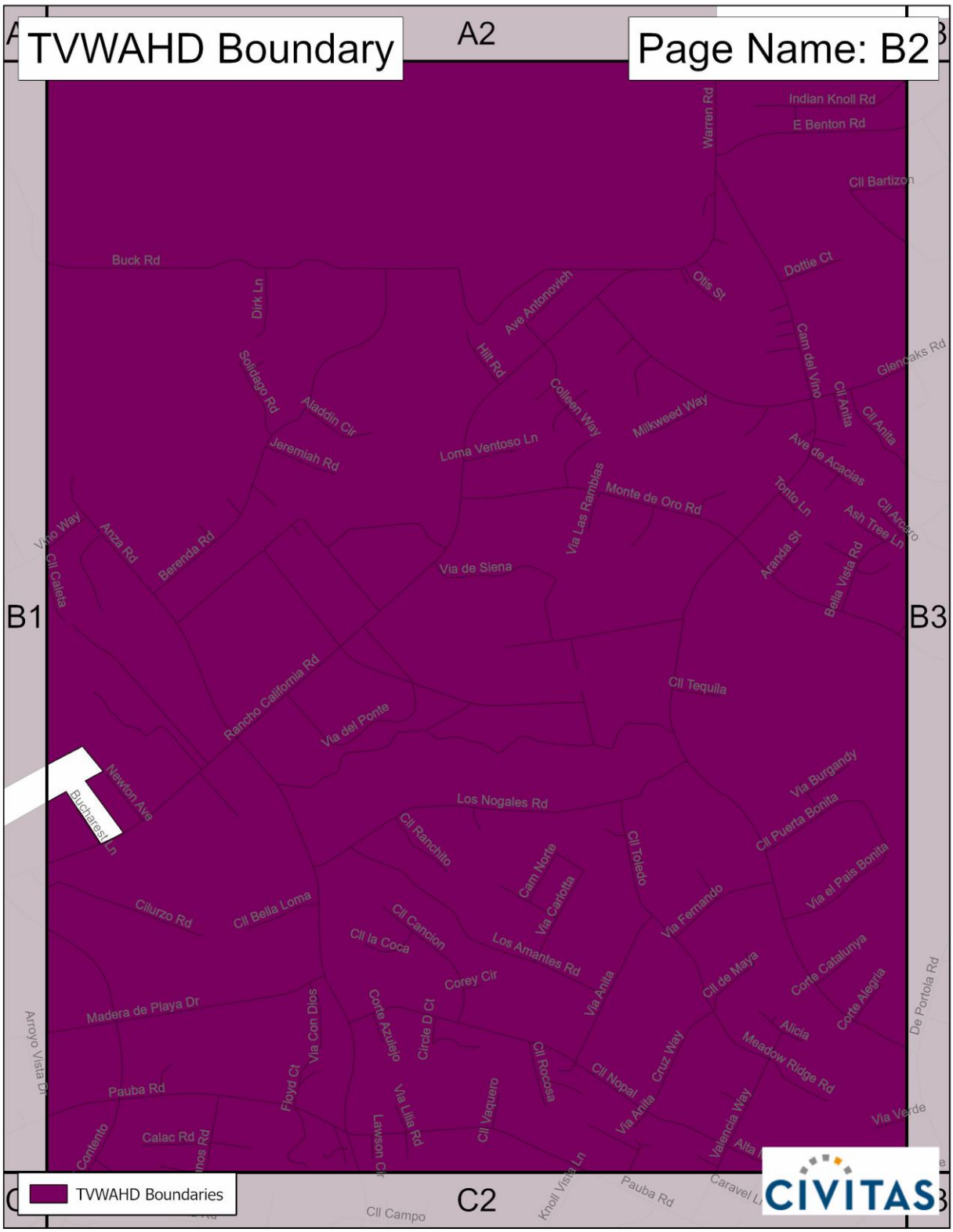
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Hill Rd
Cam del Vino
Glencoaks Rd
Solidago Rd
Aladdin Cir
Colleen Way
Milkweed Way
Cll Anita
Jeremiah Rd
Loma Ventoso Ln
Ave de Acacias
Via Las Rambias
Monte de Oro Rd
Tonto Ln
Cll Arcaro
Ash Tree Ln
Vino Way
Anza Rd
Berenda Rd
Cll Caleta
Via de Siena
Aranda St
Bella Vista Rd
Rancho California Rd
Cll Tequila
Via del Ponte
Newton Ave
Bucharest Ln
Los Nogales Rd
Via Burgandy
Cll Puerta Bonita
Cll Ranchito
Cll Toledo
Cam Norte
Via Carlotta
Via el Pais Bonita
Cilurzo Rd
Cll Bella Loma
Cll Cancion
Via Fernando
Cll la Coca
Los Amantes Rd
Corte Catalunya
Corey Cir
Via Anita
Cll de Maya
Corte Alegria
Madera de Playa Dr
Arroyo Vista Dr
Via Con Dios
Corte Azulejo
Circle D Ct
De Portola Rd
Alicia
Meadow Ridge Rd
Cll Rocosa
Cll Nopal
Cruz Way
Pauba Rd
Floyd Ct
Via Lilia Rd
Cll Vaquero
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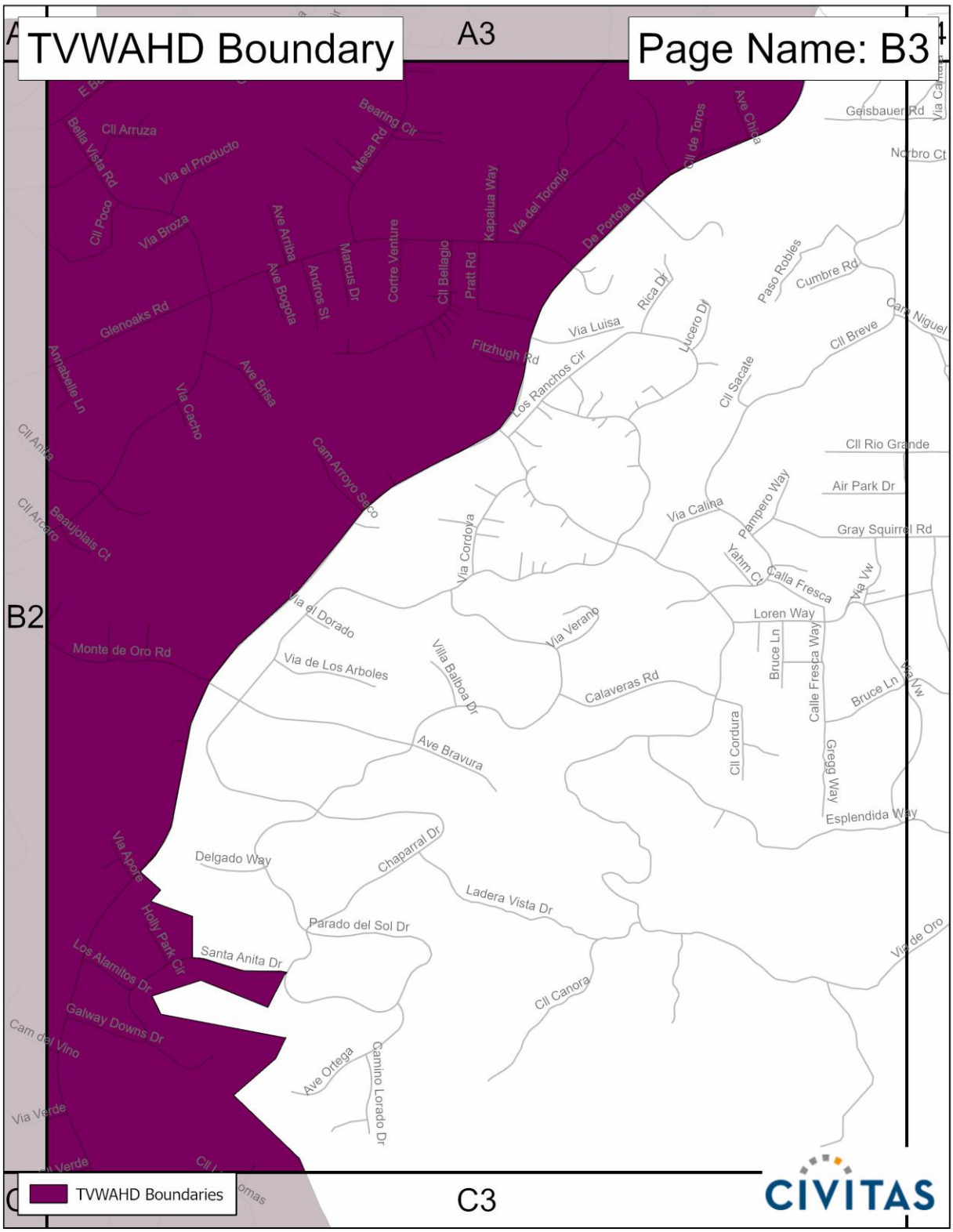
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Ave Bogota
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Cortre Venture
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Pratt Rd
Kapalua Way
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De Portola Rd
Cll de Toros
Ave Chica
Geisbauer Rd
Norbro Ct
Glenoaks Rd
Annabelle Ln
Ave Brisa
Via Cacho
Fitzhugh Rd
Los Ranchos Cir
Via Luisa
Rica Dr
Lucero Dr
Paso Robles
Cumbre Rd
Cll Breve
Cll Sacate
Cll Rio Grande
Air Park Dr
Gray Squirrel Rd
Cam Arroyo Seco
Cll Anita
Cll Arcaro
Beaujolais Ct
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Via Calina
Pampero Way
Yahm Ct
Calla Fresca
Via Vw
Loren Way
Bruce Ln
Calle Fresca Way
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Via de Los Arboles
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Via Verano
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Cll Cordura
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Esplendida Way
Delgado Way
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Ladera Vista Dr
Parado del Sol Dr
Santa Anita Dr
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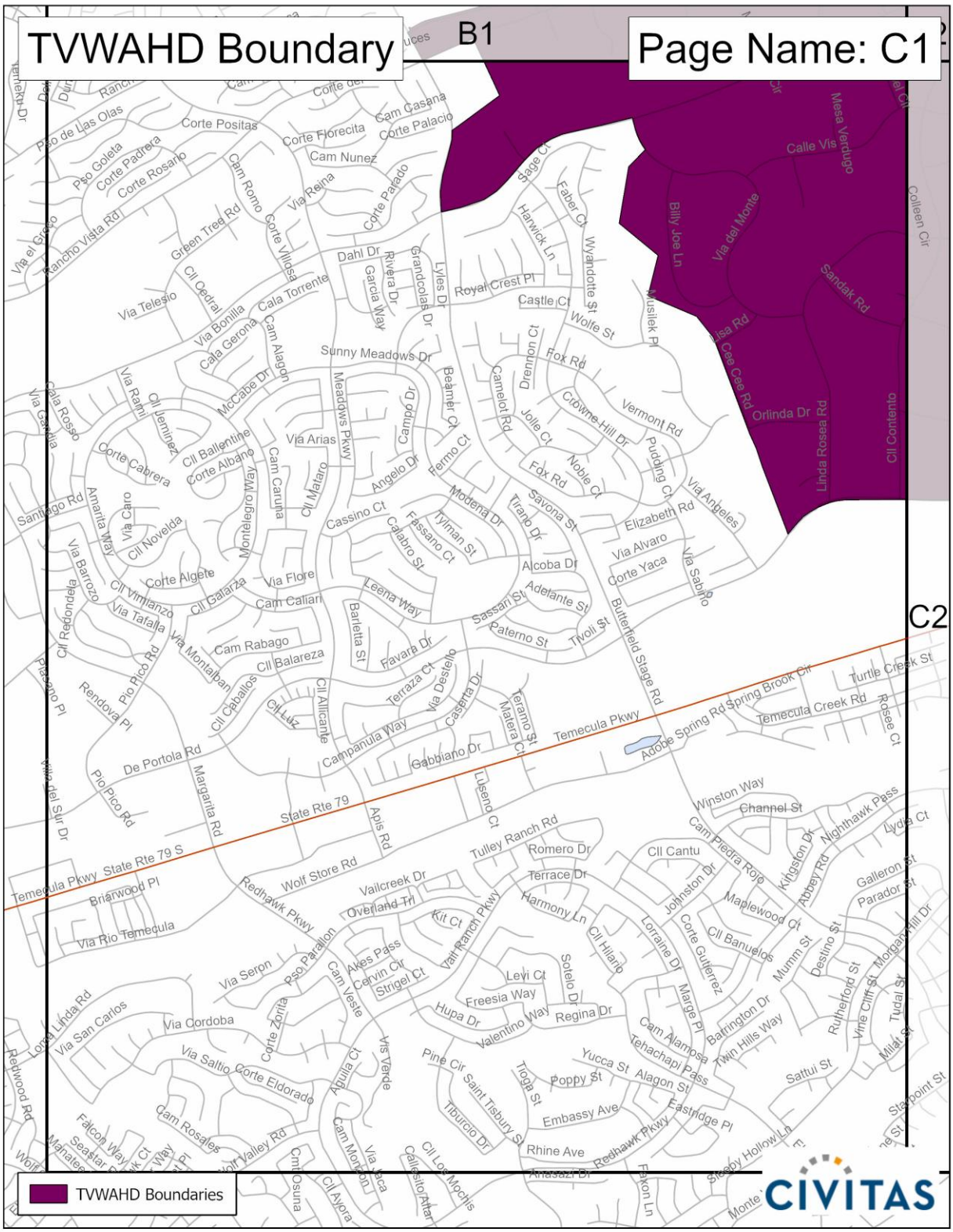
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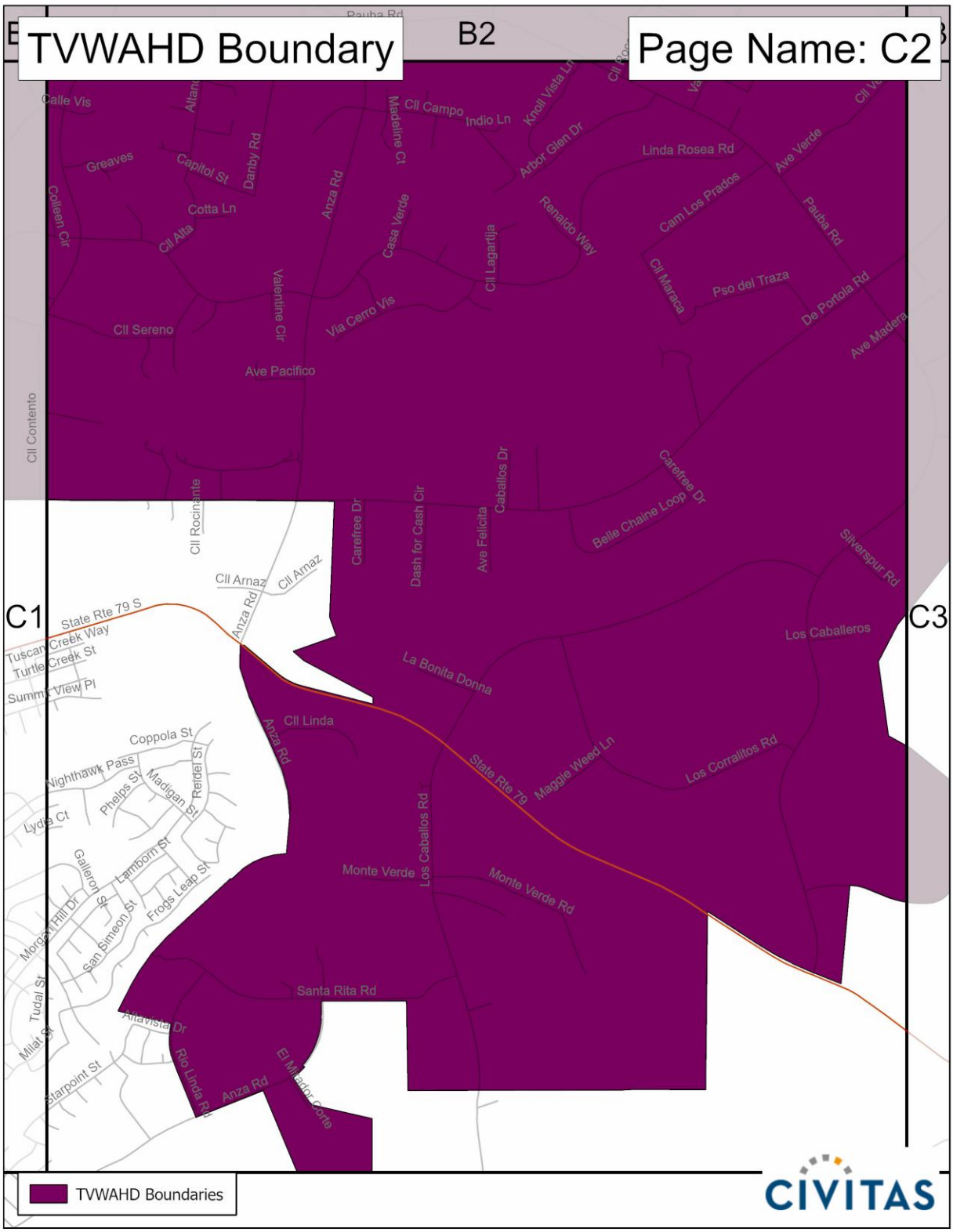
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Linda Rosea Rd
Ave Verde
Colleen Cir
Cotta Ln
Cll Alta
Anza Rd
Casa Verde
Renaldo Way
Cam Los Prados
Pauba Rd
Cll Lagartija
Cll Maraca
Pso del Traza
De Portola Rd
Ave Madera
Valentine Cir
Via Cerro Vis
Cll Sereno
Ave Pacifico
Cll Contento
Cll Rocinante
Carefree Dr
Dash for Cash Cir
Ave Felicita
Caballos Dr
Belle Chaine Loop
Silverspur Rd
Cll Arnaz
State Rte 79 S
Tuscan Creek Way
Turtle Creek St
Summit View Pl
Los Caballeros
La Bonita Donna
Cll Linda
Coppola St
Nighthawk Pass
Phelps St
Madigan St
Reidel St
Lydia Ct
Galleron St
Lamborn St
Frogs Leap St
San Simeon St
Morgan Hill Dr
Tudal St
Milat St
Starpoint St
State Rte 79
Maggie Weed Ln
Los Corralitos Rd
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TVWAHD Boundaries
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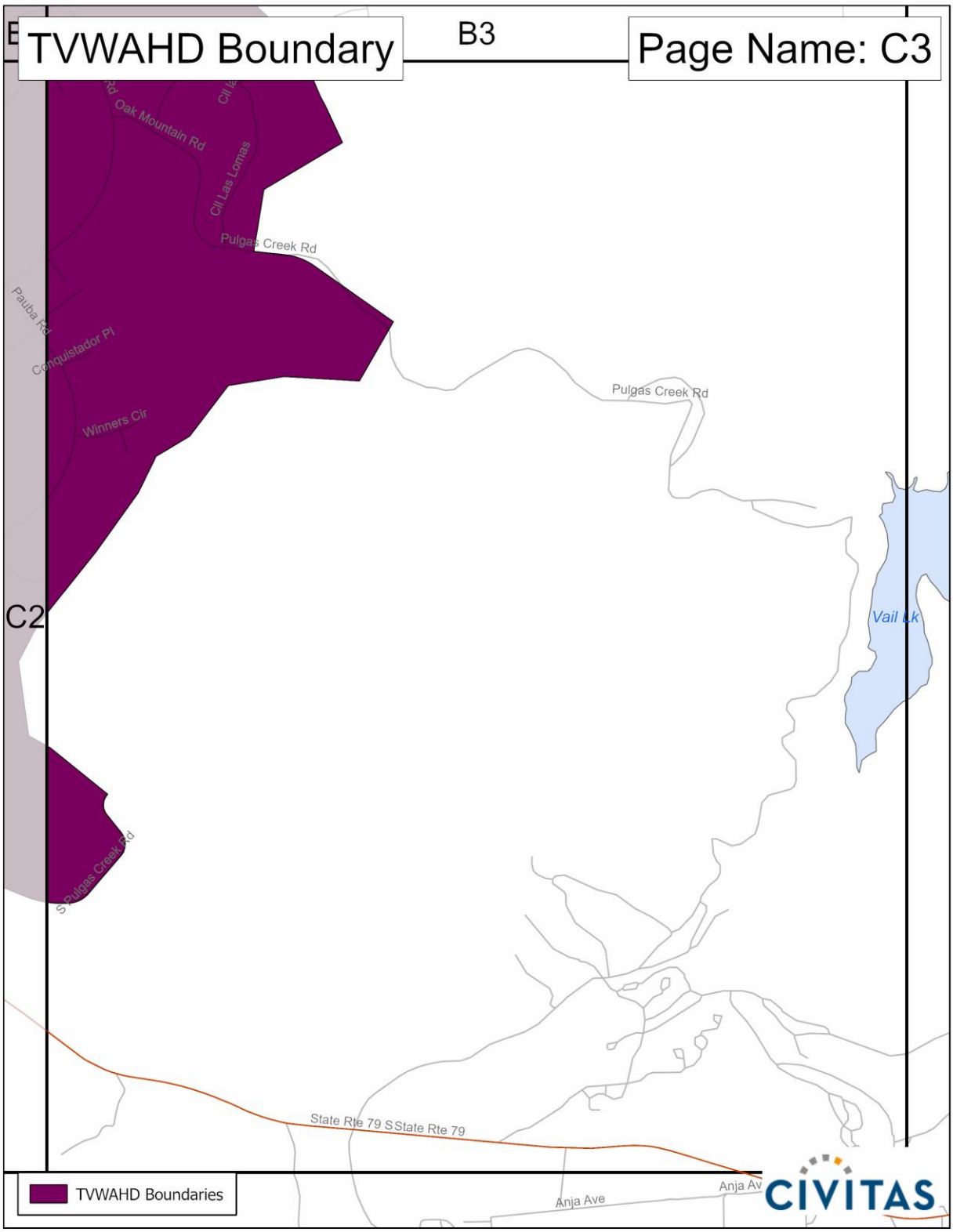
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Conquistador Pl
Winners Cir
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C2
Vail Lk
S Pulgas Creek Rd
State Rte 79 S State Rte 79
Anja Ave
Anja Av
TVWAHD Boundaries
CIVITAS