

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and HdL Companies NC with an address at 120 S. State College Blvd, Suite 200 Brea, CA 92821 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

WHEREAS, COUNTY has formed the Santa Barbara County Wine Improvement District (SBCWID), and desires to retain the services of CONTRACTOR to collect SBCWID assessments from the assessed businesses; and

WHEREAS, the COUNTY has designated the Santa Barbara County Vintners' Association (SBCVA) as the Owners' Association for the SBCWID; and

WHEREAS, CONTRACTOR represents that it is specially trained, skilled, experienced, and competent to perform the special services required by COUNTY and COUNTY desires to retain the services of CONTRACTOR pursuant to the terms, covenants, and conditions herein set forth;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. DESIGNATED REPRESENTATIVE

Brittany Odermann at phone number 805-568-3400 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Joshua Davis at phone number 559-259-7589 is the authorized representative for CONTRACTOR. Changes in designated representatives shall be made only after advance written notice to the other party.

2. NOTICES

Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery, email, or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To COUNTY: Brittany Odermann
 bodermann@countyofsb.org
 County of Santa Barbara Executive Office
 105 E Anapamu, Suite 406
 Santa Barbara, CA 93101

To CONTRACTOR: Joshua Davis
 VP of Tax and Fee Administration
 jdavis@hdlcompanies.com
 120 S. State College Blvd, Suite 200
 Brea, CA 92821

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

3. SCOPE OF SERVICES

CONTRACTOR agrees to provide services to COUNTY in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. TERM

CONTRACTOR shall commence performance on April 1, 2025 and end performance upon completion, but no later than June 30, 2030 unless otherwise directed by COUNTY or unless earlier terminated.

5. COMPENSATION OF CONTRACTOR

In full consideration for CONTRACTOR's services, CONTRACTOR shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT A attached hereto and incorporated herein by reference.

6. INDEPENDENT CONTRACTOR

It is mutually understood and agreed that CONTRACTOR (including any and all of its officers, agents, and employees), shall perform all of its services under this Agreement as an independent contractor as to COUNTY and not as an officer, agent, servant, employee, joint venturer, partner, or associate of COUNTY. Furthermore, COUNTY shall have no right to control, supervise, or direct the manner or method by which CONTRACTOR shall perform its work and function. However, COUNTY shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions hereof. CONTRACTOR understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CONTRACTOR shall be solely responsible and save COUNTY harmless from all matters relating to payment of CONTRACTOR's employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, CONTRACTOR may be providing services to others unrelated to the COUNTY or to this Agreement.

7. STANDARD OF PERFORMANCE

CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR delivers to COUNTY pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at COUNTY'S request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. DEBARMENT AND SUSPENSION

CONTRACTOR certifies to COUNTY that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or county government contracts. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.

9. TAXES

CONTRACTOR shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. COUNTY shall not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

10. CONFLICT OF INTEREST

CONTRACTOR covenants that CONTRACTOR presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR. CONTRACTOR must promptly disclose to COUNTY, in writing, any potential conflict of interest. COUNTY retains the right to waive a conflict of interest disclosed by CONTRACTOR if COUNTY determines it to be immaterial, and such waiver is only effective if provided by COUNTY to CONTRACTOR in writing.

11. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

COUNTY shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CONTRACTOR shall not release any of such items to other parties except after prior written approval of COUNTY.

Unless otherwise specified in Exhibit A, CONTRACTOR hereby assigns to COUNTY all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by CONTRACTOR pursuant to this Agreement (collectively referred to as "Copyrightable Works and Inventions"). COUNTY shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions. CONTRACTOR agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. CONTRACTOR warrants that any Copyrightable Works and Inventions and other items provided under this Agreement will not infringe upon any intellectual property or proprietary rights of any third party. CONTRACTOR at its own expense shall defend, indemnify, and hold harmless COUNTY against any claim that any Copyrightable Works or Inventions or other items provided by CONTRACTOR hereunder infringe upon intellectual or other proprietary rights of a third party, and CONTRACTOR shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by COUNTY in connection with any such claims. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of this Agreement.

12. NO PUBLICITY OR ENDORSEMENT

CONTRACTOR shall not use COUNTY's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. CONTRACTOR shall not use COUNTY's name or logo in any manner that would give the appearance that the COUNTY is endorsing CONTRACTOR. CONTRACTOR shall not in any way contract on behalf of or in the name of COUNTY. CONTRACTOR shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the COUNTY or its projects, without obtaining the prior written approval of COUNTY.

13. COUNTY PROPERTY AND INFORMATION

All of COUNTY's property, documents, and information provided for CONTRACTOR's use in connection with the services shall remain COUNTY's property, and CONTRACTOR shall return any such items whenever requested by COUNTY and whenever required according to the Termination section of this Agreement. CONTRACTOR may use such items only in connection with providing the services. CONTRACTOR shall not disseminate any COUNTY property, documents, or information without COUNTY's prior written consent.

14. RECORDS, AUDIT, AND REVIEW

CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting principles. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR shall be subject to the examination and audit of the California State Auditor, at the request of the COUNTY or as part of any audit of the COUNTY, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). CONTRACTOR shall participate in any audits and reviews, whether by COUNTY or the State, at no charge to COUNTY.

If federal, state or COUNTY audit exceptions are made relating to this Agreement, CONTRACTOR shall reimburse all costs incurred by federal, state, and/or COUNTY governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from COUNTY, CONTRACTOR shall reimburse the amount of the audit exceptions and any other related costs directly to COUNTY as specified by COUNTY in the notification.

15. INDEMNIFICATION AND INSURANCE

CONTRACTOR agrees to the indemnification and insurance provisions as set forth in EXHIBIT C attached hereto and incorporated herein by reference.

16. NONDISCRIMINATION

COUNTY hereby notifies CONTRACTOR that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CONTRACTOR agrees to comply with said ordinance.

17. **NONEXCLUSIVE AGREEMENT**

CONTRACTOR understands that this is not an exclusive agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CONTRACTOR as the COUNTY desires.

18. **NON-ASSIGNMENT**

CONTRACTOR shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

19. **TERMINATION**

A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience, for nonappropriation of funds, or because of the failure of CONTRACTOR to fulfill the obligations herein.

1. **For Convenience.** COUNTY may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, CONTRACTOR shall, as directed by COUNTY, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on COUNTY from such winding down and cessation of services.
2. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or COUNTY governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then COUNTY will notify CONTRACTOR of such occurrence and COUNTY may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.
3. **For Cause.** Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services affected (unless the notice directs otherwise) and notify COUNTY as to the status of its performance. The date of termination shall be the date the notice is received by CONTRACTOR, unless the notice directs otherwise.

B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this Agreement if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.

C. Upon termination, CONTRACTOR shall deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process, except such items as COUNTY may, by written permission, permit CONTRACTOR to retain. Notwithstanding any other payment provision of this Agreement, COUNTY shall pay CONTRACTOR for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such

financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not affect any right or remedy which COUNTY may have in law or equity.

20. SECTION HEADINGS

The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

21. SEVERABILITY

If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

22. REMEDIES NOT EXCLUSIVE

No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

23. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and each covenant and term is a condition herein.

24. NO WAIVER OF DEFAULT

No delay or omission of COUNTY to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

25. ENTIRE AGREEMENT AND AMENDMENT

In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

26. SUCCESSORS AND ASSIGNS

All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

27. COMPLIANCE WITH LAW

CONTRACTOR shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of

competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY is a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

28. CALIFORNIA LAW AND JURISDICTION

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

29. EXECUTION OF COUNTERPARTS

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

30. AUTHORITY

All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CONTRACTOR hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

31. SURVIVAL

All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

32. PRECEDENCE

In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

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Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **HdL Companies NC**

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

COUNTY OF SANTA BARBARA:

By: _____
Deputy Clerk

By: _____
Chair, Board of Supervisors

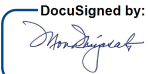
Date: _____

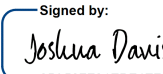
RECOMMENDED FOR APPROVAL:

County Executive Office

CONTRACTOR:

HdL Companies NC

By:  _____
41846E5C725B460
Department Head

By:  _____
65A507F31EBF4E7
Authorized Representative


Name: Joshua Davis
Vice-President of Tax and Fee
Title: Administration

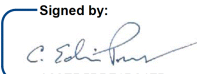
APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy M. Schaffer, CPA
Auditor-Controller

By:  _____
A97566BDC50FF4D0...
Deputy County Counsel

By:  _____
A99ED5BD71D04EB
Deputy

APPROVED AS TO FORM:

Greg Milligan, ARM
Risk Manager


By:  _____
05E555F00269466
Risk Management

EXHIBIT A SCOPE OF SERVICES

CONTRACTOR will provide the following services related to the SBCWID.

CONTRACTOR shall serve as the collection agency as described in the SBCWID Management District Plan (MDP), attached as Exhibit B. CONTRACTOR will be responsible for collecting the assessments on a quarterly basis (including any delinquencies, overdue charges and interest) from each wine tasting facility located in each jurisdiction within the SBCWID. CONTRACTOR shall take all reasonable efforts to collect the assessments from each wine tasting facility. CONTRACTOR shall forward the assessments collected to the Santa Barbara County Vintners Association (SBCVA), minus the fees due to CONTRACTOR under this Agreement. Notwithstanding the foregoing, in the event of any claim or litigation related to the SBCWID, the COUNTY may direct CONTRACTOR to impound SBCWID assessment funds to be used to fulfill the SBCVA obligations under Exhibit C of the agreement between COUNTY and SBCVA.

1. Collection and Administration Services

- 1.1. Establish and maintain database of assessed businesses.
- 1.2. Receive and process assessments and payments in a timely fashion.
- 1.3. Provide businesses multiple options for submitting assessment returns, payments, or support requests (including via website, email, mail, phone, and fax. CONTRACTOR specialists will be available for live interactions Monday through Friday, 8:00am to 5:00pm Pacific).
- 1.4. Remit a detailed report to COUNTY and SBCVA outlining revenue and fees on a monthly basis.
- 1.5. Remit revenue to SBCVA, or as otherwise directed by COUNTY, no less than monthly.

2. Compliance Services: A) Identify and register businesses which are subject to assessment, B) collect known debt as pertains to unpaid assessments, overdue charges and interest, and C) identify under-reported assessment liability.

2.1. Debt Collection Services

- i. Identify businesses subject to SBCWID assessments that have known debt and have failed to pay within an appropriate time frame.
- ii. Notify businesses of their options to comply or dispute their non-compliant status.
- iii. Provide businesses with detailed invoicing and options to pay via website, mail and phone.
- iv. Remit revenue to SBCVA, or as otherwise directed by COUNTY, no less than monthly.

2.2. Audit Services

- i. Identify potential under-reporting and/or misclassified businesses.
- ii. Audit businesses mutually agreed to by COUNTY and CONTRACTOR that are identified as potential under-reporting businesses.

- iii. Submit audit summaries to COUNTY and SBCVA and discuss further actions.
- iv. Educate businesses on proper reporting practices.
- v. Invoice and collect identified delinquencies.

FEES

3. Collection and Administration Services

- 3.1. Fees for performing Collection and Administration Services shall be 2% of all revenue collected.
- 3.2. Fees related to travel and lodging expenses are billed at cost and apply to all meetings (including implementation, training, operations and support). Travel expenses only apply to out-of-scope travel and must therefore be pre-approved by COUNTY.
- 3.3. Fees will be invoiced quarterly to COUNTY for Services performed during the prior quarter. Fees will be netted out of the monthly revenue disbursement to SBCVA.

4. Compliance Services

- 4.1. Fees for performing Compliance Services apply to all monies received for the current assessment period and any other period collected (including monies received for assessments, overdue charges, and interest).
 - i. Fees for performing Debt Collection Services shall be a contingency Fee of 25% of the revenues received as a result of the Debt Collection Services.
 - ii. Fees for performing Audit Services shall be a contingency Fee of 40% of the revenues received as a result of the Audit Services.
- 4.2. Fees related to travel and lodging expenses are billed at cost and applied to all meetings (including implementation, training, operations, and support). Travel expenses only apply to out-of-scope travel and must therefore be pre-approved by COUNTY.
- 4.3. Fees will be invoiced monthly to COUNTY for Services performed during the prior month. Fees will be netted out of the monthly revenue disbursement to SBCVA.

5. Confidentiality of Information

Section 7056 of the State of California Revenue and Taxation Code (“R&T Code”) specifically limits the disclosure of confidential taxpayer information contained in the records of the CDTFA. Section 7056 specifies the conditions under which a city, county or district may authorize persons other than such city, county or district’s officers and employees to examine state sales and use tax records.

The following conditions specified in Section 7056(b)(1) of the State of California R&T Code are hereby made part of this Agreement:

- 5.1 CONTRACTOR is authorized by the Agreement to examine sales, use or transactions and use tax records of the CDTFA provided to COUNTY pursuant to contract under the Bradley-Burns Uniform Local Sales And Use Tax Law R&T Code Section 7200 et seq. or the Transactions and Use Tax Law (Part 1.6, commencing with Section 7251).
- 5.2 CONTRACTOR is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of COUNTY who is authorized by COUNTY resolution to examine the information.
- 5.3 CONTRACTOR is prohibited from performing consulting services for a retailer (as defined in R&T Code Section 6015), during the term of this Agreement.
- 5.4 CONTRACTOR is prohibited from retaining the information contained in or derived from those sales, use or transactions and use tax records after this Agreement has expired. Information obtained by examination of the CDTFA records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the COUNTY as set forth by resolution adopted pursuant to Section 7056(b) of the Revenue and Taxation Code. The resolution shall designate the CONTRACTOR as a person authorized to examine sales and use tax records and certify that this Agreement meets the requirements set forth above and in Section 7056(b)(1) of the Revenue and Taxation Code.

Exhibit B
SBCWID Management District Plan

2025-2030



**SANTA BARBARA COUNTY WINE IMPROVEMENT 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 26, 2024

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Prepared by
Civitas



I. OVERVIEW

Developed by Santa Barbara County wine tasting facilities and the Santa Barbara County Vintners Association (SBCVA), a non-profit organization, and the County of Santa Barbara, the Santa Barbara County Wine Improvement District (SBCWID) is an assessment district proposed to provide specific benefits to payors, by funding promotions & engagement efforts with the goal to advance assessed businesses in Santa Barbara County. This approach has been used successfully in other wine regions throughout the country to provide the benefit of driving increased business sales directly to payors.

Location: The SBCWID includes all wine tasting facilities, existing and in the future, located within the boundaries of the County of Santa Barbara (County), which includes the unincorporated areas of the County, and the cities of Carpinteria, Santa Barbara, Goleta, Solvang, Buellton, Lompoc, Santa Maria, and Guadalupe, as shown on the map in Section III.

Services: The SBCWID is designed to provide specific benefits directly to payors by increasing wine tasting facility sales and revenue therefrom. Promotions & engagement will promote assessed wine tasting facilities in the SBCWID to increase wine tasting facility sales revenue.

Budget: The total SBCWID annual assessment budget for the initial year of its five (5) year operation is anticipated to be approximately \$1,650,000. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as sales do and as businesses open and close.

Cost: The annual assessment rate is one percent (1%) of gross sales revenue of assessed wine tasting facilities. Based on the benefit received, assessments will not be collected on purchases made outside of the state of California or purchases made pursuant to contracts executed prior to April 1, 2025. Revenue generated from the SBCWID is intended only to provide programs and services for assessed businesses, 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. Assessment dollars will not be spent on any programs or activities to benefit individual wine tasting facilities outside of the state of California. Assessment dollars may be spent outside of California to elevate the notoriety of the Santa Barbara County as a premier winery destination with the desired outcome of increased in-person visitation to businesses 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 assessed wine tasting facility located in the boundaries of the SBCWID. The third-party collection agency shall take all reasonable efforts to collect the assessments from each assessed wine tasting facility.

Duration: The SBCWID will have a five (5) year life, beginning on April 1, 2025 or as soon as possible thereafter, and ending five (5) years from the start date. After five (5) years, the SBCWID 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 business owners support continuing the SBCWID programs.

Management: The SBCVA will serve as the Owners' Association to provide improvements and activities for the SBCWID. The Owners' Association must provide an annual report on activities and expenditures to the County, which is also available to assessed business owners.

II. BACKGROUND

Wine Improvement Districts 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.

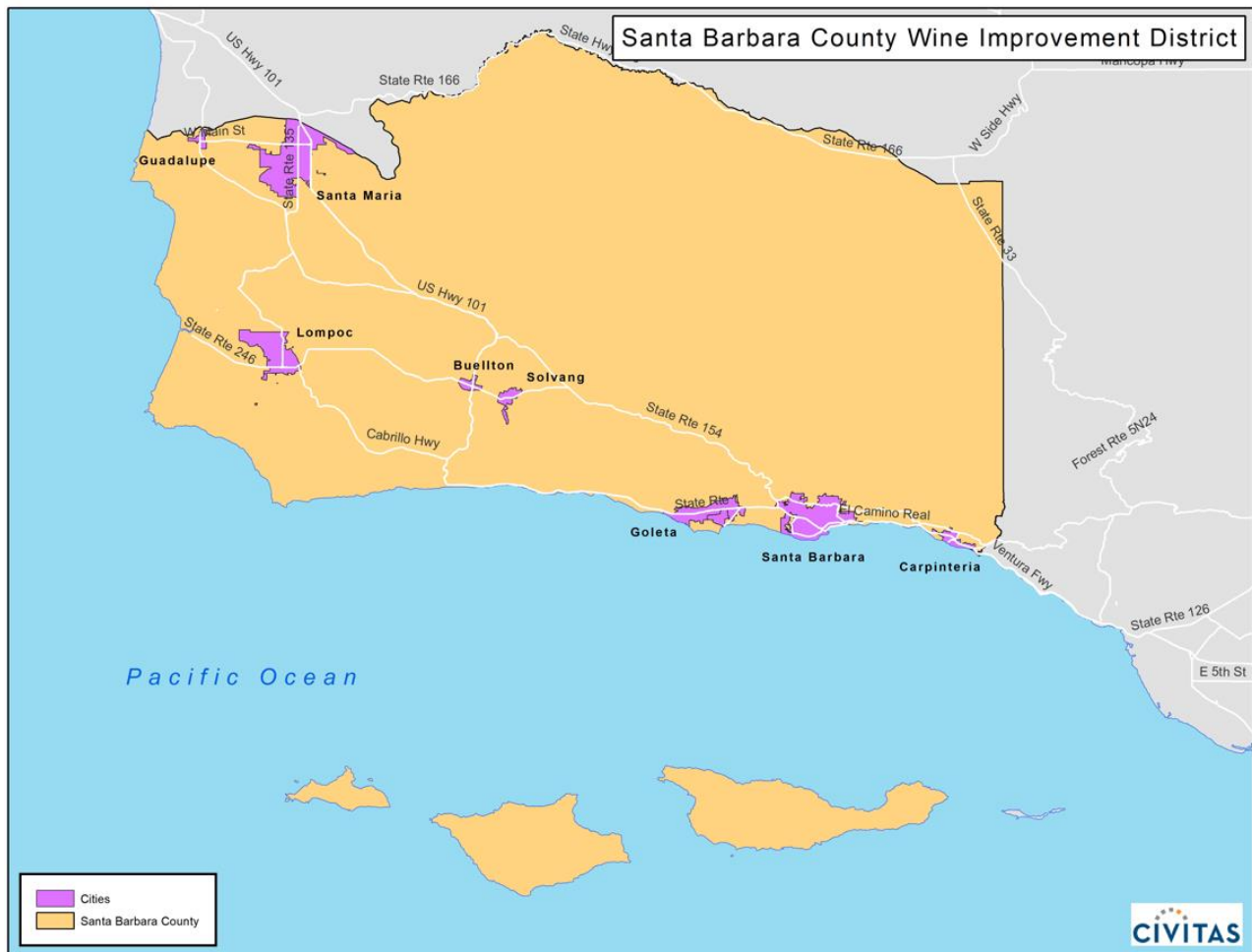
The 94 Law is provided in Appendix 1 of this document.

III. BOUNDARY

The SBCWID will include all wine tasting facilities, existing and in the future, located within the boundaries of the County, which includes the unincorporated areas of the County, and the cities of Carpinteria, Santa Barbara, Goleta, Solvang, Buellton, Lompoc, Santa Maria, and Guadalupe, as shown on the map below.

Wine tasting facility means: A business, primarily used for the retail marketing and sales of wine and related goods, open to all settings at which wine and related goods can be sold, including but not limited to: publicly available settings, by appointment only reservations, private and exclusive tastings, or other public or private events where wine and related goods may be sold. Wine tasting facility includes, but is not limited to, vineyard locations with onsite tastings, hospitality and retail rooms on site at producing wineries, and stand-alone tasting rooms in commercial areas. All wine tasting facilities must possess a 02 Department of Alcohol Beverage Control license.

A complete listing of assessed wine tasting facilities within the SBCWID can be found in Appendix 2.



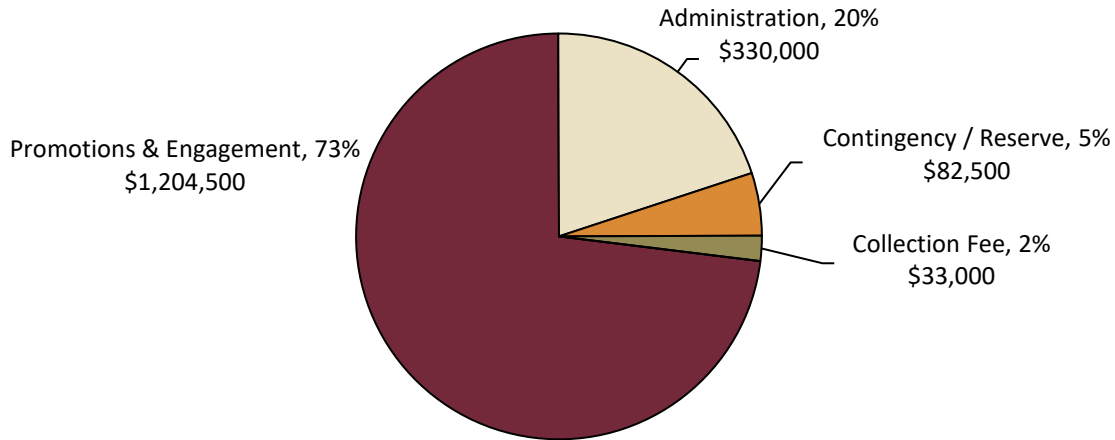
IV. ASSESSMENT BUDGET AND SERVICES

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. The privileges and services provided with the SBCWID funds are promotions & engagement available only to assessed businesses.

A service plan assessment budget has been developed to deliver services that benefit the assessed businesses. A detailed annual assessment budget will be developed and approved by SBCVA. 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 \$1,650,000.

Initial Annual Assessment Budget - \$1,650,000



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the assessment budget shall remain the same. However, the County and the SBCVA board shall have the authority to adjust budget allocations between the categories by no more than twenty percent (20%) 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 SBCWID and/or the County, any and all assessment funds may be used for the costs of defending the SBCWID and/or the County. The costs of creating the SBCWID may be repaid to SBCVA reserves by deducting repayment funds proportionally from budget categories.

Each budget category includes all costs related to providing that service. For example, the promotions & engagement budget includes the cost of staff time dedicated to overseeing and implementing the promotions & engagement program. Staff time dedicated purely to administrative tasks is allocated to the administration 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 Owners' Association on an as-needed basis.

Promotions & Engagement

The promotions & engagement program will promote Santa Barbara County as a premium winegrowing region and a premier global wine destination and leader in the global wine community. The promotions & engagement program will have a central theme of promoting Santa Barbara County as a desirable place to visit and a desirable area to purchase wines. The program has the goal of increasing visitation, retail sales at and recognition for assessed wine tasting facilities, and may include the following activities:

- Brand development initiatives to increase awareness and demand for assessed wine tasting facilities;
- Create innovative ways to deliver Santa Barbara County content to potential visitors to increase awareness and demand for assessed wine tasting facilities;
- Customer segmentation, market analysis, and other research to increase awareness and demand for wine tasting facilities;
- Digital marketing initiatives and campaigns to increase awareness and demand for wine tasting facilities;
- Maintain and optimize SBCountyWines.com, and Santa Barbara Vintners social media channels to showcase the breadth of reasons to visit the destination to increase awareness and demand for assessed wine tasting facilities;
- Festivals and events to increase demand for Santa Barbara County wine from assessed wine tasting facilities;
- Support education regarding cultivation practices, water management, vineyard management, and other viticulture practices for assessed wineries;
- Support education amongst assessed wineries to cultivate wine expertise and community among assessed wineries’
- Educational workshops for assessed wine tasting facilities to increase visitation and sales as assessed wine tasting facilities; and
- Developing and implementing crisis communication plans during disaster events within the SBCWID.

The Owners’ Association will also build and maintain relationships with County and City governments to educate local leaders on issues that impact assessed wine tasting facilities, while refraining from activities that seek to influence legislation. Education and engagement will include collaboration with the County Planning Commission, Board of Supervisors, Farm Bureau, and Department of Agriculture, as well as City Councils.

Administration and Operations

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

A portion of the budget may be used to cover the cost of a third-party to audit the SBCWID assessment funds as well as businesses paying the SCBWID assessment. The results of the audit shall be made available to the County, SBCVA, and businesses paying the SBCWID assessment.

Collection Fee

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

Contingency / Reserve

The budget includes a contingency line item to account for lower than anticipated assessments or higher than expected program costs. If there are contingency funds collected, they may be held in a reserve fund or utilized for other programs, administration, or renewal costs at the discretion of the Owners’ Association. 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 Owners’ Association. Contingency/reserve funds may be spent on SBCWID programs or administrative and renewal costs in such proportions as determined by the Owners’ Association. The reserve fund may be used for the costs of renewing the SBCWID.

B. Annual Budget

The total five (5) year assessment budget is projected at approximately \$1,650,000 annually, or approximately \$8,250,000 through 2030. This amount may fluctuate as sales do and as wine tasting facilities open and close.

C. California Constitutional Compliance

The SBCWID 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 SBCWID 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 SBCWID, 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 businesses, and are intended only to provide benefits and services directly to those businesses 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 businesses within SBCWID. The activities described in this Plan are specifically targeted to increase sales for assessed wine tasting facilities within the boundaries of the SBCWID, and are narrowly tailored. SBCWID 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 wine tasting facilities in SBCWID programs, or to directly generate sales for non-assessed wine tasting facilities. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed wine tasting facilities.

The assessment imposed by this SBCWID 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 wine tasting facility sales revenue. The specific benefit of an increase in sales revenue for assessed wine tasting facilities will be provided only to wine tasting facilities paying the district assessment, with promotions & engagement promoting wine tasting facilities paying the SBCWID assessment. The promotions & engagement programs will be designed to increase sales revenue at each assessed wine tasting facility. Because they are necessary to provide the promotions & engagement that specifically benefit the assessed wine tasting facilities, the administration and

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)

contingency services also provide the specific benefit of increased sales revenue to the wine tasting facilities.

Although the SBCWID, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, 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

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 promotions & engagement services like those to be provided by the SBCWID are government services within the meaning of Proposition 26⁵. 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

SBCWID 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 SBCVA, and reports submitted on an annual basis to the County. Only assessed wine tasting facilities will be featured in marketing materials, receive sales leads generated from SBCWID-funded activities, be featured in advertising campaigns, and benefit from other SBCWID-funded services. Non-assessed wine tasting facilities will not receive these, nor any other, SBCWID-funded services and benefits.

D. Assessment

The annual assessment rate is one percent (1%) of gross sales revenue of assessed wine tasting facilities. Based on the benefit received, assessments will not be collected on purchases made outside of the state of California or purchases made pursuant to contracts executed prior to April 1, 2025. Revenue generated from the SBCWID is intended only to provide programs and services for assessed wine tasting facilities, 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. Assessment dollars will not be spent on any programs or activities to benefit individual wine tasting facilities outside of the state of California. Assessment dollars may be spent outside of California to elevate the notoriety of the San Barbara County as a premier winery destination with the desired outcome of increased in-person visitation to business paying the assessment.

The assessment was calculated based on the total cost of the activities to be provided for the benefit of the businesses within the SBCWID with costs allocated based on the proportional benefit conferred to each business. Activities funded by the SBCWID are specifically targeted to increase wine tasting facility sales revenue at assessed businesses. All wine tasting facility sales do not represent the same benefit to the payors. For example, a higher priced wine tasting facility is of greater benefit than a

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

lower priced wine tasting facility 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 businesses with higher priced wine tasting facility sales.

The term “gross sales revenue” as used herein means: all direct-to-consumer (DTC) sales of 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 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 wine tasting facility. However, the assessed wine tasting facility 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 business. If the SBCWID assessment is identified separately it shall be disclosed as the “Wine Preserve Assessment.” The assessment is imposed solely upon, and is the sole obligation of the assessed wine tasting facility 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 assessments on items where state sales tax is levied. In light of CDTFA’s opinion, businesses that pay both state sales tax and SBCWID assessments on sales are advised to collect sales tax on the assessment revenue.

Bonds shall not be issued.

E. Overdue Charges and Interest

The SBCWID shall reimburse the third party collection agency for any costs associated with collecting unpaid assessments.

1. Original Delinquency

Any wine tasting facility 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 wine tasting facility 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 the third-party collection agency determines that the nonpayment of any remittance due under this article 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 wine tasting facility who fails to remit any assessment imposed by this section shall pay interest at the rate of one-quarter of one percent (0.25%) 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 SBCWID assessment will be implemented beginning April 1, 2025, or as soon as possible thereafter, and continuing for five (5) years from the start date. A third-party collection agency will be responsible for collecting the assessment on a quarterly basis (including any delinquencies, overdue charges and interest) from each wine tasting facility located in each jurisdiction within the SBCWID. A third-party collection agency shall take all reasonable efforts to collect the assessments from each wine tasting facility. A third-party collection agency shall forward the assessments collected to the Owners' Association.

V. GOVERNANCE

A. Owners' Association

Pursuant to Streets and Highways Code §36651, the MDP may identify the body that shall implement the proposed program, which shall be the Owners' Association as defined in Streets and Highways Code §36612. The SBCVA will serve as the Owners' Association for the SBCWID.

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 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 SBCVA shall present an annual report at the end of each year of operation to the 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

*** THIS DOCUMENT IS CURRENT THROUGH THE 2023 EXTRA SESSION CH 1, 2023 REGULAR SESSION CH. 890***
(ALL 2023 LEGISLATION)

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” [Effective January 1, 2023]

(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 the 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 improvised 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 assesses 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	Site Address	City	State Zip
A Tribute To Grace	762 Main St	Los Alamos	Ca 93440
A Tribute To Grace Wine Company	9050 San Antonio Rd	Orcutt	Ca 93455
A Tribute To Grace Wine Company	490 Bell St #5	Los Alamos	Ca 93440
Aether Wine Company	9050 San Antonio Rd	Orcutt	Ca 93455
Alapay Cellars	2115 S Blosser Rd; Ste 125-126	Santa Maria	Ca 93458-7303
Alexander & Wayne	2922 Grand Ave Steh	Los Olivos	Ca 93441
Allan Hancock College Viticulture & Enology Foundation	800 S College Dr; Rm 211 Bldg O	Santa Maria	Ca 93454-6399
Alma Rosa Winery Vineyards	7250 Santa Rosa Rd	Buellton	Ca 93427
Amada Cellars	490 Bell St Ste4	Los Alamos	Ca 93440
Amber Rose	140 Industrial Way	Buellton	Ca 93427-9507
Amevive	2075 Vineyard View Ln	Lompoc	Ca 93436
Ampelos Cellars	4305 W Central Ave	Lompoc	Ca 93436
Amplify Wines	5428 Presquile Dr	Santa Maria	Ca 93455-5807
Andrew Murray Vineyards	2901 Grand Ave	Los Olivos	Ca 93441
Andrew Murray Vineyards	5095 Zaca Station Rd	Los Olivos	Ca 93441
Arcadian Winery	4457 Santa Rosa Rd Ste2	Lompoc	Ca 93436
Area 5.1 Orgullo Wines	137 Anacapa St Ste B	Santa Barbara	Ca 93101-1849
Arthur Earl	2922 Grand Ave	Los Olivos	Ca 93441
Artiste Winery	2948 Grand Ave Steb	Los Olivos	Ca 93441
Ashkahn Wines	100 Los Padres Way Ste 7	Buellton	Ca 93427-9580
Attic Salt Wine Company	2446 Alamo Pintado Rd Steb	Los Olivos	Ca 93441
Au Bon Climat Lie	4665 Santa Maria Mesa Rd	Santa Maria	Ca 93454
Au Bon Climat Lie	4665a Santa Maria Mesa Rd	Santa Maria	Ca 93454
Axel Wines	3676 Tivola St Unit2	Santa Ynez	Ca 93460
Babcock Winery & Vineyards	5175 E Highway 246	Lompoc	Ca 93436
Ballard Canyon Peak	5069 Presquile Dr	Santa Maria	Ca 93455-5807
Baltazar Family Wines	1251 W Laurel Ave Units 9 - 13	Lompoc	Ca 93436-5157
Barbaire Wine Company	2369 Alamo Pintado Ave	Los Olivos	Ca 93441
Beckmen Vineyards	2670 Ontiveros Rd	Los Olivos	Ca 93441
Bedford Thompson Winery & Vin	448 Bell St	Los Alamos	Ca 93440
Bella Cavalli Farms & Winery	201 Industrial Way Ste D	Buellton	Ca 93427-9570
Bella Cavalli Farms & Winery	90 Easy St	Buellton	Ca 93427-9566
Bella Cavalli Farms & Winery	959 E Highway 246	Solvang	Ca 93464
Bernat Vineyards And Winery	2650 Santa Ynez St	Santa Ynez	Ca 93460
Bien Nacido And Solomon Hills E	2963 Grand Ave	Los Olivos	Ca 93441
Blackjack Ranch	2205 Alamo Pintado Rd	Solvang	Ca 93463
Black Sheep Finds	1500 E Chestnut Ct; Ste f&G	Lompoc	Ca 93436
Blair Fox Cellars	2477 Alamo Pintado Rd	Los Olivos	Ca 93441
Bocce Ball Wine	90 Easy St	Buellton	Ca 93427-9566
Bonaccorsi Wine Company	4665 Santa Maria Mesa Rd # A	Santa Maria	Ca 93454-9638

Bradley Family Winery	92 2nd St Ste C & D	Buellton	Ca 93427-9470
Brander Vineyard	2401 N Refugio Rd	Santa Ynez	Ca 93460
Brave & Maiden Estate	9050 San Antonio Rd	Orcutt	Ca 93455
Brave & Maiden Estate	645 N Refugio Rd	Santa Ynez	Ca 93460
Brewer Clifton	329 N F St	Lompoc	Ca 93436-6015
Brewer-Clifton	2367 Alamo Pintado Ave	Los Olivos	Ca 93441
Brick Barn Winery	795 W Highway 246	Buellton	Ca 93427
Bridlewood	3555 Roblar Ave	Santa Ynez	Ca 93460
Brouillard Vineyards & Winery, William Hines & Family, The Set	1501 E Chestnut Ave	Lompoc	Ca 93436-4901
Buscador Winery Llc	140 Industrial Way	Buellton	Ca 93427-9507
Buscador Winery Llc	84 Industrial Way Unit A	Buellton	Ca 93427-9567
Buttonwood Winery	1500 Alamo Pintado Rd	Solvang	Ca 93463
Buttonwood Winery And Vineyard	1500 Alamo Pintado Rd	Solvang	Ca 93463
Byron Vineyard & Winery	5250 Tepusquet Rd	Santa Maria	Ca 93454
C2 Cellars	9050 San Antonio Rd	Orcutt	Ca 93455
Ca Del Grevino	2933 Grand Ave Stea	Los Olivos	Ca 93441
Ca Del Grevino	2617 E Clark Ave	Santa Maria	Ca 93455
Cali Love Wine	92 2nd St Ste C & D	Buellton	Ca 93427-9470
Cali Love Wine	1651 Copenhagen Dr	Solvang	Ca 93463-3742
Calivence	2575 Park St	Los Olivos	Ca 93441
Cambria Winery / Nielson	5475 Chardonnay Ln	Santa Maria	Ca 93454
Camins 2 Dreams	1520 E Chestnut Ct Unit C-D	Lompoc	Ca 93436-4949
Carhartt Family Wines	2939 Grand Ave	Los Olivos	Ca 93441
Carhartt Vineyard & Winery	1541 Rancho Santa Ynez Rd	Los Olivos	Ca 93411
Carlson Wines	2330 Westgate Rd Ste 10 & 20	Santa Maria	Ca 93455-1018
Carr Winery	414 N Salsipuedes	Santa Barbara	Ca 93103-3127
Carr Winery Inc	3563 Numancia St	Santa Ynez	Ca 93460
Carucci Wines	2923 Grand Ave Stea	Los Olivos	Ca 93441
Casa Cassara Winery & Vineyard	65 Los Padres Way	Buellton	Ca 93427-9577
Casa Cassara Winery & Vineyard	1607 Mission Dr Ste 111 & 112	Solvang	Ca 93463-3651
Casa Dumetz	388 Bell St	Los Alamos	Ca 93440
Casita De Bravo	2401 N Refugio Rd	Santa Ynez	Ca 93460
Cebada Vineyard	4003 Forbidden Fruit Ln	Lompoc	Ca 93436
Central Coast Group Project The	53 Industrial Way	Buellton	Ca 93427-9565
Challen Winery	2330 Westgate Rd Ste 6	Santa Maria	Ca 93455-1018
Chanin Wine Company	300 N 12th St Unit 1c & 2c	Lompoc	Ca 93436-9426
Chesterfield Cellars	5330 Debbie Rd Ste 200	Santa Barbara	Ca 93111-4049
Chris Caruso Wines	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Cinque Stelle Winery	9050 San Antonio Rd	Orcutt	Ca 93455
Civilization Wine Company	321 N D St	Lompoc	Ca 93436-6118
Clendenen Lindquist Vintners	4665a Santa Maria Mesa Rd	Santa Maria	Ca 93454
Clusterfreak Wine Vintners Lie	9050 San Antonio Rd	Orcutt	Ca 93455
Coastal Cru Wines Inc	65 Los Padres Way Unit 8	Buellton	Ca 93427-9577
Colluvial Wines	2330 Westgate Rd Ste 9	Santa Maria	Ca 93455-1018

Colors Wine Cellars	2320 Thompson Way Ste F	Santa Maria	Ca 93455-1067
Conway Family Wines	35 & 70 Industrial Way	Buellton	Ca 93427-9565
Conway Family Wines	217 Stearns Wharf Ste G	Santa Barbara	Ca 93101-3582
Cool Hand Vineyards	2240 Santa Rosa Rd	Lompoc	Ca 93436
Coomber Family Ranch Wines	35 & 70 Industrial Way	Buellton	Ca 93427-9565
Coquelicot Estate Winery	330 Alisal Mesa Rd	Solvang	Ca 93463-2798
Cordon	1623 Mission Dr Ste I & J	Solvang	Ca 93463-2636
Costa De Oro Winery	1331 Nicholson Ave	Santa Maria	Ca 93454
Costa De Oro Winery	4665 Santa Maria Mesa Rd # A	Santa Maria	Ca 93454-9638
Cote Of Paint	55 Los Padres Way # 1	Buellton	Ca 93427-9581
Cotiere Winery	2330 Westgate Rd Ste 9	Santa Maria	Ca 93455-1018
Cottonwood Canyon	3940 Dominion Rd	Santa Maria	Ca 93454
Crawford Family Wines	92 2nd St Units G & H	Buellton	Ca 93427-9470
Crawford Family Wines	1661 Mission Dr	Solvang	Ca 93463-2632
Crosby Wine Co	84 Industrial Way Unit C	Buellton	Ca 93427-9567
Crosshatch Winery	1090 Edison St Ste103	Santa Ynez	Ca 93460
Crosshatch Winery	1090 Edison St Ste104	Santa Ynez	Ca 93460
Crown Point Vineyards	1733 Fletcher Way	Santa Ynez	Ca 93460
Crush It Wine Education	958 Cheltenham Rd	Santa Barbara	Ca 93105
D Alfonso Curran Wine Group	4457 Santa Rosa Rd Ste5	Lompoc	Ca 93436
Dana V Wines	57 Industrial Way	Buellton	Ca 93427-9565
Dana V Wines	59 Industrial Way	Buellton	Ca 93427-9565
Dark Water Winery	1591 & 1595 E Chestnut Ave Ste B	Lompoc	Ca 93436
Dascomb Cellars	1637 E Laurel Ave	Lompoc	Ca 93436-4915
Dascomb Cellars	1623 Mission Dr Ste E & F	Solvang	Ca 93463
Dave Phinney Lie / Bloodlines	2121 Alisos Rd	Santa Ynez	Ca 93460
Demetria Vineyards & Winery	6701 Foxen Canyon Rd	Santa Maria	Ca 93454
Dierberg Star Lane Vineyards	1280 Drum Canyon Rd	Lompoc	Ca 93436
Dierberg Star Lane Vineyards	2121 Alisos Rd	Santa Ynez	Ca 93460
Disko Wines	5230 Tepusquet Rd	Santa Maria	Ca 93454
Domaine Dafoe	2901 Grand Ave Unite	Los Olivos	Ca 93441
Domaine De La Cote	1503 E Chestnut Ave	Lompoc	Ca 93436-4901
Domaine De La Cote	1712 Industrial Way	Lompoc	Ca 93436-4970
Donnachadh	2938 San Marcos Ave Ste 101	Los Olivos	Ca 93441
Donnachadh Family Wines, Llc	5069 Presquile Dr	Santa Maria	Ca 93455-5807
Dovecote	9229 Alisos Canyon Rd	Los Alamos	Ca 93440
Dragonette Cellars	2445 Alamo Pintado Rd	Los Olivos	Ca 93441
Draughtsmen Aleworks	53 Santa Felicia Dr	Goleta	Ca 93117-2804
Draughtsmen Aleworks	1631 Mission Dr	Solvang	Ca 93463-2632
Dreamcote Wine Co	2933 San Marcos Ave Ste107	Los Olivos	Ca 93441
Dreamcote Wine Co	2121 Alisos Rd	Santa Ynez	Ca 93460
Dreamcote, Spoke Cider	417 Commerce Ct	Lompoc	Ca 93436-2811
Eislynn Wines	6701 Foxen Canyon Rd	Santa Maria	Ca 93454
El Oso De Oro	321 N D St	Lompoc	Ca 93436-6118
El Vinero	130 N Broadway St Stea	Orcutt	Ca 93455

Eleven Confessions	7007 Santa Rosa Rd	Buellton	Ca 93427
Entourage Wines	1251 W Laurel Ave Units 9-13	Lompoc	Ca 93436-5157
Fallen Grape	140 Industrial Way	Buellton	Ca 93427-9507
Fates' Lieutenant Llc	100 Los Padres Way Ste 7	Buellton	Ca 93427-9580
Feeley Wines	1603 Copenhagen Dr Ste 1	Solvang	Ca 93463-2700
Feliz Noche	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Fennell Family Wine Company	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Fess Parker Winery	2974 Grand Ave	Los Olivos	Ca 93441
Fiddlehead Cellars	1597 E Chestnut Ave	Lompoc	Ca 93436
Final Girl	100 Los Padres Way Ste 7	Buellton	Ca 93427-9580
Firestone Vineyard	5017 Zaca Station Rd	Los Olivos	Ca 93441
Flores Family Vineyards	140 Industrial Way	Buellton	Ca 93427-9507
Flying Goat Cellars	1251 W Laurel Ave Units 9-21	Lompoc	Ca 93436
Flying Goat Cellars	1520 E Chestnut Ct Ste A	Lompoc	Ca 93436-4949
Folded Hills	9050 San Antonio Rd	Orcutt	Ca 93455
Folded Hills	2121 Alisos Rd	Santa Ynez	Ca 93460
Folded Hills Farmstead	2323 Old Coast Hwy	Gaviota	Ca 93117
Foley Estate Vineyard & Winery	6121 E Highway 246	Lompoc	Ca 93436
Foley Estate Vineyard & Winery	1711 Alamo Pintado Rd	Solvang	Ca 93463-9712
Four Brothers Wine Co.	2935 Grand Ave Stea	Los Olivos	Ca 93441
Fox Wine Co	120 Santa Barbara St	Santa Barbara	Ca 93101-1819
Foxen Vineyard	7200 Foxen Canyon Rd	Santa Maria	Ca 93454
Frequency Wine Company	9110 Alisos Canyon Rd	Los Alamos	Ca 93440
Funk Zone Tasting Room	116 E Yanonali St Ste A	Santa Barbara	Ca 93101-1823
Future Perfect Wine	2933 San Marcos Ave Ste101	Los Olivos	Ca 93441
Future Perfect Wine	5775 Genuine Risk Rd	Santa Ynez	Ca 93460
Future Perfect Wine	2847 Santa Barbara Ave	Solvang	Ca 93463
Gainey Vineyard	2901 Grand Ave	Los Olivos	Ca 93441
Gaviota Coast Wines Llc	236 N F St & 304 E Chestnut Ave	Lompoc	Ca 93436-6014
Gleason Family Vineyards	3010 Roblar Ave	Santa Ynez	Ca 93460
Gleason Family Vineyards Robla	2990 Grand Ave Steb	Los Olivos	Ca 93441
Gogi Wines	4305 W Central Ave	Lompoc	Ca 93436
Gra Wine	2330 Westgate Rd Ste 9	Santa Maria	Ca 93455-1018
Grapevine Land Management	5250 Tepusquet Canyon Rd	Santa Maria	Ca 93454
Grassini Family Vineyards	5775 Genuine Risk Rd	Santa Ynez	Ca 93460
Grimms Bluff	2445 Alamo Pintado Ave Ste 102	Los Olivos	Ca 93441
Grimms Bluff	5069 Presquile Dr	Santa Maria	Ca 93455-5807
Habit Wine Company	5069 Presquile Dr	Santa Maria	Ca 93455-5807
Happy Canyon Vineyards	5050 Happy Canyon Rd	Santa Ynez	Ca 93460
Hideaway	2933 Grand Ave Stef	Los Olivos	Ca 93441
Hilt Estate The	2240 Santa Rosa Rd	Lompoc	Ca 93436
Hitching Post Wines	420 E Highway 246	Buellton	Ca 93427
Holus Bolus	2902 San Marcos Ave; Ste B	Los Olivos	Ca 93441
Imagine Wine	140 Industrial Way	Buellton	Ca 93427
Inception Wine	2643 Industrial Parkway	Santa Maria	Ca 93455

J. Dirt LLC	55 Los Padres Way # 1	BUELLTON	Ca 93427
Jaffurs Wine Cellars	819 E Montecito St	Santa Barbara	Ca 93103
Jalama Wines	321 N D ST	LOMPOC	Ca 93436
Jamie Slone Wines	4003 Forbidden Fruit Ln	Lompoc	Ca 93436
Jamie Slone Wines	4457 Santa Rosa Rd Ste 2	Lompoc	Ca 93436-9516
Jamie Slone Wines	23 E De La Guerra St	Santa Barbara	Ca 93101-2217
Jonata	73 Thomas Rd	Buellton	Ca 93427
Juliet Wines Incorporated	2121 Alisos Rd	Santa Ynez	Ca 93460
Kaena Wine Company	800 E Highway 246 Hwy	Buellton	Ca 93427
Kaena Wine Company	2670 Ontiveros Rd	Los Olivos	Ca 93441
Kaena Wine Company	2890 Grand Ave	Los Olivos	Ca 93441
Kalawashaq Wine Cellars	313 N F St	Lompoc	Ca 93436-6015
Kalyra Winery	343 N Refugio Rd	Santa Ynez	Ca 93460
Ken Brown Wines	140 Industrial Way	Buellton	Ca 93427-9507
Ken Brown Wines	157 W Highway 246	Buellton	Ca 93427
Kessler Haak Wines Kh Wines	1700 Gypsy Canyon Rd	Lompoc	Ca 93436
Kiani Preserve Cellars Llc	340 N G St	Lompoc	Ca 93436
Kimsey Vineyard Llc	90 Easy St	Buellton	Ca 93427-9566
Kings Carey	1210 Mission Dr Ste 103	Solvang	Ca 93463-2978
Kings Carey Llc	1225-1239 W Laurel Ave Unit 1-8	Lompoc	Ca 93436-5157
Koehler Winery	5360 Foxen Canyon Rd	Santa Maria	Ca 93454
Krh Specialty Wines Llc	35 & 70 Industrial Way	Buellton	Ca 93427-9565
Kunin Wines	74 Aero Camino Ste B	Goleta	Ca 93117-3152
Kunin Wines	831 Santa Barbara St	Santa Barbara	Ca 93101
La Lief Wines	210 Gray Ave	Santa Barbara	Ca 93101
La Vallee	140 Industrial Way	Buellton	Ca 93427-9507
Labarge Vineyards & Winery	2380 Sweeney Rd	Lompoc	Ca 93436
Labyrinth Winery	2310 Westgate Rd Ste 7 & 8	Santa Maria	Ca 93455-1004
Lafond Winery & Vineyard	6855 Santa Rosa Rd	Buellton	Ca 93427
Land Of Saints Wine Company L	9050 San Antonio Rd	Orcutt	Ca 93455
Larner Winery & Vineyards	2900 Grand Ave D	Los Olivos	Ca 93441
Latigo Ridge	5069 Presquile Dr	Santa Maria	Ca 93455-5807
Lavender Oak Vineyard And Or I	9450 Santa Rosa Rd	Buellton	Ca 93427
Le Crush Winery	7910 Cat Canyon Rd	Los Alamos	Ca 93440
Lepiane	1480 Count Fleet St	Santa Ynez	Ca 93460
Lieff Wines	65 Los Padres Way	Buellton	Ca 93427-9577
Lieu Dit	300 N 12th St Unit 4a	Lompoc	Ca 93436-9444
Lieu Dit	23 & 25 E Canon Perdido St	Santa Barbara	Ca 93101-2213
Lincourt Winery	1711 Alamo Pintado Rd	Solvang	Ca 93463-9712
Lions Peak	1659 Copenhagen Dr Ste A	Solvang	Ca 93463-3702
Liquid Farm	2445 Alamo Pintado Rd	Los Olivos	Ca 93441
Lo Fi Wines	101 Donald D Doyle Hwy		
Lo Fi Wines	448 Bell St Steb	Los Alamos	Ca 93440
Lo Fi Wines	5230 Tepusquet Rd	Santa Maria	Ca 93454
Lompoc Wine Factory	321 N D St	Lompoc	Ca 93436-6118

Long Creek Vineyards	2982 Grand Ave	Los Olivos	Ca 93441
Longoria Winery	415 E Chestnut Ave	Lompoc	Ca 93436-6007
Longoria Winery	732 State St	Santa Barbara	Ca 93101-3330
Loring Wine Company	1034 W Aviation Dr	Lompoc	Ca 93436-9777
Loubud Wines Lie	4003 Forbidden Fruit Ln	Lompoc	Ca 93436
Lucas & Lewellen Vineyards	1645 Copenhagen Dr	Solvang	Ca 93463
Lucas And Lewellen Vineyards	132 Easy St Unit A B C-2 & C-3	Buellton	Ca 93427
Lucia's Wine Co., Inc.	2115 S Blosser Rd 103	Santa Maria	Ca 93458-7306
Lumen	2310 Westgate Rd Ste 7 & 8	Santa Maria	Ca 93455-1004
Luna Hart Wines Lie	3865 Sterrett Ave	Santa Barbara	Ca 93110
Luna Hart Wines Lie	2825 Tapadero Rd	Solvang	Ca 93463
Mad Lab Wines	65 Los Padres Way Unit 8	Buellton	Ca 93427-9577
Madre Wine Co	65 Los Padres Way Unit 8	Buellton	Ca 93427-9577
Mail Road Wines	90 Easy St	Buellton	Ca 93427-9566
Maison Thomas Llc	2121 Alisos Rd	Santa Ynez	Ca 93460
Mallea Food & Wine Llc	84 Industrial Way Unit C	Buellton	Ca 93427-9567
Mandolina Vineyards	132 Easy St Ut A2	Buellton	Ca 93427
Mandolina Vineyards	1650 Copenhagen Dr	Solvang	Ca 93463
Margerum Wine Company	2446 Alamo Pintado Rd B	Los Olivos	Ca 93441
Martian Ranch & Vineyard	9110 Alisos Canyon Rd	Los Alamos	Ca 93440
Mayfield Moore Inc	4457 Santa Rosa Rd Ste2	Lompoc	Ca 93436
Mcclain Cellars	140 Industrial Way	Buellton	Ca 93427-9507
Mcclain Cellars	281 Pamela Way Ste 104-107	Buellton	Ca 93427-9594
Mcclain Cellars	2360 Thompson Way Ste F & G	Santa Maria	Ca 93455-1095
Mcclain Cellars	1623 Mission Dr Ste B C & D	Solvang	Ca 93463-2636
Mckinney Family Vineyards	86 Industrial Way Unit A B & C	Buellton	Ca 93427-9567
Melville Winery	5185 E Highway 246 #246	Lompoc	Ca 93436
Michael Caitlin Wines	3940 Dominion Rd	Santa Maria	Ca 93454
Miller Family Wine Company	35 State St Ste B	Santa Barbara	Ca 93101-3537
Miller Family Wine Company	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Miller Family Wine Company	2717 Aviation Way	Santa Maria	Ca 93455-1506
Miralaguna Lie	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Montemar Wines	1501 E Chestnut Ct Stes B & E	Lompoc	Ca 93436-4953
Municipal Winemakers	22 Anacapa St	Santa Barbara	Ca 93101-1879
Municipal Winemakers	2643 Industrial Pkwy	Santa Maria	Ca 93455-1536
Native 9	6525 Dominion Rd	Santa Maria	Ca 93454
Natural Merchants	2121 Alisos Rd	Santa Ynez	Ca 93460
New Vineland Llc	1501 E Chestnut Ave	Lompoc	Ca 93436-4901
Nid Tisse Wines	2075 Vineyard View Ln	Lompoc	Ca 93436
Night Lizard Brewing Company	607 State St	Santa Barbara	Ca 93101-3301
No Limit Wines Lie	9660 Foxen Canyon Rd	Santa Maria	Ca 93454
Notary Public Wines	5069 Presquile Dr	Santa Maria	Ca 93455-5807
Oaktree Imports	35 & 70 Industrial Way	Buellton	Ca 93427-9565
One Barrel Wines	2330 Westgate Rd Ste 9	Santa Maria	Ca 93455-1018
Orlaigh Wines Llc	406 E Haley St Ut 1	Santa Barbara	Ca 93101-1714

Ox Wine Co	1501 E Chestnut Ct Ste B	Lompoc	Ca 93436-4953
Paisean	1575 Edison St	Santa Ynez	Ca 93460
Pali Wine Co	205 Anacapa St	Santa Barbara	Ca 93101-1805
Pali Wine Co	2625 Skyway Dr Ste A	Santa Maria	Ca 93455-1405
Pali Wine Company	1036 W Aviation Dr	Lompoc	Ca 93436-9777
Pali Wine Company	1501 E Chestnut Ct Ste C	Lompoc	Ca 93436-4953
Paradis Springs Winery	210 State St	Santa Barbara	Ca 93101
Paradise Springs Winery	57 Industrial Way	Buellton	Ca 93427-9565
Paradise Springs Winery	59 Industrial Way	Buellton	Ca 93427-9565
Parker Parker	5070 Presquile Dr	Santa Maria	Ca 93455-5807
Paul Lato Wines	5250 Tepusquet Canyon Rd	Santa Maria	Ca 93454
Pch Street	90 Easy St	Buellton	Ca 93427-9566
Peake Ranch	7290 Santa Rosa Rd	Buellton	Ca 93427
Peake Ranch	2445 Alamo Pintado Ave Stet	Los Olivos	Ca 93441
Pence Ranch	1909 W Highway 246	Buellton	Ca 93427-9492
Pence Ranch	1704 Industrial Wy	Lompoc	Ca 93436-4968
Pence Ranch	1708 Industrial Way Units D & E	Lompoc	Ca 93436-4969
Penville Projects Lie	5230 Tepusquet Rd	Santa Maria	Ca 93454
Perluca Wines	100 Los Padres Way Ste 4	Buellton	Ca 93427-9580
Petros Winery	3360 Foxen Canyon Rd	Los Olivos	Ca 93441
Piazza Family Wines Lie	2825 Tapadero Rd	Solvang	Ca 93463
Pigeon	1034 W Aviation Dr	Lompoc	Ca 93436-9777
Point & Line Wines	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Popes New Castle The	140 Industrial Way	Buellton	Ca 93427-9507
Potek	406 E Haley St Ut 1	Santa Barbara	Ca 93101-1714
Presqu Lie Winery	5391 Presquile Dr	Santa Maria	Ca 93455-5807
Prodigal Wines	1251 W Laurel Ave Units 9 - 13	Lompoc	Ca 93436-5157
R Winery Operation Lie	2075 Vineyard View Ln	Lompoc	Ca 93436
Racines	300 N 12th St Unit 1a & 2a	Lompoc	Ca 93436-9426
Rancho Boa Vista	57 Industrial Way	Buellton	Ca 93427-9565
Rancho Boa Vista	6485 Calle Real Ste E & F	Goleta	Ca 93117-1539
Rancho Los Olivos Lie	3360 Foxen Canyon Rd	Los Olivos	Ca 93441
Rancho Sisquoc Winery	6600 Foxen Canyon Rd	Santa Maria	Ca 93454
Reunion Wine	6701 Foxen Canyon Rd	Santa Maria	Ca 93454
Riccavalle	338 Toro Canyon Rd	Carpinteria	Ca 93013
Rideau Cellars	1562 Alamo Pintado Rd	Solvang	Ca 93463
Rincon Mountain Winery Inc	4187 Carpinteria Ave Ste 1 - 2	Carpinteria	Ca 93013-3300
Rivahil	2901 Grand Ave Stec	Los Olivos	Ca 93441
Rivahil Winery	90 Easy St	Buellton	Ca 93427-9566
Riverbench	137 Anacapa St Ste C	Santa Barbara	Ca 93101-1848
Riverbench Vineyards & Winery	6020 Foxen Canyon Rd	Santa Maria	Ca 93454
Riviera Wines	57 Industrial Way	Buellton	Ca 93427-9565
Riviera Wines	59 Industrial Way	Buellton	Ca 93427-9565
Roark Wine Company	84 Industrial Way Unit C	Buellton	Ca 93427-9567
Robert Lieff Wines	57 Industrial Way	Buellton	Ca 93427-9565

Robert Lieff Wines	59 Industrial Way	Buellton	Ca 93427-9565
Rooted Vine Cellars	55 Los Padres Way # 1	Buellton	Ca 93427-9581
Rosenson Vantonder Wine Creal	2884 Grand Ave	Los Olivos	Ca 93455
Rosenson Wine Creations	330 Alisal Mesa Rd	Solvang	Ca 93463-2798
Rosenson Wine Creations Inc	5230 Tepusquet Rd	Santa Maria	Ca 93454
Rosenthal Malibu Estate	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Runway Vineyards, Llc	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Rusack Vineyards	1819 Ballard Canyon Rd	Solvang	Ca 93463
Rustik Elements Lie	125 N Refugio Rd	Santa Ynez	Ca 93460
Ryan Santos Wines Llc	2320 Thompson Way Ste F	Santa Maria	Ca 93455-1067
Rzn Wines	1225-1239 W Laurel Ave Unit 1-8	Lompoc	Ca 93436-5157
Saarloos Estate Vineyards	2971 Grand Ave	Los Olivos	Ca 93441
Saarloos Estate Vineyards	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Samsara	6485 Calle Real Ste E & F	Goleta	Ca 93117-1539
Samsara Wine Co	2446 Alamo Pintado Ave Ste A	Los Olivos	Ca 93441
San Se Wines	5071 Presquile Dr	Santa Maria	Ca 93455-5807
Sandhi Wines	1503 E Chestnut Ave	Lompoc	Ca 93436-4901
Sandhi Wines	1700 Industrial Way Unit A	Lompoc	Ca 93436-4947
Sandoval Mergenov Wines Lie	125 N Refugio Rd	Santa Ynez	Ca 93460
Sandoval Ranch & Vineyard	1719 Calzada Ave	Santa Ynez	Ca 93460
Sanford Winery	5010 Santa Rosa Rd	Lompoc	Ca 93436
Sanger Family Of Wines The	281 Pamela Way Ste 104-107	Buellton	Ca 93427-9594
Sanger Family Of Wines The	1582 & 1584 Mission Dr	Solvang	Ca 93463
Sanguis	8 Ashley Ave	Santa Barbara	Ca 93103-3308
Santa Barbara Winery	28 Anacapa St Ste A	Santa Barbara	Ca 93101-1882
Sapien Wines	90 Easy St	Buellton	Ca 93427-9566
Schetter Malibu Vineyard	35 & 70 Industrial Way	Buellton	Ca 93427-9565
Sea Creatures Wine	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Sea Smoke	1604 N O St	Lompoc	Ca 93436-3420
Section Wines	65 Los Padres Way	Buellton	Ca 93427-9577
Sevtap Winery	308 N 9th St Ste A & B	Lompoc	Ca 93436-4945
Sevtap Winery	38 El Paseo	Santa Barbara	Ca 93101
Sevtap Winery	473 Atterdag Rd Unit 102	Solvang	Ca 93463-3744
Shokrian Winery, Llc	7910 Cat Canyon Rd	Los Alamos	Ca 93440
Silver Wines Llc	724 Reddick St Unit A & B	Santa Barbara	Ca 93103
Silver Wines Llc	813 Anacapa St Ste 31	Santa Barbara	Ca 93101-2289
Skeynna Wines	12 Helena Ave	Santa Barbara	Ca 93101
Skyenna Wines	90 Easy St	Buellton	Ca 93427-9566
Slay Estate & Vineyard	6635 E Highway 246	Lompoc	Ca 93436
Slouch Hat Wines	2121 Alisos Rd	Santa Ynez	Ca 93460
So Far Out Wine Company	9110 Alisos Canyon Rd	Los Alamos	Ca 93440
Solminer	2890 Grand Ave Ste B & C	Los Olivos	Ca 93441
Solminer Wine Company	2650 Easton	Los Olivos	Ca 93441
Somerset Vineyards Sta Rita Hill	4650 Sweeney Rd	Lompoc	Ca 93436
Sonja Magdevski	380 Bell St	Los Alamos	Ca 93440

Sort This Out Cellars	35 & 70 Industrial Way	Buellton	Ca 93427-9565
Spear Vineyards & Winery	6700 E Highway 246	Lompoc	Ca 93436
St Avalo Inc	2963 Grand Ave Ste B	Los Olivos	Ca 93441
St. Avalo, Inc.	5230 Tepusquet Rd	Santa Maria	Ca 93454
Standing Sun Wines	2990 Grand Ave Stea	Los Olivos	Ca 93441
Stars & Dust	100 Los Padres Way Ste 3	Buellton	Ca 93427-9580
Stephen C Swinchatt	3865 Sterrett Ave	Santa Barbara	Ca 93110
Stolpman Vineyards	2434 Alamo Pintado Ave	Los Olivos	Ca 93441
Stone Pine Estate	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Storm Wines	2948 San Marcos Ave Steloi	Los Olivos	Ca 93441
Storm Wines	5072 Presquile Dr	Santa Maria	Ca 93455-5807
Story Of Soil	2362 Alamo Pintado Rd	Los Olivos	Ca 93441
Story Of Soil	2928 San Marcos Ave Ste102	Los Olivos	Ca 93441
Strange Family Vineyards	2329 Jonata St	Los Olivos	Ca 93441
Summerland Winery	2330 Lillie Ave	Summerland	Ca 93067
Sunstone Vineyards & Winery	125 N Refugio Rd	Santa Ynez	Ca 93460
Sweetzer Cellars	1637 E Laurel Ave	Lompoc	Ca 93436-4915
Sweetzer Cellars	308 N 9th St Ste C	Lompoc	Ca 93436-4945
Swissco	4665 Santa Maria Mesa Rd # A	Santa Maria	Ca 93454-9638
Tatomer, Inc.	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Temperance Cellars	1637 E Laurel Ave	Lompoc	Ca 93436-4915
Tensley Wine	9110 Alisos Canyon Rd	Los Alamos	Ca 93440
Tercero Wines	2445 Alamo Pintado Ave #10	Los Olivos	Ca 93441
Terre Et Sang Lie	4457 Santa Rosa Rd Ste2	Lompoc	Ca 93436
Terre Et Sang Lie	2982 Grand Ave	Los Olivos	Ca 93441
Terre Et Sang Lie	2944 Gaviota St	Solvang	Ca 93463
Tessa Marie Wines & Triune	2643 Industrial Pkwy	Santa Maria	Ca 93455-1536
Thorne Wine Thorne Cellars	35 & 70 Industrial Way	Buellton	Ca 93427-9565
Tierra Y Vino	140 Industrial Way	Buellton	Ca 93427-9507
Tin City Cider	2360 Alamo Pintado Rd	Los Olivos	Ca 93441
Tomi Cellars	140 Industrial Way	Buellton	Ca 93427-9507
Tommy Town Thoroughbreds	5699 Happy Canyon Rd	Santa Ynez	Ca 93460
Torettis Family Vineyard	2920 Grand Ave Unite	Los Olivos	Ca 93441
Torettis Family Vineyard	9050 San Antonio Rd	Orcutt	Ca 93455
Toussaint Cellars	92 2nd St Ste C & D	Buellton	Ca 93427-9470
Transcendence	300 N 12th St Ste 1g	Lompoc	Ca 93436-9442
Transcendence Winery	300 N G St Ste C	Lompoc	Ca 93436-6020
Tres Hermanas Vineyard & Wine	346 Bell St	Los Alamos	Ca 93440
Tres Hermanas Vineyard & Wine	9660 Foxen Canyon Rd	Santa Maria	Ca 93454
Trical	1251 W Laurel Ave Units 9 - 13	Lompoc	Ca 93436-5157
Tripp Wines	321 N D St	Lompoc	Ca 93436-6118
Trippers & Askers	406 E Haley St Ut 1	Santa Barbara	Ca 93101-1714
True Believer Lie	Santa Maria Mesa Rd	Santa Maria	Ca 93454
Turiya Wines	321 N D St	Lompoc	Ca 93436-6118
Two Wolves Wine	1480 Count Fleet St	Santa Ynez	Ca 93460

Tyler	23 & 25 E Canon Perdido St	Santa Barbara	Ca 93101-2213
Tyler Winery	300n 12th St Unit 4a & 4b	Lompoc	Ca 93436
Valley Project The	74 Aero Camino Ste B	Goleta	Ca 93117-3152
Valley To The Sea	38 W Victoria St Ste 105	Santa Barbara	Ca 93101-3166
Valley To The Sea Winery	6485 Calle Real Ste E & F	Goleta	Ca 93117-1539
Valmur	5428 Presquile Dr	Santa Maria	Ca 93455-5812
Vega Vineyard And Farm	9496 Santa Rosa Rd	Buellton	Ca 93427
Vega Vineyard And Farm	3555 Roblar Ave	Santa Ynez	Ca 93460
Vega Vineyard Farm	3555 Roblar Ave	Santa Ynez	Ca 93460
Velvet Bee Wine	4457 Santa Rosa Rd Bldg2	Lompoc	Ca 93436
Vignerons	4665 Santa Maria Mesa Rd	Santa Maria	Ca 93454
Village Pop Wine	321 N D St	Lompoc	Ca 93436-6118
Vincent Vineyards	2370 N Refugio Rd	Santa Ynez	Ca 93460
Voyz'n Wines	2330 Westgate Rd Ste 10 & 20	Santa Maria	Ca 93455-1018
Wathen Wines, Baricau Wines	7600 Foxen Canyon Rd	Santa Maria	Ca 93454-9170
Waylan Wine Co	2963 Grand Ave	Los Olivos	Ca 93441
Waylan Wine Co	5249 Foxen Canyon Rd	Santa Maria	Ca 93454
Wedell Cellars	2705 & 2717 Aviation Way	Santa Maria	Ca 93455-1505
Wenzlau Vineyard	300 N 12th St Unit 4a	Lompoc	Ca 93436-9444
Wenzlau Vineyard	724 Union St	Santa Barbara	Ca 93103-3328
Whitcraft Winery	36 S Calle Cesar Chavez A	Santa Barbara	Ca 93103
Williamson Family Wines	1980 Paquita Dr	Carpinteria	Ca 93103
Windrun Wine Co.	140 Industrial Way	Buellton	Ca 93427-9507
Windrun Wine Co.	1595 E Chestnut Ave Ste C	Lompoc	Ca 93436-4942
Wines By Alisa Jacobson	3555 Roblar Ave Unit B	Santa Ynez	Ca 93460
World Source Supply	2045 N Refugio Rd	Santa Ynez	Ca 93460
Wylde Works	609 State St	Santa Barbara	Ca 93101-3301
Yata Eagle Wines	2121 Alisos Rd	Santa Ynez	Ca 93460
Zaca Mesa Winery	6905 Foxen Canyon Rd	Santa Maria	Ca 93454
Zarif Companies	300 N G St Ste C	Lompoc	Ca 93436-6020
Zotovitch Vineyards And Winery	300 N 12th St Unit 1d	Lompoc	Ca 93436-9442
Zotovitch Vineyards And Winery	300 N G St Ste C	Lompoc	Ca 93436-6020

*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 business that may have been missed in this list, but is still within the boundaries of the SBCWID, shall also be subject to assessment.

EXHIBIT C

Indemnification and Insurance Requirements (For Professional Contracts)

INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR'S indemnification obligation applies to COUNTY'S active as well as passive negligence but does not apply to COUNTY'S sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, its agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. **(Not required if CONTRACTOR provides written verification that it has no employees)**
4. **Professional Liability:** (Errors and Omissions) Insurance appropriate to the CONTRACTOR'S profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the COUNTY requires and shall be entitled to the broader coverage and/or the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR'S insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
2. **Primary Coverage** – For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR'S obligation to provide them. The CONTRACTOR shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.
9. **Subcontractors** – CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that COUNTY is an additional insured on insurance required from subcontractors.

10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:

- i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
- iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.

11. **Special Risks or Circumstances** – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.