

City of Corona

PROPOSAL FOR LODGING TAX SERVICES

June 7, 2023

HdL  Companies

SUBMITTED BY:

HdL Companies
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June 8, 2023

City of Corona
Julie Kennicutt, Budget Manager
400 South Vicentia Avenue, Suite 320
Corona, CA 92882

Julie:

Thank you for requesting a proposal for **Lodging Tax Services**. We are grateful for your trust in us and promise to deliver excellence in everything we do for the City.

You will find we are uniquely qualified to add Lodging Tax Services to our other high-quality, full-service solutions the City already enjoys. You can depend on us to provide the services you need.

We look forward to reviewing the proposal with you in more detail and demonstrating how HdL can enhance Corona's bottom line. Please call if you have questions or need additional information. You can reach me at 714.879.5000 or by email to bharmon@hdlcompanies.com.

Sincerely,



Bret Harmon, Director of Client Experience

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SCOPE OF WORK

TRANSIENT OCCUPANCY TAX ADMINISTRATION

HdL's TOT Administration goes beyond scheduled cyclical audits, providing compliance monitoring of each return as it is filed while unburdening the City from the day-to-day administration of the TOT revenue program. Continual monitoring of returns is the optimal way to increase compliance while maintaining positive relations with the City's lodging providers.

The program is education focused, ensuring that lodging providers are clear on reporting requirements and methodology. HdL's certificate administration professionals are available as needed to support both the City's team and the City's lodging providers. The City is kept up to date, with 24x7 online access to HdL's client portal containing real time access to registration and filing data, and management reporting. HdL's TOT administration service incorporates the following:

CERTIFICATE REGISTRATION DATABASE MANAGEMENT

HdL will transfer the City's existing databases as they relate to TOT into HdL's internal administration tools. HdL will maintain the data, software, online filing portal for lodging providers, and online client portal for the City.

RETURN PROCESSING

HdL will process TOT filings within 5 days of submission. Accounts will receive all applicable forms necessary to complete the renewal process.

NEW ACCOUNT PROCESSING

HdL will process any new TOT registrations for Lodging Establishments that change hand or newly offered properties.

PAYMENT POSTING / PROCESSING

HdL will process all payments made for new and existing lodging providers. Accounts will be updated with payment information and revenues will be remitted to the City net HdL's fees on no less than a monthly basis.

ON-LINE FILING & PAYMENT PROCESSING

With input from the City, HdL crafts a customized website and domain for the City's certificate payers to submit online forms, returns, and payments along with other customer support related items.

COMPLIANCE MONITORING & LODGING PROVIDER AUDITS

HdL will ensure accurate filings of TOT returns by consistently monitoring returns and educating lodging providers on filing requirements. HdL will also provide cyclical compliance audits as mutually agreed to by the City and HdL, ensuring all providers are audited at least once every three years.

REPORTS

HdL's TOT administration service includes a variety of standard reports demonstrating account activity and filing trends. During service implementation HdL will work with the City to identify reporting requirements and frequency/method of delivery and will supplement our standard service with customized reports as needed to meet the City's requirements.

PROGRESS PAYMENTS

HdL's TOT administration service is billed monthly based on activity completed during the prior month. If standalone audits are conducted, they are billed only upon completion of the audit.

CUSTOMER SUPPORT CENTER

HdL will provide lodging providers with multiple support options for registering, filing returns, making payments and for general inquiries. A toll-free number will be provided to businesses to access one of our certificate specialists. Lodging providers will also have access to support via e-mail, fax, and the online Business Support Center.

ANNUAL AUDIT PLAN

During implementation, HdL gathers all the historical data available from the City and leverages internal data sources and expertise to provide an analysis of all lodging providers, along with a recommended audit schedule. This allows HdL to work cooperatively with the City to identify the entities that require attention first. HdL works directly with the City to ensure consensus on the audit schedule for the program.

COST

TRANSIENT OCCUPANCY TAX SERVICES

- Traditional Lodging Provider Administration & Audits: \$900 Per Filer Per Year.
- CPI increase applied annually.