



PRESS RELEASE

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City of Hemet Adopts Hotel Investment Program To Incentivize Hotel Rehabilitation and Propel Business Vitality

Hemet, Calif. – At the February 27, 2024, Hemet City Council meeting, the City Council unanimously voted to adopt the Hotel Investment Program, a significant step forward in the City's ongoing efforts to stimulate economic growth and enhance the hospitality sector.

The Hotel Investment Program is designed to encourage investment in the local hotel industry, supporting the renovation of existing hotel assets and the construction of a new downtown hotel. Through the program, the City aims to increase tax revenues, including hotel, property, and sales tax, while improving the community's lodging amenities.

City Manager Mark Prestwich emphasized the importance of this program, stating, "The Hotel Investment Program represents a pivotal move towards achieving Hemet's economic development goals. By encouraging significant investments in our hotel sector, we are laying the groundwork for an improved visitor experience. This initiative not only enhances our appeal as a destination but also plays a crucial role in stimulating our local economy, generating jobs, and securing a prosperous future for Hemet and its residents."

The adopted ordinance outlines specific participation requirements and incentives for hotel operators, including 25-year and 30-year hotel tax increment-sharing arrangements, representing one of the State of California's most competitive tax increment-sharing arrangements. This approach is expected to encourage significant investments in the City's lodging facilities, thereby boosting Hemet's tourism and City revenues.

The Hotel Investment Program will be in place for five years unless extended by the City Council. This program aligns with the City's strategic goals of improving community engagement, partnership, collaboration, and organizational effectiveness and will encourage economic development with no fiscal impact on the City's budget.

The City of Hemet is committed to working closely with hotel operators and investors to ensure this program's success and the community's long-term benefits.

For more information on the Hotel Investment Program, contact Economic Development Manager Ben Sandoval at bsandoval@hemetca.gov or (951) 765-2302.