RESOLUTION NO. 19-____

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED VOTERS OF A PROPOSED ORDINANCE, REGARDING AN INCREASE OF THE TRANSIENT OCCUPANCY TAX (HOTEL BED TAX) FROM 12% TO UP TO 14%, AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2019, AS CALLED BY RESOLUTION NO. 19-7188

WHEREAS, the City Council of the City of Hermosa Beach, at its meeting of June 11, 2019, adopted Resolution No. 19-7188, calling for the holding of a General Municipal Election on Tuesday, November 5, 2019; and

WHEREAS, by this Resolution, the Hermosa Beach City Council places a measure on the November 2019 ballot for consideration by the voters adoption of an Ordinance to authorize the City Council, without a further vote of the people, to increase the rate of the transient occupancy tax paid by hotel/motel and other short-term guests from its current rate of 12% to a maximum of 14%; and

WHEREAS, The transient occupancy tax is paid only by guests who stay in local hotels and other lodgings and is a mechanism for out-of-town visitors to pay their fair share of their use of City roads, parks, the beach, public safety and other City services; the tax is not paid by Hermosa Beach residents; and

WHEREAS, revenues from the transient occupancy tax remain entirely in the City, are controlled by the City and are used for unrestricted general municipal purposes such as public safety, infrastructure, street repair and park improvements; and

WHEREAS, an increase of 2% in the transient occupancy tax is estimated to raise approximately \$550,000, which would be used by the City to protect the residents' quality of life and property values and continue to provide excellent quality services that keep our City safe, clean and well-maintained; and

WHEREAS, This Ordinance allows the City Council, without a further vote of the people, to maintain the transient occupancy tax at a rate deemed appropriate by the Council, subject to a

1	maximum of 14%, in order that the City's transient occupancy tax keep pace with that of
2	comparable destination cities.
3	NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA
4	BEACH, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:
5	
6	SECTION 1. That pursuant to the requirements of the laws of the State of California the
7	City Council of the City of Hermosa Beach does order submitted to the voters at the General
8 9	Municipal Election on Tuesday, November 5, 2019, the following question, which requires the
10	approval of a majority (50% plus 1) of those casting votes:
11	Shall an ordinance be adopted authorizing the City Council to increase the transient occupancy tax paid by hotel/motel guests from 12% to up to 14% YES NO
12	of room revenue raising approximately \$550,000 annually to be controlled and used locally for general municipal services in Hermosa Beach such as
13	police, fire, and paramedic services, infrastructure/street repairs, and park upgrades, until ended by voters?
14 15	SECTION 2 . That the text of the ordinance submitted to the voters is attached as Exhibit
16	"A."
17	SECTION 3. That in all particulars not recited in this resolution, the election shall be held
18	and conducted as provided in Resolution No. 19-7188 and by law for holding municipal elections.
19	SECTION 4. That notice of the time and place of holding the election is given and the
20 21	City Clerk is authorized, instructed and directed to give further or additional notice of the election,
22	in time, form and manner as required by law.
23	SECTION 5 . That in the event the ordinance is approved by a majority vote of the
24	electors, and upon certification of the results of the November 5, 2019 election, the Mayor and
25	City Clerk are hereby authorized and directed to attest to said approval.
26	
27	SECTION 6. This resolution shall take effect immediately. The City Clerk shall certify
28	to the passage and adoption of the Resolution and enter it into the book of original Resolutions,

and shall make a minute of the	passage and adoption thereof in the minutes of the meeting at
which the Resolution is adopted	d.
PASSED, APP	ROVED and ADOPTED this 9th day of July, 2019.
PRESIDENT of the City C	Council and MAYOR of the City of Hermosa Beach, California
ATTEST:	APPROVED AS TO FORM:
City Clerk	City Attorney
rty Clerk	City Attorney

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ORDINANCE NO.

AN ORDINANCE OF THE CITY OF HERMOSA BEACH AUTHORIZING THE CITY COUNCIL TO INCREASE THE TRANSIENT OCCUPANCY TAX (HOTEL TAX) BY 2% FROM 12% TO UP TO 14% AND AMENDING CHAPTER 3.32 OF THE HERMOSA BEACH MUNICIPAL CODE

The People of the City of Hermosa Beach do hereby ordain as follows:

Section 1. Recitals.

- A. The purpose of this Ordinance is to authorize the City Council, without a further vote of the people, to increase the rate of the transient occupancy tax paid by hotel/motel and other short-term guests from its current rate of 12% to a maximum of 14%.
- B. The transient occupancy tax ("TOT/hotel tax") is paid only by guests who stay in local hotels and other lodgings and ensures out-of-town visitors pay their fair share of their use of City roads, parks, the beach, public safety and other City services.
- C. The revenues from the TOT/hotel tax remain entirely in the City, are controlled by the City and are used for unrestricted general municipal purposes such as public safety, infrastructure, street repair and park improvements and cannot be taken by the County or the State.
- D. An increase of up to 2% in the TOT/hotel tax is estimated to raise approximately \$550,000, which would be used by the City to protect the residents' quality of life and property values and continue to provide excellent quality services. By keeping the city safe, clean and well-maintained, updating the hotel tax protects the quality of life and property values for local residents while keeping Hermosa Beach a special place to live, work and play.
- E. This Ordinance allows the City Council, without a further vote of the people, to maintain the transient occupancy tax at a rate deemed appropriate by the Council, subject to a maximum of 14% absent another vote of the people.
- F. The City's excellent public safety services continue to contribute to the quality of life residents have come to expect and deserve in Hermosa Beach. Public safety has consistently been a top priority for the City and residents. Updating the hotel tax helps maintain local public safety services such as 911 response, police, fire and paramedic services.
- **Section 2**. Section 3.32.030 of Chapter 3.32, Title 3 of the Hermosa Beach Municipal Code is amended to read:
 - A. For occupancy of any hotel, motel, hostel, hospital or permitted short term rental as defined, each transient is subject to and shall pay a tax in any amount up to but not to exceed fourteen percent of the rent or bill charged by the operator, as

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	determined by ordinance of the City Council ame	ending paragraph B of this section.
1	Said tax constitutes a debt owed by the transient	t to the city which is extinguished
2	only by payment to the operator of the hotel, mot	tel, hostel, hospital, or other
3	permitted short term accommodation at the time	the rent or bill is paid. If the rent
4	or bill is paid in installments, a proportionate shall	re of the tax shall be paid with
5	each installment. The unpaid tax shall be due up	oon the transient's ceasing to
	occupy space in the hotel, motel, hostel, hospital	I or other permitted short term
6	accommodation. If for any reason the tax due is	not paid to the operator, the tax
7	administrator may require that such tax shall be p	paid directly to the tax
8	8 administrator.	
9	9	
10	B. Pursuant to the authority set forth in para	agraph A of this section, the
	current tax rate is 12 percent.	
1.1	11	
11		
11 12	12 PASSED, APPROVED AND ADOPTED BY THE PE	
	PASSED, APPROVED AND ADOPTED BY THE PE AT AN ELECTION HELD this 5th day of November,	
12	PASSED, APPROVED AND ADOPTED BY THE PE AT AN ELECTION HELD this 5th day of November,	
12 13	PASSED, APPROVED AND ADOPTED BY THE PE AT AN ELECTION HELD this 5th day of November,	
12 13 14 15	PASSED, APPROVED AND ADOPTED BY THE PE AT AN ELECTION HELD this 5th day of November, PRESIDENT of the City Council and MAYOR	, 2019.
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