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RESOLUTION NO. 19-7199

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 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 increase the rate of the transient occupancy tax paid by hotel/motel and other short-term guests from its current rate of 12% to 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

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1 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA**
2 **BEACH, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND**
3 **ORDER AS FOLLOWS:**

4 **SECTION 1.** That pursuant to the requirements of the laws of the State of California the
5 City Council of the City of Hermosa Beach does order submitted to the voters at the General
6 Municipal Election on Tuesday, November 5, 2019, the following question, which requires the
7 approval of a majority (50% plus 1) of those casting votes:

Shall an ordinance be adopted increasing the transient occupancy tax (hotel bed tax) paid by hotel/motel guests from 12% to 14% of room revenue raising approximately \$550,000 annually to be controlled and used locally for general municipal services in Hermosa Beach such as police, fire, and paramedic services, infrastructure/street repairs, and park upgrades, until ended by voters?		
	YES	NO

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14 **SECTION 2.** That the text of the ordinance submitted to the voters is attached as
15 Exhibit "A."

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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 City Clerk is authorized, instructed and directed to give further or additional notice of the election,
21 in time, form and manner as required by law.

22 **SECTION 5.** That in the event the ordinance is approved by a majority vote of the
23 electors, and upon certification of the results of the November 5, 2019 election, the Mayor and
24 City Clerk are hereby authorized and directed to attest to said approval.
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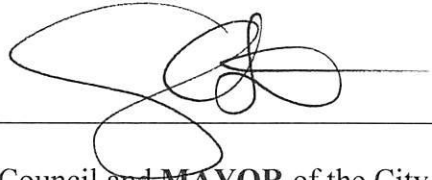
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1 **SECTION 6.** This resolution shall take effect immediately. The City Clerk shall certify
2 to the passage and adoption of the Resolution and enter it into the book of original Resolutions,
3 and shall make a minute of the passage and adoption thereof in the minutes of the meeting at
4 which the Resolution is adopted.

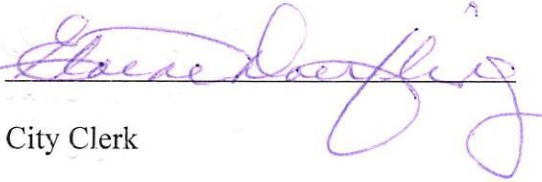
5 **PASSED, APPROVED and ADOPTED** this 9th day of July, 2019.

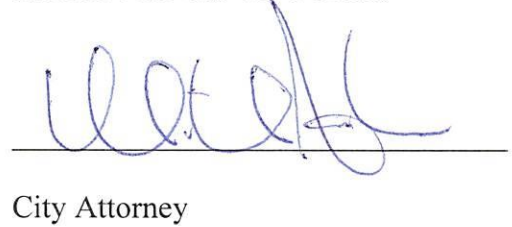
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8 _____
9 **PRESIDENT** of the City Council and **MAYOR** of the City of Hermosa Beach, California

10
11 **ATTEST:**

11 **APPROVED AS TO FORM:**

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14 _____
15 City Clerk

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14 _____
15 City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HERMOSA BEACH TO INCREASE THE TRANSIENT OCCUPANCY TAX (HOTEL TAX) BY 2% FROM 12% 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 increase the rate of the transient occupancy tax paid by hotel/motel and other short-term guests from its current rate of 12% to 14%.

B. The transient occupancy tax ("TOT/hotel tax") is paid only by guests who stay in local hotels and other lodgings and ensures that out-of-town visitors to 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 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. 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. 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 the amount of fourteen percent of the rent or bill charged by the operator. Said tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator of the hotel, motel, hostel,

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hospital, or other permitted short term accommodation at the time the rent or bill is paid. If the rent or bill is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel, motel, hostel, hospital or other permitted short term accommodation. If for any reason the tax due is not paid to the operator, the tax administrator may require that such tax shall be paid directly to the tax administrator.

PASSED, APPROVED AND ADOPTED BY THE PEOPLE OF THE CITY OF HERMOSA BEACH AT AN ELECTION HELD this 5th day of November, 2019.

Mayor

ATTEST:

City Clerk

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF HERMOSA BEACH

I, Elaine Doerfling, City Clerk of the City of Hermosa Beach, California, do hereby certify that the foregoing Resolution No. 19-7199 was duly and regularly passed, approved, and adopted by the City Council of the City of Hermosa Beach at a Regular Meeting of said Council at the regular place thereof on July 9, 2019 by the following vote:

AYES: Campbell, Duclos, Fangary, Massey, Mayor Armato
NOES: None
ABSENT: None
ABSTAIN: None

Dated: July 9, 2019


Elaine Doerfling, City Clerk