

**16.B INTRODUCE AN
ORDINANCE TO AMEND
HBMC SECTION 3.32 TITLED
TRANSIENT OCCUPANCY TAX
26-CMO-009**



CITY OF
HERMOSA
BEACH

Overview

- Ballot and Ordinance History
- California State Law
- Proposed Ordinance Amendments
- Recommended Action



Ballot and Ordinance History

- Ballot Measures
 - Measure H – 2015
 - Passed by voters to raise ToT from 10% -> 12%
 - Ordinance No. 15-1358 adopted
 - Measure H – 2019
 - Passed by voters to raise ToT from 12% -> 14%
 - Ordinance No. 19-1401 adopted



California State Law

- State law governs many of the functions of municipalities including taxation authority.
- California Revenue and Taxation Code 7280(a) states:
 - “The legislative body of any city, county, or city and county may levy a tax on the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging unless the occupancy is for a period of more than 30 days.”



Proposed Ordinance Amendments

- HBMC 3.32.020 – Definitions
 - Remove “any other permitted” from the definition of Operator to better align with State’s examples of lodging.
- HBMC 3.32.030 – Tax Imposed
 - Remove “permitted short-term rental” to better align with State’s examples of lodging.
- HBMC 3.32.100 – Appeal
 - Replace “City Council” with “City Manager or their designee” for more efficient scheduling, legal knowledge of administrative hearing officers, and fairness to potential appellants.



Recommended Action

- Staff recommends City Council:
 1. Staff recommends City Council introduce by title only and waive first reading of an ordinance updating the Hermosa Beach Municipal Code 3.32.020 Definitions, 3.32.030 Tax Imposed; and 3.32.100 Appeal (Attachment 5).

