

RESOLUTION NO. 4121

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA REQUESTING SUBMISSION TO THE VOTERS OF A LOCAL BALLOT MEASURE REGARDING AN INCREASE IN THE CITY'S VISITOR SERVICES FEE (TRANSIENT OCCUPANCY TAX) FOR INCLUSION ON THE NOVEMBER 6, 2018, CONSOLIDATED GENERAL ELECTION BALLOT

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city relating to the conduct of an election; and

WHEREAS, on June 28, 2018, the Capitola City Council passed Resolution No. 4115 calling the General Municipal Election and requesting such services of Santa Cruz County; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot acknowledging that the consolidation election will be held and conducted in the manner prescribed in Section 10418; and

WHEREAS, the intention of the City Council, in placing this measure on the November 6, 2018, ballot, is to propose adoption of a special tax measure to increase the City's Transient Occupancy Tax by 2%, from 10% to 12%, and to allocate 1.25% of the increase to the City's general fund, 0.4% to local business groups split between the Capitola-Soquel Chamber of Commerce and the Capitola Village and Wharf Business Improvement Association for marketing and community improvements, and 0.35% to youth and early childhood programs.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County Elections Department shall conduct the election for the following measure to be voted on at the November 6, 2018, election:

<i>To help fund youth programs, protect parks, beaches and open space, and support local businesses, shall a special tax measure paid only by hotel and short-term rental guests be approved increasing transient occupancy taxes from 10% to 12% until ended by voters, providing approximately \$310,000 annually, and allocating dedicated portions to youth and early childhood programs, and local business groups for marketing and community improvements, and the balance to fund core City functions?</i>	Yes	
	No	

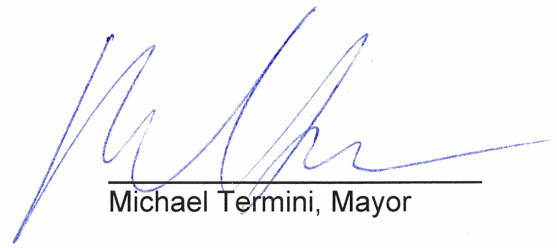
Santa Cruz County Elections Department is requested to: [Check one of the following]

- Print the attached measure text exactly as filed or indicated on the filed document in the Voter's Information Pamphlet section of the Sample Ballot for the November 6, 2018, election. Cost of printing and distribution of the measure text will be paid for by the city/district, attached hereto as Exhibit "A".
- Not to print the measure text in the Voter's Information Pamphlet of the Sample Ballot but send a copy to voters upon request at the cost of said city/district.

BE IT FURTHER RESOLVED AND ORDERED that the City Clerk of the City of Capitola is hereby ordered and directed to cause said proposed ordinance and notice of election to be published in accordance with the provisions of the California State Elections Code.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at a regular meeting held on the 26th day of July, 2018, by the following vote:

AYES: Council Members Bertrand, Bottorff, Harlan and Petersen and Mayor Termini
NOES: None
ABSENT: None
ABSTAIN: None



Michael Termini, Mayor


ATTEST: 
 Linda Fridy, City Clerk

EXHIBIT A

Measure to be voted on: November 6, 2018

ORDINANCE NO. __

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA

AMENDING SECTION 3.32.030 OF THE CAPITOLA MUNICIPAL CODE PERTAINING TO THE CITY OF CAPITOLA VISITOR SERVICES FEE (TRANSIENT OCCUPANCY TAX)

THE PEOPLE OF THE CITY OF CAPITOLA, CALIFORNIA, DO ORDAIN AS FOLLOWS:

WHEREAS, it is the purpose of this Ordinance to amend the City of Capitola Municipal Code Section 3.32.030 entitled Fee/Tax Imposed, to increase the Visitor Services Fee (Transient Occupancy Tax) from 10% to 12%; and

WHEREAS, this Ordinance shall be known as the City of Capitola Visitor Services Fee (Transient Occupancy Tax) Increase. The City of Capitola hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

WHEREAS, this Ordinance is adopted to achieve the following, among other purposes, and directs the provisions hereof be interpreted in order to accomplish those purposes:

NOW, THEREFORE BE IT HEREBY ORDAINED as follows:

SECTION 1. Section 3.32.030 "Fee/Tax Imposed" of Chapter 3.32 "Visitor Services Fee and Fund" of the City of Capitola Municipal Code is hereby amended to read as follows:

"3.32.030 Fee/tax imposed.

A. For the privilege of occupancy in any hotel, each transient is subject to and shall pay a general tax in an amount of ~~ten~~ **twelve** percent of the rent charged by the operator. The tax constitutes a debt owed by the transient to the city which is extinguished only by payment by the operator to the city. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent 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. If for any reason the tax is not paid to the operator of the hotel, the fee administrator may require that such tax shall be paid directly to the fee administrator. The general tax revenues **of 11.25 percent shall be placed in the city's general fund, 0.40 percent shall be allocated exclusively to local business groups for marketing and community improvements, and 0.35 percent shall be allocated exclusively to youth and early childhood programs.**"

SECTION 2. It is the purpose of this Ordinance to amend the City of Capitola Municipal Code Section 3.32.030 of the Chapter entitled Fee/Tax Imposed, to increase the Visitor Services Fee (Transient Occupancy Tax) from 10% to 12%.

SECTION 3. This Ordinance shall be considered as adopted upon the date that a two-thirds majority vote in favor is declared by the City Council, and shall go into effect on January 1, 2019.