

**RESOLUTION NO. 18-79**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018, A PROPOSED ORDINANCE AMENDING CHAPTER 6 OF ARTICLE X OF THE GROVER BEACH MUNICIPAL CODE TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE FROM 10% TO 12% FOR THE PURPOSE OF RAISING REVENUE TO FUND GENERAL MUNICIPAL SERVICES**

**WHEREAS**, the City has adopted Chapter 6 of Article X of the Grover Beach Municipal Code for the purpose of establishing a Transient Occupancy Tax; and

**WHEREAS**, the current Transient Occupancy Tax is levied for the purpose of establishing a tax revenue and a monetary exaction for the privilege of occupying a hotel/motel or other visitor accommodations within the jurisdictional boundaries of the City; and

**WHEREAS**, the typical individual that for which this tax is imposed are transient to the City and the impact of this tax is not typically born by residents of the City of Grover Beach, and

**WHEREAS**, the amount of the tax is 10% of the rent charged by the operator of the hotel/motel; and

**WHEREAS**, the City has not amended or revised this amount since 1991 and desires to increase this amount to remain consistent with other communities and to address inflationary costs associated with general governmental services.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Grover Beach that:

**Section 1. Recitals and Findings.** All of the recitals set forth above are true and correct to the best of its knowledge and are hereby adopted as findings of the City Council.

**Section 2. Call for Consolidated Election.** As set forth in Resolution No. 18-45 adopted on June 4, 2018, the City Council of the City of Grover Beach has ordered an election to be called and consolidated with any and all elections also called to be held on November 6, 2018, insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the City of Grover Beach, and has requested that the Board of Supervisors of the County of San Luis Obispo order such consolidation under Elections Code Sections 10401 and 10403.

**Section 3. Placement of Measure on Ballot.** That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question concerning an increase in the City's transient occupancy tax rate:

<p><b>CITY OF GROVER BEACH</b></p> <p><b>MEASURE L-18</b></p> <p><b>To provide funding for maintaining fire and police services, repairing streets, maintaining parks, and other general city services; shall the City of Grover Beach adopt an ordinance amending an ordinance increasing the Transient Occupancy Tax rate charged for hotels and other visitor-serving accommodations from 10% to 12%, providing \$70,000 annually in unrestricted funding with all funds staying in Grover Beach?</b></p>	<p>Yes</p>
	<p>No</p>

**Section 4. Proposed Ordinance.** The ordinance increasing the City's Transient Occupancy Tax rate to be approved by the voters is as set forth in "Exhibit A" hereto. The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 6, 2018 General Municipal Election, as required by Cal. Const. Art. XIII C, Section 2, subject to the approval of the **majority of the votes cast (50%+1)** on the measure at a combined General and Municipal election. The **entire text** of the ordinance attached hereto as Exhibit A shall be printed in the voter information portion of the sample ballot.

**Section 5. CEQA.** The City Council finds that based on all available information as of July 23, 2018, that under California Environmental Quality Act ("CEQA") Guidelines Section 15060(c)(2), subdivisions (2) and (4) of subdivision (b), the involved action does not constitute a project under CEQA and therefore review under CEQA is not required.

**Section 6.** That in all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

**Section 7. Publication of Measure.** In accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code, the City Clerk is hereby authorized and directed to cause notice of the measure to be published once in a weekly newspaper of general circulation in the City of Grover Beach.

**Section 8. Effective Date.** This Resolution shall become effective immediately upon its passage and forthwith entered into the book of original Resolutions kept and maintained by the City Clerk of the City of Grover Beach.

**Section 9. Certification.** The City Clerk is hereby authorized and directed to certify to the due adoption of this Resolution and to transmit a copy hereof so certified to the Board of Supervisors and the Registrar of Voters of San Luis Obispo County.

On motion by Council Member Shah, seconded by Council Member Nicolls, and on the following roll-call vote, to wit:

- AYES: Council Members Nicolls, Shah, Mayor Pro Tem Lee, and Mayor Shoals.
- NOES: Council Member Peterson.
- ABSENT: Council Members – None.
- ABSTAIN: Council Members – None.

the foregoing Resolution was **PASSED, APPROVED**, and **ADOPTED** at a Special Meeting of the City Council of the City of Grover Beach, California this 23<sup>rd</sup> day of July, 2018.

[Redacted Signature]

JOHN P. SHOALS, MAYOR



[Redacted Signature]  
DONNA L. McMAHON, CITY CLERK

APPROVED AS TO FORM:

[Redacted Signature]

DAVID P. HALE, CITY ATTORNEY

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH  
AMENDING SECTION 10602 OF CHAPTER 6, ARTICLE X OF THE GROVER BEACH  
MUNICIPAL CODE RELATING TO INCREASING THE TRANSIENT OCCUPANCY TAX**

**WHEREAS**, the City has adopted Chapter 6 of Article X of the Grover Beach Municipal Code for the purpose of establishing a Transient Occupancy Tax; and

**WHEREAS**, the current Transient Occupancy Tax is levied for the purpose of establishing a tax revenue and a monetary exaction for the privilege of occupying a hotel/motel within the jurisdictional boundaries of the City; and

**WHEREAS**, the typical individuals for which this tax is imposed are transient to the City and the impact of this tax is not typically born by residents of the City of Grover Beach, and

**WHEREAS**, the amount of the tax is 10% of the rent charged by the operator of the hotel/motel; and

**WHEREAS**, the City has not amended or revised this amount since 1991 and desires to increase this amount to remain consistent with other communities and to address inflationary costs associated with general governmental services; and

**WHEREAS**, the Council is intending to increase the amount of the tax from 10% to 12%; and

**WHEREAS**, the City Council placed Measure L-18 on the ballot at the November 6, 2018 General Municipal Election that proposed the City enact an increase in the City's Transient Occupancy Tax to 12%.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GROVER BEACH** does hereby ordain; and **BE IT ORDAINED BY THE VOTERS OF GROVER BEACH** as follows:

PART 1. Section 10602 of Chapter 6 of Article X of the Grover Beach Municipal Code is hereby amended to read as follows:

Sec. 10602. Tax Imposed. For the privilege of occupancy in any hotel/motel, each transient is subject to and shall pay a tax in the amount of twelve (12%) percent of the rent 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 or to the City. The transient shall pay the tax to the operator of the hotel/motel 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 transients ceasing to occupy space in the hotel/motel. If for any reason the tax due is not paid to the operator of the hotel/motel, the Tax Administrator may require that such tax shall be paid directly to the Tax Administrator.

PART 2. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Ordinance or any part thereof is for any reason held to be in violation of the law, such decision shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more

sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared in violation of the law.

PART 3. This Ordinance shall become effective thirty (30) days after the date of its adoption, and within fifteen (15) days after its adoption, it shall be published once, together with the names of the Council Members voting thereon, in a newspaper of general circulation within the City.

**INTRODUCED** at a regular meeting of the City Council held \_\_\_\_\_, 2018 and **PASSED, APPROVED, and ADOPTED** by the City Council on \_\_\_\_\_, 2018 on the following roll call vote, to wit:

AYES:	Council Members -
NOES	Council Members -
ABSENT:	Council Members -
ABSTAIN:	Council Members -

**PASSED, APPROVED, and ADOPTED** by \_\_\_\_\_ percent of the Voters of the City of Grover Beach on Tuesday, November 6, 2018.

\_\_\_\_\_  
JOHN P. SHOALS, MAYOR

ATTEST:

\_\_\_\_\_  
DONNA L. MCMAHON, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
DAVID P. HALE, CITY ATTORNEY