CITY OF SAND CITY ORDINANCE NO. 16-06, 2016

AN ORDINANCE OF THE CITY COUNCIL OF SAND CITY TO INCREASE THE RATE OF TRANSIENT OCCUPANCY TAX IMPOSED IN SAND CITY FROM EIGHT PERCENT TO TWELVE PERCENT

WHEREAS, Chapter 24 of Title 3 of the Sand City Municipal Code imposes a transient occupancy tax (TOT) for general municipal purposes; and,

WHEREAS, at a general election held on November 7, 2000, a majority of the electors in Sand City approved ballot measure F which "allows the City Council to act by ordinance from time to time and at any time to increase the rate of tax charged for occupancy in any hotel in Sand City to not more than 14% or to decrease the rate of that tax to not less the 8%...."; and

WHEREAS, following approval by the electors of Sand City, the authority granted to the City Council to increase and decrease the rate of transient occupancy tax in a range between eight percent (8%) and fourteen percent (14%) was codified at Section .030 and Section .050 of Chapter 24 of Title 3 of the Sand City Municipal Code; and

WHEREAS, the rate of transient occupancy tax currently imposed for general municipal purposes in Sand City is eight percent (8%); and

WHEREAS, a recent survey shows neighboring Monterey Peninsula cities impose a transient occupancy tax ranging from ten percent (10%) to twelve percent (12%); and

WHEREAS, the Budget and Personnel Committee at their September 7, 2016 meeting, recommended that the rate of transient occupancy tax imposed in Sand City should be increased from eight percent (8%) to twelve percent (12%) in order to assist in the funding of general municipal expenses; and

WHEREAS, the City Council finds that the rate of transient occupancy tax imposed in Sand City should be increased to assist in the funding of general municipal expenses; and

WHEREAS, a public meeting was properly noticed and held, in accordance with Governmental Code Section 54954.6, where public comment was received on November 1, 2016.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Sand City as follows:

- **SECTION 1:** Pursuant to the authority granted to the City Council by the electors of Sand City, from and after the effective date of this ordinance, the rate of tax imposed by Sections .030 and .050 of Chapter 24 of Title 3 of the City Municipal Code shall be twelve percent (12%).
- **SECTION 2:** The City Clerk is hereby authorized and directed to codify the provisions of Section 1 of this ordinance in the Sand City Municipal Code.
- **SECTION 3:** Pursuant to the authority granted to the City Council by the electors of Sand City, the City Council hereby reserves the right to increase or decrease the rate of transient occupancy tax charged imposed in Sand City to not more than fourteen percent (14%) and not less than eight percent (8%).
- **SECTION 4:** The City Council finds that the adoption of this ordinance is categorically exempt from the California Environmental Quality Act (CEQA) under CEQA Guideline 15273.

SECTION 5: Effective Date

This Ordinance shall become effective thirty (30) days from and after its final passage and adoption.

PASSED AND ADOTPED, by the City Council of Sand City, this <u>20th</u> day of December, 2016 by the following vote:

AYES:

Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass

NOES:

None

ABSTAIN:

None

ABSENT:

None

ATTEST:

Linda K. Scholink, City Clerk