RESOLUTION NO. 20-8878

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA ORDERING THE SUBMISSION OF A BALLOT MEASURE TO THE QUALIFIED ELECTORS OF THE CITY AT A SPECIAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2020. REGARDING A BALLOT MEASURE TO AMEND CITY CODE SECTION 3.25.030 TO INCREASE TRANSIENT OCCUPANCY TAXES: CALLING AND GIVING NOTICE OF A SPECIAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF SANTA CLARA ON TUESDAY, NOVEMBER 3, 2020, FOR A VOTE ON SAID BALLOT MEASURE : REQUESTING CONSOLIDATION WITH THE PRESIDENTIAL GENERAL ELECTION AND ELECTION SERVICES FROM SANTA CLARA COUNTY: DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS: AND SETTING PRIORITIES FOR **BALLOT ARGUMENTS**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the next Presidential General Election will be held November 3, 2020;

WHEREAS, the California Constitution Article XIIIC, Section 2(b) requires a proposed tax to be submitted to voters at a general municipal election;

WHEREAS, the City Council intends to submit a ballot measure and ballot question, concerning an increase in the Transient Occupancy Tax rate, as described in this Resolution, to the qualified electors of the City of Santa Clara at such election;
WHEREAS, pursuant to the requirements of the City Charter there is called and ordered to be held in the City of Santa Clara, California, on Tuesday, November 3, 2020, a special municipal election placing on the ballot one measure that, if passed, would amend City Code Section 3.25.030; and,
WHEREAS, in the course of conducting a special municipal election on November 3, 2020, it is desirable that such special municipal election be consolidated with the general election, pursuant to Santa Clara City Charter section 600.02, to be held on the same date as if there were only one election. It is also necessary for the City to request services of the County as set forth in this resolution.

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Resolution/Notice of Intention Rev: 11/22/17

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

- 1. SPECIAL ELECTION. That pursuant to the requirements of the City Charter, there is called and ordered to be held in the City of Santa Clara, California, on Tuesday, November 3, 2020, a special municipal election placing one measure on the ballot that, if passed, would amend City Code Section 3.25.030 to increase transient occupancy tax rates.
- 2. BALLOT QUESTION. That the ballot question shall read as follows:

CITY OF SANTA CLARA MEASURE	
To maintain and protect the level of essential city services including 9-1-1 emergency medical/disaster preparedness, police and fire protection, bicycle and pedestrian safety,	Yes
roadways and storm drains, and other vital services including parks, recreation, libraries and senior services, shall a measure increasing the hotel tax rate up to 4%, generating up to approximately 7 million dollars annually, paid only by hotel/motel guests, until ended by voters, be adopted?	No

- 3. MEASURE. That the measure read as set forth on Exhibit A (attached hereto and incorporated herein by reference, with additions to and deletions from the current text indicated thereon) which, if passed by the voters, shall amend the Municipal Code of the City of Santa Clara.
- 4. NOTICE OF ELECTION. That in accordance with the City Charter and applicable state law, the City Clerk is hereby authorized and directed on behalf of the City Council to cause notice of the time and place of the holding of the election to be published once in a newspaper of general circulation, printed, published, and circulated in the City of Santa Clara, and hereby designated for that purpose by the City Council of Santa Clara. Furthermore, the City Clerk hereby is authorized, instructed and directed to coordinate with the County of Santa Clara Registrar of Voters to procure and furnish any and all official ballot, notices, printer matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

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- 5. CONSOLIDATION REQUEST. Pursuant to the requirement of Part 3

 (Consolidation of Elections; Section 10400 et seq) of Division 10 of the Elections Code, the City Council hereby requests the Board of Supervisors of the County of Santa Clara to consolidate the special municipal election with the presidential general election on November 3, 2020, and to further provide that, upon consolidation, the consolidated election shall be held and conducted in all respects as if there were only one election, and only one form of ballot shall be used, election officers appointed, voting precincts designated, ballot printed, pools opened and closed, ballots opened and returned, returns canvassed, and all other proceedings in connection with the election shall be regulated and done by the Registrar of Voters of the County of Santa Clara in accordance with the provisions of applicable laws regulating consolidating elections. This City Council requests and consents to such consolidation.
- 6. REQUEST FOR COUNTY SERVICES. Pursuant to Section 10002 of the California Elections Code, the City Council hereby requests the Board of Supervisors of the County of Santa Clara to permit the Registrar of Voters to render services to the City of Santa Clara relating to the conduct of Santa Clara's special municipal election to be held on Tuesday, November 3, 2020. Services shall be of the type normally performed by the Registrar of Voters in assisting the clerks of municipalities in the conduct of elections.
- 7. ELECTION COSTS. Subject to the approval of the Board of Supervisors of the foregoing requests, the City Clerk is hereby authorized to engage the services of the Registrar of Voters of the County of Santa Clara to aid in the conduct of the election. The City Director of Finance is authorized and directed to pay the costs of services, provided that no payment shall be made for services which the Registrar of Voters is otherwise required by law to perform.
- 8. BALLOT AND REBUTTAL ARGUMENTS FOR MEASURE. Primary and rebuttal arguments for the measure may be filed consistent with Elections Code Section 9282, etseq.

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- 9. BALLOT ARGUMENT (IN FAVOR) OR (AGAINST) MEASURE. The Council hereby selects the following course of action regarding argument in favor of the measure:
- A. Authorizes (3) of member(s) of the City Council to submit a written argument in favor of the measure: Mayor Gillmor, Vice Mayor Hardy, and Councilmember Chahal: at Mayor Gillmor, Vice Mayor Hardy, and Councilmember Chahal's discretion, the argument may also be signed by other members of the City Council, bona fideassociations or individual voters who are eligible to vote on the measure. In the event that an argument is filed for the measure, Mayor Gillmor, Vice Mayor Hardy, and Councilmember Chahal is also authorized to submit a rebuttal argument on behalf of the City Council, which, at Mayor Gillmor, Vice Mayor Hardy, and Councilmember Chahal discretion, may also be signed by members of the City Council, bona fide associations, or individual voters who are eligible to vote on the measure. Signatures on the rebuttal argument may be different from those who signed the primary argument.
- 10. IMPARTIAL ANALYSIS. Pursuant to Elections Code Section 9280, the City Council hereby directs the City Attorney to prepare an impartial analysis of the measure.
- 11. TRANSMITTAL OF RESOLUTION. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the County Registrar of Voters.

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12. EXEMPTION FROM CEQA. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Sections 15378(b)(4) and 15378(b)5) that this resolution is exempt from the requirements of the California Environmental QUALITY Act (CEQA) in that it involves fiscal and administrative activities that will not result in a potentially significant impact on the environment.

13. That in all particulars not recited in this resolution, the special municipal electionshall be held and conducted as provided by law for holding municipal elections.

14. That this resolution provides notice of the time and place for holding the general municipal election and the City Clerk is authorized, instructed and directed to give further or additional notice of the general municipal election in time, form and manner as required by law.

15. That the proposed measure shall not take effect unless and until approved by a vote of at least 50% plus one of the voters voting on the question at the election.

16. <u>Effective date</u>: This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 14TH DAY OF JULY, 2020, BY THE FOLLOWING VOTE:

AYES:

COUNCILORS:

Chahal, Davis, Hardy, O'Neill, and Watanabe,

and Mayor Gillmor

NOES:

COUNCILORS:

ABSENT:

COUNCILORS:

ABSTAINED:

COUNCILORS:

ATTEST:

NORA PIMENTEL, MMC ASSISTANT CITY CLERK CITY OF SANTA CLARA

Attachment:

1. Exhibit A Ordinance Amending SCCC Section 3.25.030

EXHIBIT A

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA, AMENDING SECTION 3.25.030 ("TAX IMPOSED") OF CHAPTER 3.25 ("TRANSIENT OCCUPANCY TAX") OF TITLE 3 ("REVENUE AND FINANCE") OF "THE CODE OF THE CITY OF SANTA CLARA, CALIFORNIA" TO INCREASE THE TAX RATE

BE IT ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the transient occupancy tax rate currently imposed by the City of Santa Clara is one of the lowest in the area;

WHEREAS, in order to increase unrestricted revenue for the City's general fund, the City Council has determined that an increase in the transient occupancy tax is appropriate; and WHEREAS, the increase in transient occupancy tax was approved by the voters of the City of Santa Clara on November 3, 2020.

NOW THEREFORE, BE IT FURTHER ORDAINED BY THE CITY OF SANTA CLARA, AS FOLLOWS:

SECTION 1: That Section 3.25.030 ("Tax Imposed") of Chapter 3.25 (entitled "Transient Occupancy Tax") of Title 3 (entitled "Revenue and Finance") of "The Code of the City of Santa Clara, California" ("SCCC") is amended to read as follows:

"3.25.030 Tax imposed.

- (a) For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax as imposed from time to time by City Council resolution. Said tax shall be a percentage of the rent charged by the operator to the occupant. An increase that exceeds ten percent of the rent charged by the operator shall be authorized only with an amendment to this section.
- (b) On and as of July 22,1992 and continuing thereafter until further change by City Council resolution, the amount of the tax imposed is nine and one-half percent of the rent charged by the operator.
- (c) On and as of January 1, 2021 and continuing thereafter until further change by City Council

resolution, the amount of the tax imposed is eleven and one-half percent of the rent charged by the operator. As approved by voters, any future changes in the amount of tax imposed may be made by City Council resolution up to a cap of thirteen and one-half percent of the rent charged by the operator.

(d) 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, or any person paying rent on the transient's behalf, 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 due is not paid to the operator of the hotel, the Director of Finance may require that such tax shall be paid directly to the Director of Finance. (Ord. 1847 § 2, 10-20-09)."

<u>SECTION 2</u>: Ordinances Repealed. With exception of the provisions protected by the savings clause, all ordinances (or parts of ordinances) in conflict with or inconsistent with this ordinance are hereby repealed.

SECTION 3: Savings clause. The changes provided for in this ordinance shall not affect any offense or act committed or done or any penalty or forfeiture incurred or any right established or accruing before the effective date of this ordinance; nor shall it affect any prosecution, suit or proceeding pending or any judgment rendered prior to the effective date of this ordinance. All fee schedules shall remain in force until superseded by the fee schedules adopted by the City Council.

SECTION 4: Effective date. This ordinance shall take effect ten (10) days after the vote is declared by the City Council, pursuant to Elections Code Section 9217.

Attachments incorporated by reference: None