

AUG 09 2022

MARK CHURCH, Chief Elections Officer
By: _____
DEPUTY CLERK

RESOLUTION NO. 2022- 079

MARK CHURCH, Chief Elections Officer
By: _____
DEPUTY CLERK

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT CALLING A MUNICIPAL ELECTION ON A MEASURE INCREASING THE HOTEL ROOM TAX BY SETTING THE RATE AT FOURTEEN PERCENT OF THE RENT PAID BY THE GUEST

WHEREAS, the City of Belmont continues to have millions of dollars in unmet infrastructure needs, including streets, storm drains, parks and community facilities; and,

WHEREAS, Belmont needs reliable sources of local revenue where local control is exercised over local funds to help the City to be self-reliant, requiring that all funds be spent for Belmont residents, and no funds can be taken by Sacramento; and,

WHEREAS, recent changes to state law have cost the City of Belmont nearly two million dollars and will delay improvements to Ralston Avenue and delay repairing potholes throughout the City if this measure is not approved; and,

WHEREAS, the City has a plan designed to reduce the impact on local taxpayers so they do not shoulder all of the cost and allows visitors to pay their fair share for services; and,

WHEREAS, resident identified City service funding priorities including fixing potholes and repairing streets and sidewalks, maintaining 9-1-1 emergency response times, keeping public areas healthy safe and clean and maintaining senior services including health, nutrition and transportation programs; and,

WHEREAS, State actions continue to negatively affect city property tax revenues by delaying or diverting payments; and,

WHEREAS, General Fund balance reserves are currently being used to replace revenue shortfalls and maintain City services and quality of life, but the long-term use of fund balance to maintain services is not sustainable; and,

WHEREAS, current and projected City revenues are insufficient to consistently maintain the City's general fund at or above the City's General Fund policy target of 33% and minimum balance policy of \$5 million over a ten-year forecast; and,

WHEREAS, the General Fund balance is projected to fall by \$4.3 million over the next five years, representing a 25% reduction in available fund balance; and,

WHEREAS, the City has implemented a number of cost saving strategies, however, the magnitude of the revenue shortfall greatly exceeds any additional savings that could practically be achieved through further cost cutting measures while maintaining City services and quality of life; and,

WHEREAS, Belmont citizens expect and deserve essential services including 9-1-1 emergency response, pothole and road repair, maintenance of parks, open space, and sports fields, senior and youth programs, and maintenance of police patrols and crime prevention at a level

sufficient to protect and promote public health, safety, and welfare, and provide residents with a high quality of life; and,

WHEREAS, the City of Belmont, with the help and support of its citizens, has made significant progress in improving its financial position, but continues to need reliable sources of local revenue where local control is exercised over local funds that cannot be taken by Sacramento; and,

WHEREAS, hotel guests use City services, including roads, 9-1-1 emergency response and parks; and,

WHEREAS, the City of Belmont currently requires persons renting rooms or structures for 30 consecutive days or less for dwelling, lodging or sleeping purposes (“hotel guests”) to pay a transient occupancy tax (“hotel room tax”) of twelve percent of the amount charged by the operator; and,

WHEREAS, on June 8, 2021, the City Council adopted Resolution No. 2021-055 finding among other things that maintaining city services and continuing to invest in infrastructure is critical to protecting public safety and welfare and enabling Belmont residents to have a high quality of life, and that the continuing volatility and decline of state administered revenues imperils the General Fund’s ability to maintain city services and basic infrastructure which if not adequately addressed in the immediate future will place the public at increasingly greater risk of harm and increase the exposure of the City to potential liability; and,

WHEREAS, on June 14, 2022, the City Council adopted Resolution No. 2022-057 finding among other things that diversification of the city’s revenue sources, expansion of the city’s revenue base, and greater local control over revenue is urgently needed to provide a back stop against further state takeaways and achieving long term fiscal and organizational stability, and, to maintain city services and infrastructure at an adequate and sustainable level and thereby protect the public from harm and the City from overwhelming potential liability; and,

WHEREAS, the City Council has determined to submit to the citizens of Belmont for their approval a ballot measure setting the City’s hotel room tax rate at fourteen percent of the amount paid by the hotel guest; and,

WHEREAS, Revenue and Taxation Code Section 7280 and California Constitution Article XIIC authorize the City to levy a transient occupancy tax for unrestricted general revenue purposes if the ordinance proposing that tax is approved by the voters of the City; and,

WHEREAS, under California Constitution Article XIIC and Belmont’s current general municipal election cycle at which councilmembers are elected, Belmont voters may only vote on a general tax measure proposed by the Council once every two years in November of even-numbered years unless the City Council unanimously declares an emergency.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1. Resolutions No. 2021-055 and No. 2022-057 are incorporated herein by reference.

SECTION 4. Conduct of Election

In accordance with Elections Code Section 10002, the City Council requests the County of San Mateo Board of Supervisors authorize the County Clerk to render all services necessary for the conduct of the election regarding the general tax measure and agrees to reimburse the County of San Mateo for the costs of conducting this election.

SECTION 5. Proposed Ordinance

(a) The ordinance authorizing the transient occupancy tax to be approved by the voters is as set forth in Attachment 1 hereto.

(b) The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 8, 2022 election.

(c) The ordinance increases the transient occupancy tax rate to fourteen percent of the rent paid by the transient. The City of Belmont will collect the tax from operators. The proposed tax is for general city purposes and will be deposited in the city's general fund.

✓ (d) The City Council requests the County of San Mateo Board of Supervisors to order the County Clerk to set forth in the voter information portion of all sample ballots to be mailed to the qualified electors of the City the full text of the Ordinance and to mail with the sample ballots to the electors printed copies of the full text of the Ordinance, together with the primary arguments for and against the measure, and to provide absent voter ballots for the election for use by qualified electors of the City who are entitled thereto in the manner provided by law.

SECTION 6. Publication of Synopsis

The City Clerk is directed to publish a synopsis of the measure in the manner required by Elections Code Section 12111 at least one week before the election.

SECTION 7. Submission to County Officials

The City Clerk is directed to file a certified copy of this Resolution, with Attachments, with the County of San Mateo Board of Supervisors and the County Elections Official no later than close of business on August 12, 2022.

SECTION 8. Impartial Analysis

The City Clerk is directed to transmit a copy of the measure to the City Attorney who is directed to prepare an impartial analysis of the measure in accordance with Elections Code Section 9280.

SECTION 9. Ballot Arguments

(a) Ballot arguments for or against the measure may be submitted in accordance with this resolution and applicable provisions of the law.

SECTION 2. Call for Municipal Election.

(a) A municipal election in the City of Belmont is called for November 8, 2022 for the purpose of submitting to the electorate a ballot measure approving an ordinance increasing the City's transient occupancy tax by setting the rate at fourteen percent of the rent paid by the transient, to continue from the effective date until changed, and to be used for unrestricted general revenue purposes of the City.

(b) The polls for the election shall be open at 7:00 a.m. on the day of the election and shall remain open continuously from that time until 8:00 p.m. that same day, when the polls shall be closed, except as provided in Elections Code Section 14401. The City Clerk is authorized to give further notice of the election, as required by law.

SECTION 3. Consolidation with Statewide General Election

(a) The City Council orders the municipal election consolidated with the statewide general election on Tuesday, November 8, 2022.

(b) In accordance with Elections Code Section 10403, the City Council requests the County of San Mateo Board of Supervisors consolidate the municipal election with the statewide election.

(c) The question to be presented to the voters is as follows:

City of Belmont Hotel Room Tax Measure	
Shall a City of Belmont ordinance providing funding, that cannot be taken by the State, for general city services including: Fixing potholes, repairing streets and sidewalks; Maintaining 9-1-1 emergency response times; Keeping infrastructure projects/ upgrades on-time/ on-budget; Maintaining senior services, and Keeping public areas healthy, safe and clean; by raising the transient occupancy ("hotel") tax to 14%, paid only by guests, until ended by voters, providing an additional \$600,000 annually, with independent audits, be adopted?	YES
	NO

This question requires the approval of the majority of qualified electors casting votes.

(d) The City Council acknowledges that the consolidated election will be held and conducted in the manner prescribed in Election Code Section 10418.

(b) The City Council will designate by motion a subcommittee of two councilmembers to prepare a written argument not exceeding 300 words in favor of the measure. If a qualified argument against measure is submitted, the subcommittee may prepare a rebuttal argument not exceeding 250 words. At the discretion of the subcommittee, the argument in favor and rebuttal, if any, may also be signed by other members of the City Council, bona fide associations of citizens, or by individual voters who are eligible to vote. Arguments and rebuttals shall otherwise conform to and comply with all applicable provisions of the Elections Code and be submitted by the deadline required by the County of San Mateo Elections Official.

* * *

ADOPTED July 26, 2022, by the City of Belmont City Council by the following vote:

Ayes: Lieberman, Stone, Hurt, McCune

Absent: Mates

ATTEST:



City Clerk



Vice-Mayor

APPROVED AS TO FORM:



City Attorney

Attachment 1

To Resolution 2022-

**An Ordinance of the City of Belmont Increasing the Hotel Room Tax by Setting the Rate at
Fourteen Percent of Rent Paid by Hotel Guests**

Full Text Starts

ORDINANCE NO. 2022-1167

AN ORDINANCE OF THE CITY OF BELMONT INCREASING THE HOTEL ROOM TAX BY SETTING THE RATE AT FOURTEEN PERCENT OF RENT PAID BY GUESTS

WHEREAS, the Citizens of Belmont find that maintaining essential services such as pothole and road repair, 9-1-1 emergency response, parks, open space, and sports fields maintenance, senior and youth programs, and neighborhood police patrols and crime prevention are critical to protecting the safety and welfare of Belmont residents and to providing residents with a high quality of life, and,

WHEREAS, the City of Belmont has millions of dollars in unmet infrastructure needs, including streets, storm drains, parks and community facilities; and,

WHEREAS, the City of Belmont, with the help and support of its citizens, has made significant progress in improving its financial position, but continues to need reliable sources of local revenue where local control is exercised over local funds that cannot be taken by Sacramento; and,

WHEREAS, hotel guests use City services, including roads, 9-1-1 emergency response and parks; and,

WHEREAS, the City of Belmont currently requires persons renting rooms or structures for 30 consecutive days or less for dwelling, lodging or sleeping purposes ("hotel guests") to pay a transient occupancy tax ("hotel room tax") of twelve percent of the rent paid by the transient; and,

WHEREAS, Belmont needs a reliable source of revenue where local control is exercised over local funds that cannot be taken by Sacramento and can only be spent for Belmont; and,

WHEREAS, Belmont needs reliable sources of local revenue where local control is exercised over local funds to help the City to be self-reliant; and,

WHEREAS, recent changes to state law have cost the City of Belmont nearly two million dollars and will delay improvements to Ralston Avenue and delay repairing potholes throughout the City; and,

WHEREAS, the City has a plan designed to reduce the impact on local taxpayers so they do not shoulder all of the cost and allows visitors to pay their fair share for services; and,

WHEREAS, resident identified City service funding priorities including fixing potholes and repairing streets and sidewalks, maintaining 9-1-1 emergency response times, keeping public areas healthy safe and clean and maintaining senior services including health, nutrition and transportation programs; and,

WHEREAS, this ordinance will increase the hotel room tax rate by setting the rate at fourteen percent of the amount paid by the hotel guest, which will remain in effect until changed and will be collected by the City, and cannot be taken by Sacramento.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF BELMONT DO ORDAIN AS

of Belmont in accordance with California Constitution Article XIII C, Section 2(b).

(b) Except as provided in subsection (a), the provisions herein may amended by ordinance adopted by the City Council.

SECTION 7. EFFECTIVE.

(a) This ordinance relates to the levying and collecting of the City transient occupancy tax and shall be in full force and effect 10 days after the certification by the City Council of the election returns indicating passage of the ordinance in the election of November 8, 2022, by the margin of votes required by California Constitution Article XIII C, Section 2(b) for general tax measures.

(b) Notwithstanding Section 7(a), Section 3 of this ordinance becomes operative no earlier than January 1, 2023.

Full Text
Ends

* * *

This ordinance was submitted to the People of the City of Belmont at the November 8, 2022 election and was adopted by the following vote of the People:

YES:

NO:

ATTEST:

City Clerk

Mayor