

MEASURE L-18

City Attorney's Impartial Analysis

Grover Beach Transient Occupancy Tax

The City Council of the City of Grover Beach has placed Measure L-18 on the November 6, 2018 ballot to ask the voters to approve an ordinance that would enact an increase in the City's Transient Occupancy Tax on hotel accommodations operating within the City. The City of Grover Beach imposes a transient occupancy Tax ("TOT"), also called a "room" tax, at the rate of ten percent (10%) of the rent paid by guests for the ability to occupy a room or other space in a hotel or other similar accommodation for dwelling lodging or sleeping purposes (collectively "occupancy" and a "hotel") for a period of thirty (30) consecutive days or less. This TOT currently is imposed upon paying hotel guests for the ability to occupy a room or other hotel space and collected by the hotel operator.

Passage of Measure "L-18" would amend the City's Municipal Code as follows:

- Increase the TOT rate from ten percent (10%) to twelve percent (12%) of the rent paid by guests for hotel occupancy. Because the tax is a general tax, its proceeds may be used for any City general governmental purposes, including but not limited to fire and police services, street operations and maintenance, library and parks and recreation facilities and other general municipal services. The tax will remain in effect until voters amend or repeal it.

The current ordinance considers a person transient and subject to the tax up to a total of 30 consecutive days and the TOT will apply only to the first 30 consecutive days of occupancy at a hotel.

Measure L-18 must be approved by a majority of the votes cast by the City voters who vote on the ballot proposition.

A "yes" vote on Measure L-18 will authorize the amendments to the City's Municipal Code described above.

A "no" vote on Measure L-18 will prohibit the City from adopting the amendments to its Municipal Code as described above and the TOT will remain in place at ten percent (10%) until otherwise revised by a majority vote of the voters who vote on a future ballot proposition.


David P. Hale
City Attorney, Grover Beach

July 26, 2018

The above statement is an impartial analysis of Measure L-18. If you desire a copy of the Ordinance or related materials, please call the City Clerk's office at 805-473-4567 and a copy will be made available at no cost to you.