



MARIPOSA COUNTY

Administration · 966-3222



RESOLUTION - ACTION REQUESTED 2018-390

MEETING: August 7, 2018
TO: The Board of Supervisors
FROM: Dallin Kimble, County Administrative Officer
RE: TOT Increase

RECOMMENDATION AND JUSTIFICATION:

Approve Proposal to Increase the Transient Occupancy Tax and Adopt Resolution Submitting the Proposal to the Electorate on November 6, 2018.

Our County is a leader in fiscal responsibility, but there are significant challenges ahead. Mounting obligations, including natural disasters and public safety needs, are putting a strain on our resources and limiting our ability to deliver services. Consider:

1. The last year and a half has included multiple natural disasters that rank among the worst in our County's history. With the growing frequency and intensity of disasters around California and our nation, we cannot assume the same levels of state and federal aid will always be available.
2. Volunteer firefighters are excellent but few in number. Some stations have been unable to respond in over 8 months and MPUD Fire is facing the same problem.
3. Mariposa County has \$60 - \$100 million in unfunded road maintenance needs.
4. Vacation rentals have contributed to a housing shortage. The County has no staff currently dedicated to the development of housing. Economic development staff are also operating with limited resources.
5. State-mandated retiree costs are increasing dramatically at a time when one-third of County staff will be eligible to retire within five years. Technology and other process efficiencies are needed.
6. Mariposa County currently has only one-ninth of the park space recommended for our population. Projects initiated nearly 20 years ago, including ballfields and a potential recreation center, have been put on hold for lack of funding.

For all of these reasons and more, staff recommends submitting a proposal to the electorate to increase Transient Occupancy Tax on November 6, 2018 from ten percent (10%) to fourteen

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percent (14%). A full staff report is attached.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The County currently has a transient occupancy tax rate of ten percent (10%), as established by Chapter 3.36 of the Mariposa County Ordinance Code.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve the resolution. This item will not appear on the November ballot. The next opportunity to consider such an item will be prior to the elections in 2020.

FINANCIAL IMPACT:

Placement on the ballot will cost approximately \$4,500.

ATTACHMENTS:

Staff Report (DOCX)

Resolution for Transient Occupancy Tax Increase (DOCX)

Comparison of California Tourist Destination TOT Rates (XLSX)

RESULT: ADOPTED AS AMENDED [UNANIMOUS]

MOVER: Kevin Cann, District IV Supervisor

SECONDER: Miles Menetrey, District V Supervisor

AYES: Rosemarie Smallcombe, Marshall Long, Kevin Cann, Miles Menetrey

EXCUSED: Merlin Jones

**MARIPOSA COUNTY RESOLUTION #18-390
PROPOSAL TO AMEND CHAPTER 3.36 OF COUNTY CODE
REGARDING THE TRANSIENT OCCUPANCY TAX RATE**

WHEREAS, more than 4 million annual visitors to Yosemite National Park contribute to the demand for County services including roads, law enforcement, fire and medical response, housing development and infrastructure, economic development, and other related services; and

WHEREAS, Section 7280 of the California Revenue and Taxation Code authorizes the Board of Supervisors of any County to “levy a tax on the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging unless the occupancy is for a period of more than 30 days”; and

WHEREAS, pursuant to Chapter 3.36 of the Mariposa County Code, the County of Mariposa presently imposes such a tax on visitors and tourists at the rate of ten percent (10%) of the rent charged by operators of such lodging within the County; and

WHEREAS, Section 2 of Article XIIC of the California Constitution, and Section 53723 of the California Government Code, authorize the County to impose a general tax upon a majority vote of the electorate; and

WHEREAS, pursuant to Section 9140 of the California Elections Code, this Board may submit to the voters, without petition, a measure relating to the enactment of any ordinance; and

WHEREAS, this Board deems it appropriate to propose an amendment to Chapter 3.36 of the Mariposa County Code to the electorate of the County to increase the rate of tax on the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging to maintain or improve services including roads, emergency response, housing and economic development.

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Mariposa as follows:

1. This Board hereby proposes that Chapter 3.36 of the Mariposa County Code be amended to increase the rate of tax provided for therein from ten percent (10%) to twelve percent (12%) of the rent (including all fees) charged by operators of transient lodging in the County.

2. An election shall be and is hereby ordered to be held, at which election there shall be submitted to the qualified electors of the County the question of the increase in the rate of tax set forth in Chapter 3.36 of the Mariposa County Code from ten percent (10%) to twelve percent (12%) of the rent charged by operators of transient lodging in the County, said proposition to read as follows:

“Mariposa County Disaster Response, Public Safety and Vital Services Measure

To reduce the threat of wildfires; enhance fire protection and 911 emergency response; maintain law enforcement; repair damaged roads; protect water quality, open space; retain and attract jobs and businesses; and other general services, shall Mariposa County’s existing transient occupancy tax paid only by hotel/short-term rental guests be increased by 2%, providing \$3,000,000 annually until ended by voters, requiring independent audits, all funds used locally?”

3. The Board of Supervisors does hereby submit to the qualified electors at the regularly scheduled general election said measure as set forth in Paragraph 2 of this resolution and designates and refers to said measure as the measure to be set forth on the ballots for use at said election. The full text of the measure is as set forth below in this Paragraph 3:

“Shall section 3.36.030 of Chapter 3.36 of the Mariposa County Code be amended in its entirety to read as follows:

3.36.030 Imposition of Tax.

“For the privilege of occupancy in any hotel or other transient occupancy facility, each transient is subject to and shall pay a tax in the amount of twelve percent (12%) of the rent and all fees charged by the operator. Such tax constitutes a debt owed by the transient to the county, which is extinguished only by payment to the operator, or to the county. The transient shall pay the tax to the operator of the hotel or other transient occupancy facility 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 or other transient occupancy facility. If for any reason the tax due is not paid to the operator of the hotel, the tax collector may require that such tax be paid directly to the tax collector.”

4. The County Clerk shall publish a notice of this election in accordance with the Elections Code and give any other required notices.

5. The following requirement shall apply to this election:

(a) The election shall be held and conducted, the returns canvassed and the result declared in the same manner as provided by law for general elections.

(b) The election will be held on November 6, 2018, from the hour of 7:00 AM to the hour of 8:00 PM, during which period of time the polls will remain continuously open. At 8:00 PM, the polls will be closed, except as provided in Section 14401 of the Elections Code.

(c) The County Clerk shall prepare and mail to each eligible voter in the County a sample ballot and a voter's pamphlet containing the text of the measure as indicated in Paragraph 2 above, the ordinance providing for the imposition of a transient occupancy tax at the rate of twelve percent (12%) of the rent charged by the operator.

(d) The County Clerk shall establish election precincts, designate the polling places and provide election officers for each precinct at the November 6, 2018, election in accordance with the election laws of the State of California.

(e) The election on the proposed measure shall be consolidated with any and all other elections to be held on November 6, 2018.

PASSED AND ADOPTED by the Mariposa County Board of Supervisors, a political subdivision of the State of California, on this 7th day of August 2018 by the following vote:

AYES: SMALLCOMBE, LONG, CANN, MENETREY
NOES: NONE
EXCUSED: JONES
ABSTAIN: NONE


ROSEMARIE SMALLCOMBE, Board Chair

ATTEST:


RENÉ LAROCHE, Clerk of the Board

APPROVED AS TO FORM:


STEVEN W. DAHLEM, County Counsel