



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name: Treasurer-Tax Collector
Department No.: 065
Agenda Date: 7/7/2026
Placement: Departmental Agenda
Estimated Time: 30 MINUTES
Continued Item: No
If Yes, date from: <Insert Date>
Vote Required: Majority

TO: Board of Supervisors *2/2/2*
FROM: *f* Harry E. Hagen, CPA, CCMT, CPFA, CPFO, ACPFIM, CFIP, CGIP, Treasurer – Tax Collector
Contact: LeAnne Hagerty, CPA, CPFO, Treasury Finance Chief
15 Miramar Club LLC Appeal of the Treasurer-Tax Collector’s Transient Occupancy Tax
SUBJECT: and Tourism Business Improvement District Audit Final Determination

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Consider an appeal of the Treasurer-Tax Collector’s Transient Occupancy Tax and Tourism Business Improvement District final audit determination for 15 Miramar Club LLC. The appeal was filed by Olesya Kurnosova and Vladimir Priyma of Sedgwick Company on behalf of 15 Miramar Club LLC.
- b) Consider taking the following actions:
 - i. Conduct a hearing to consider the appeal of the final determination of Transient Occupancy Tax and Tourism Business Improvement District interest and penalties assessed by the Treasurer-Tax Collector on 15 Miramar Club LLC in the amount of \$38,656.96; and
 - ii. Uphold the Treasurer-Tax Collector's final determination and deny the appeal request for the waiver of penalties and interest totaling \$38,656.96; and
 - iii. Deny the appeal request for a payment plan arrangement for the Transient Occupancy Tax and Tourism Business Improvement District assessment amounts; and
 - iv. Adopt the findings proposed by the Treasurer-Tax Collector; and

- v. Determine that the above actions involve government funding mechanisms and/or fiscal activities and are not a project under the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(4) of the CEQA Guidelines.

Summary Text:

The Treasurer-Tax Collector conducted an audit of the short-term rental activity of 15 Miramar Club LLC for the period of April 1, 2022 to March 31, 2025. The purpose of the audit was to determine compliance with the Santa Barbara County Code Chapter 32, Article II and the Santa Barbara South Coast Tourism Business Improvement District Management Plan.

As a result of the audit, the Treasurer-Tax Collector determined that the amount due from 15 Miramar Club LLC was \$192,250.74, consisting of \$153,593.78 in Transient Occupancy Tax and Tourism Business Improvement District assessment and \$38,656.96 in penalties and interest, and this amount was assessed against 15 Miramar Club LLC.

Pursuant to County Code Section 32-18, 15 Miramar Club LLC has appealed the determination of the Treasurer-Tax Collector to the County Board of Supervisors.

Background:

Under the Santa Barbara County Code Section 32-14, it is a lodging operator's responsibility to apply for and obtain a Transient Occupancy Registration Certificate, and to collect, report and remit the Transient Occupancy Tax (TOT) monthly.

Santa Barbara County Code Section 32-17 describes the responsibility of the Treasurer-Tax Collector regarding the collection of TOT:

"If any operator shall fail or refuse to collect such tax and to make, within the time provided in this article any report and remittance of such tax or any portion thereof required by this article, the county tax collector shall proceed in such manner as he may deem best to obtain facts and information on which to base his estimate of the tax due. As soon as the county tax collector shall procure such facts and information as he is able to obtain upon which to base the assessment of any tax imposed by this article and payable by any operator who has failed or refused to collect the same to make such report and remittance, he shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this article."

Under the Santa Barbara South Coast Tourism Business Improvement District (TBID) Management Plan, lodging business owners within the TBID pay an assessment and those funds are used to provide programs that increase demand for room night sales. The assessment is levied upon and a direct obligation of the assessed lodging business. The TBID assessment is required to be remitted monthly.

In March and in August 2023, the Treasurer-Tax Collector's office sent a letter requesting that 15 Miramar Club LLC complete an application for a Transient Occupancy Registration Certificate and begin remitting TOT to the County for its short-term rental business located at 66 Eucalyptus Lane, Santa Barbara. The operator did not respond to either request. In May 2025, a letter was sent to 15 Miramar Club LLC advising the operator that the Treasurer-Tax Collector would be conducting an audit to review compliance with the Santa Barbara County Code Chapter 32, Article II.

At the conclusion of the audit, a determination letter was sent to 15 Miramar Club LLC with the finding that it failed to report and remit TOT/TBID to the County and delineated the amount due, including penalties and interest, of \$192,250.74.

15 Miramar Club LLC requested a hearing with the Treasurer-Tax Collector on the amount assessed. A hearing was held on April 20, 2026, and a final determination letter was sent on April 24, 2026, showing that the amount due to the County remained at \$192,250.74.

15 Miramar Club LLC is appealing the Treasurer-Tax Collector's final determination to the County Board of Supervisors, requesting to have the \$38,656.96 in penalty and interest waived, and to set up a payment plan for the remaining TOT/TBID amount due of \$153,593.78.

Special Instructions:

Clerk of the Board, pursuant to County Code Section 32-18:

1. Please send notice of hearing to the operator, 15 Miramar Club LLC.
2. After the hearing, please send the findings of the Board of Supervisors to 15 Miramar Club LLC.

Attachments:

Attachment A – 15 Miramar Club LLC request for appeal hearing with the Board of Supervisors.

Attachment B – 15 Miramar Club LLC Proposed Findings of the County of Santa Barbara Board of Supervisors

Attachment C – Santa Barbara County Code Chapter 32, Article II

Contact Information:

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