

RESOLUTION NO. 24-164

**RESOLUTION OF THE
BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA
PROPOSING TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE
(PAID ONLY BY HOTEL AND SHORT-TERM RENTAL GUESTS
IN UNINCORPORATED COMMUNITIES) TO FOURTEEN
PERCENT (14%), SUBMITTING THE PROPOSED LANGUAGE FOR INCREASE
TO THE ELECTORATE FOR APPROVAL, AND REQUESTING AND ORDERING
CONSOLIDATION WITH THE NOVEMBER 5, 2024 GENERAL ELECTION ON
SAID TAX RATE INCREASE**

WHEREAS, additional locally controlled sources of funding will ensure priorities such as maintaining 911 response times; emergency communications systems, gang prevention and anti-drug education programs; repairing deteriorating bridges, potholes, roads, and transportation infrastructure; protecting groundwater; addressing homelessness, and other general county services/purposes are addressed; and

WHEREAS, by law, all funds raised by the Transient Occupancy Tax (TOT) are controlled locally; and

WHEREAS, the County will continue to be fiscally responsible by publishing online expenditure reports and annual independent audits; and

WHEREAS, Article XIII C, Section 2 of the California Constitution, and Government Code Section 53723 authorize the Board of Supervisors of the County of Santa Barbara to impose, extend or increase a general tax upon a majority vote of the voters; and

WHEREAS, Revenue and Taxation Code Section 7280 authorizes the County to levy a tax on the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist homes or house, motel, or other lodging; and

WHEREAS, the Board of Supervisors may submit to the voters, without petition, an ordinance for the repeal, amendment, or enactment of any ordinance pursuant to Election Code Section 9140;

NOW, THEREFORE, BE IT RESOLVED that:

1. The Board of Supervisors of the County of Santa Barbara hereby proposes the ordinance attached hereto as "Exhibit A" to increase the current twelve percent (12%) transient occupancy tax rate to fourteen percent (14%) for general governmental uses and purposes.

2. The Board of Supervisors of the County of Santa Barbara hereby submits the ordinance and proposed tax to the electorate for approval, calls an election for November 5, 2024 for approval of the ordinance and requests and orders that this election be consolidated with the general election to be held on that date.

3. The transient occupancy tax is a general tax imposed upon transients (hotel, lodging, or short-term rental guests) for the privilege of occupying defined hotels located within the unincorporated areas of Santa Barbara County. If approved by a majority of the electorate voting on the measure, the ordinance will increase the current transient occupancy tax rate to fourteen percent (14%). If rejected by the electorate voting on the measure, the transient occupancy tax would remain at the existing tax rate of twelve percent (12%). The tax would be collected by hotel operators, in the same manner as it has historically been collected. The collection of the tax from hotel operators would be administered by the Santa Barbara County Tax Collector as provided in Chapter 32, Article II of the Santa Barbara County Code.

4. The transient occupancy tax imposed by the ordinance is a general tax within the meaning of Government Code Section 53721 and Article XIII C, Section 1 (a) of the California Constitution. The revenue generated by this general tax is available for general governmental purposes.

5. The full text of the ordinance shall be printed in the sample ballot pamphlet provided to the registered voters of the County. The ballot question shall be submitted to the voters in the following form:

<p>SANTA BARBARA COUNTY ESSENTIAL COMMUNITY SERVICES MEASURE. To fund local services such as: maintaining 911 emergency communications; gang prevention; repairing deteriorating bridges, potholes, roads, transportation infrastructure; protecting groundwater; addressing homelessness; and general county services/purposes, shall the ordinance increasing Santa Barbara County's Transient Occupancy Tax (paid only by hotel/ short-term rental guests), in unincorporated areas (excluding cities), from 12% to 14%, providing approximately \$3,000,000 annually until ended by voters; requiring public audits; all funds locally controlled, be adopted?</p>	<p>_____ YES</p> <p>_____ NO</p>
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6. The County Clerk is hereby authorized, instructed, and directed to provide and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct an election.

7. The County Clerk is hereby further directed to take the necessary and appropriate actions to provide the necessary election officers, polling places, and voting precincts.

8. In accordance with the provisions of the Election Code, the County Counsel will prepare an impartial analysis of the measure, and the Auditor is directed to prepare a fiscal impact statement.

9. The polls for said election shall be open during the hours required by law and said election, with respect to the foregoing ballot measure, shall be held and conducted as provided by law for the holding of County elections.

10. Notice of time and place of holding said election, together with any other notices required by law, shall be given by the County Clerk.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Santa Barbara held on this 9TH day of July 2024 by the following vote:

AYES: Supervisors Williams, Capps, Hartmann and Lavagnino

NOES: Supervisor Nelson

ABSTAIN: None

ABSENT: None



Steve Lavagnino,
CHAIR, BOARD OF SUPERVISORS

ATTEST:

MONA MIYASATO
CLERK OF THE BOARD

By: 
Deputy

APPROVED AS TO FORM:

RACHEL VAN MULLEM
COUNTY COUNSEL

DocuSigned by:

Amber Holderness

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Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

BETSY SCHAFFER
AUDITOR-CONTROLLER

DocuSigned by:

Betsy Schaffer

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Exhibit A

ORDINANCE AMENDING SECTION 32-12 OF THE SANTA BARBARA
COUNTY CODE TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE
TO FOURTEEN PERCENT (14%)

ORDINANCE NO. 5217

BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA, STATE OF
CALIFORNIA

ORDINANCE AMENDING SECTION 32-12 OF THE SANTA BARBARA COUNTY CODE
TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE TO
FOURTEEN PERCENT (14%)

THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA ORDAINS AS
FOLLOWS:

SECTION I: VOTER APPROVAL OF AMENDMENT TO SANTA BARBARA COUNTY
CODE SECTION 32-12. Section 32-12 of the Santa Barbara County Code is hereby set forth for
voter approval to read as follows:

Sec. 32-12. Transient Occupancy Tax

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of fourteen percent (14%) of the rent 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 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 is not paid to the operator of the hotel, the County Tax Collector may require that such tax shall be paid directly to the County Tax Collector. The tax rate of fourteen percent (14%) shall take effect beginning January 1, 2025. In the interim period between the November 5, 2024 election and January 1, 2025, for the privilege of occupancy in

any hotel, each transient is subject to and shall pay a tax in the amount of twelve percent (12%) of the rent charged by the operator.

SECTION II: NATURE OF TAX. If approved by a majority of the electorate voting on the measure, the ordinance will increase the current transient occupancy tax rate to fourteen percent (14%) of rent charged. The transient occupancy tax is a tax imposed upon transients for the privilege of occupying defined hotels located within the unincorporated territory of Santa Barbara County. The tax would be collected by hotel operators in the same manner as the current transient occupancy tax is collected. The collection of the tax from hotel operators would be administered by the Santa Barbara County Tax Collector as provided in Chapter 32, Article II of the Santa Barbara County Code.

SECTION III: GENERAL TAX. The transient occupancy tax imposed by this ordinance is a general tax within the meaning of Government Code Section 53721 and Article XIII C, Section 1 (a) of the California Constitution. The revenue generated by this general tax is available for general government use and purposes. To that end, the Auditor- Controller is instructed to deposit the revenue from the tax into the County General Fund. The County shall include an estimate of the revenue from this general tax, together with the estimates of other revenue sources, in the tabulation that is annually required to be prepared by Government Code Section 29060. The revenue from this general tax shall be made available to the Board of Supervisors for annual appropriation in the County's budget for any lawful expenditure. Nothing in this ordinance nor in any other ordinance, advisory measure, resolution, or policy shall be construed as limiting, in any way, the amount or the objects of the appropriations and expenditures that can be made from the revenue of the tax nor be construed as creating a continuing appropriation. The tax will remain in effect unless and until repealed.

SECTION IV: EFFECT. Voter approval of this ordinance shall have the effect of increasing the transient occupancy tax.

SECTION V: COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to CEQA Guidelines Section 15378(b)(4), adoption of this tax increase ordinance as a government funding mechanism is not a project subject to the requirements of CEQA. Prior to commencement of any project that may result from the expenditure of revenues from this tax increase, any necessary environmental review required by CEQA shall be completed.

SECTION VI: SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION VII: ELECTION. An election shall be held on November 5, 2024, on the issue of increasing the current transient occupancy tax rate to fourteen percent (14%) of rent charged. If the measure is defeated, the transient occupancy tax will remain at the existing transient occupancy tax rate of twelve percent (12%) of rent charged.

SECTION VIII: EFFECTIVE DATE. This ordinance shall take effect immediately upon its adoption by a majority of the electorate voting on the ordinance at the November 5, 2024 general election.

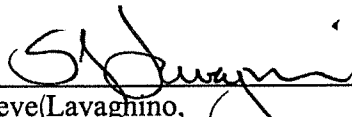
Passed, approved and adopted by the Board of Supervisors of the County of Santa Barbara on the 9th day of July 2024, by the following vote, subject to adoption by the electorate at the election of November 5, 2024.

AYES: Supervisors Williams, Capps, Hartmann and Lavagnino

NOES: Supervisor Nelson

ABSTAIN: None

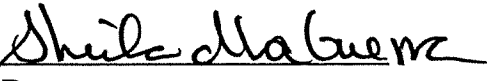
ABSENT: None



Steve Lavagnino,
CHAIR, BOARD OF SUPERVISORS


ATTEST:

MONA MIYASATO
CLERK OF THE BOARD


By: 
Deputy

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
BETSY SCHAFFER
AUDITOR-CONTROLLER

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Deputy County Counsel

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