

RESOLUTION NO. RES-20-0028

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH EXPRESSING ITS INTENT TO PRIORITIZE SPENDING OF FUTURE TRANSIENT OCCUPANCY (HOTEL) TAX REVENUES FOR SPECIFIC PURPOSES

WHEREAS, pursuant to Section 3.64.035 of Chapter 3.64 of Title 3 of the Long Beach Municipal Code, the City currently imposes a general purpose Transient Occupancy Tax ("TOT") at the rate of six percent (6%) upon guests of hotels and other transient accommodations within the City; the revenues from which are deposited in the City's General Purpose Fund and may be used for general City services; and

WHEREAS, the general purpose TOT was separately adopted and is in addition to the City's special purpose TOT (LBMC Section 3.64.030), which is also imposed at the rate of six percent (6%), the revenues from which are deposited in the City's "Special Advertising and Promotion (SAP) Fund" which is dedicated to support the advertising and promotion of the City; and

WHEREAS, pursuant to City Charter and California Elections Code §9222, the City Council placed a measure on the March 3, 2020 Special Municipal Election ballot proposing an increase in the general purpose TOT rate from six percent (6%) to seven percent (7%); and

WHEREAS, the proposed measure is a general tax, the revenue of which will be placed in the City's general fund and will be used to pay for important general City services; and

WHEREAS, the general fund provides funding for community arts, music, cultural programs and organizations, local museums and theaters, student arts education programs, and for the Long Beach Convention and Entertainment Center, as well as for

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1 other important general City services; and

2 WHEREAS, the City Council desires to adopt this resolution expressing its
3 intent, if Long Beach voters approve the general purpose TOT rate increase from 6% to
4 7% as proposed in the measure, to commit to spend the additional TOT revenue
5 generated by the rate increase for various purposes, with priorities as identified herein;

6 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
7 follows:

8 Section 1. Findings. The City Council finds that all of the preceding
9 recitals are true and correct.

10 Section 2. Priorities for Spending Additional TOT Revenue Generated by
11 1% Rate Increase. The City Council hereby expresses its intent, if the general purpose
12 TOT rate increase is enacted by the voters, to prioritize spending of revenue generated
13 by the rate increase for the following purposes:

14 A. Arts Funding: Future TOT revenue may provide funding for
15 community arts, music, cultural programs and organizations, local
16 museums and theaters, student arts education programs, arts management
17 and administration. Organizations that may benefit include the International
18 City Theater, the Long Beach Camerata Singers, the Long Beach Museum
19 of Art, the Long Beach Opera, the Long Beach Playhouse, the Long Beach
20 Symphony, the Museum of Latin American Art, Musica Angelica, Musical
21 Theatre West, and other organizations as determined by the City Council
22 through the annual budget process.

23 B. Long Beach Convention and Entertainment Center: Future
24 TOT revenue may also be spent on the costs of improving and maintaining
25 the Long Beach Convention and Entertainment Center.

26 Section 3. TOT Rate Increase Measure Not Deemed a Special Tax. The
27 adoption of this Resolution shall not be construed, and it is not the City Council's intent,
28 to convert the proposed TOT rate increase measure into a "special tax", as that term is

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1 defined by Article XIII C §1(d) of the California Constitution, California Government Code
2 §§ 53721 and 53724, or any combination thereof. Although this Resolution expresses
3 the intent of the current City Council to spend future TOT revenues for certain priorities,
4 this Resolution is non-binding on any future or subsequently constituted City Council, and
5 the TOT measure shall remain a "general tax" as that term is defined in Article XIII C §1(a)
6 of the California Constitution.

7 Section 4. This resolution shall take effect immediately upon its adoption
8 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

9 I hereby certify that the foregoing resolution was adopted by the City
10 Council of the City of Long Beach at its meeting of February 18, 2020,
11 by the following vote:

12 Ayes: Councilmembers: Zendejas, Pearce, Price, Supernaw,
13 Mungo, Andrews, Uranga, Austin.

14 _____
15 _____
16 Noes: Councilmembers: None.

17 _____
18 Absent: Councilmembers: Richardson.

19 _____
20 Recusal(s) Councilmembers: None.

21 _____
22 *M. De La Cruz*
23 City Clerk

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