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## City of Long Beach

## **Legislation Text**

File #: 19-1169, Version: 1

Recommendation to adopt resolution Calling for the Placement of a General Tax Measure on the Ballot of the March 3, 2020 Special Municipal Election for submission to the qualified voters of the City of Long Beach an ordinance amending Long Beach Municipal Code section 3.64.035, to increase the rate of the general purpose Transient Occupancy (Hotel) Tax from 6% to 7%, and making findings of fiscal emergency pursuant to California Proposition 218;

Pursuant to your request of November 12, 2019, this office has prepared and submits the above-described Resolutions for your consideration.

1) Resolution Calling for the Placement of a General Tax Measure on the Ballot of the March 3, 2020 Special Municipal Election: This Resolution presents a ballot question for submission to the qualified voters of the City of Long Beach relating to an ordinance amending Long Beach Municipal Code section 3.64.035, increasing the rate of the general purpose Transient Occupancy (Hotel) Tax from 6% to 7%.

At the November 12, 2019 City Council meeting, City management presented information that the City's ability to maintain services and infrastructure after the FY20 budget year is at significant risk, primarily because costs are continuing to increase faster than the City's limited general fund revenues. In addition to these shortfalls, staff described a significant backlog of unfunded infrastructure improvements, including capital improvement projects at the Long Beach Convention and Entertainment Center, a City asset. Finally, City staff presented information that there is minimal general fund support available for arts and culture organizations in the City.

Proposition 218 requires new and increased general taxes and extensions of general taxes to be voted on only at a regular general election at which members of the City Council are elected (November 2020), unless the City Council adopts a finding of emergency by a unanimous vote of the Council. The declaration of a fiscal emergency allows the City to bring the proposed tax measure to the voters at the March 3, 2020 election. Without such a unanimous declaration of a fiscal emergency, the City must wait until the next regular general election to submit a general tax measure. At the November 12, 2019 Council meeting, City staff recommended this measure be put to the voters at the earliest possible election to provide City Council with direction prior to the development of the FY 21 budget.

A general tax measure such as this requires approval by a simple majority vote. Revenue derived from the increase, if approved, would be placed in the City's general fund. However, as with Measure A, the City Council may consider adopting a non-binding resolution of spending priorities

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- 2) Resolution Providing for the Filing of Primarv and Rebuttal Arguments and Setting the Rules for the Filing of Written Arguments: Consistent with the California Elections Code and the Long Beach Municipal Code, this Resolution sets forth rules and timelines for primary and rebuttal argument writers relating to the TOT measure to be submitted to Long Beach voters at the March 3, 2020 Special Municipal Election.
- 3) Resolution Requesting the Board of Supervisors of the County of Los Angeles to Consolidate a Special Municipal Election: Consistent with California Elections Code section 10403, this Resolution requests Los Angeles County to consolidate the March 3, 2020 Special Municipal Election with the Statewide primary election to be held on that date, and to provide any necessary elections services.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH, CALIFORNIA CALLING FOR THE PLACEMENT OF A GENERAL TAX MEASURE ON THE BALLOT FOR THE MARCH 3, 2020 SPECIAL MUNICIPAL ELECTION FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF AN AMENDED ORDINANCE TO INCREASE THE RATE OF THE CITY'S GENERAL PURPOSE TRANSIENT OCCUPANCY (HOTEL) TAX FROM 6% TO 7%, AND MAKING FINDINGS OF FISCAL EMERGENCY PURSUANT TO CALIFORNIA PROPOSITION 218

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