

RESOLUTION NO. \_\_\_\_

**A RESOLUTION OF THE CALISTOGA CITY COUNCIL ORDERING THE SUBMISSION TO THE VOTERS OF THE CITY A SPECIAL TAX MEASURE WHICH WOULD INCREASE THE CITY'S TRANSIENT OCCUPANCY TAX RATE FROM 12 PERCENT TO 13 PERCENT, THE REVENUES OF WHICH WOULD BE USED SOLELY FOR HOUSING-RELATED EXPENDITURES, SUBJECT TO APPROVAL OF TWO-THIRDS OF THE ELECTORS VOTING AT THE GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018**

**WHEREAS**, the City's general municipal election will be held on November 6, 2018; and

**WHEREAS**, the City Council desires to submit to the voters at a the general municipal election a question relating to increasing the City's Transient Occupancy Tax ("TOT") from the existing 12 percent to 13 percent; and

**WHEREAS**, the City Council desires for the increased tax revenues generated from a 1 percent increase in the TOT to be dedicated solely for housing-related expenditures; and

**WHEREAS**, the ordinance attached hereto as Exhibit "A" and incorporated herein by reference (the "Ordinance"), if approved by the voters, would increase the TOT from 12 percent to 13 percent effective April 1, 2019, and dedicate the increased TOT revenue for affordable housing programs and services up to and including, without limitation, land acquisition, land donation, building acquisition, building rehabilitation, building demolition, housing construction, maintaining the community's supply of mobile homes, providing housing subsidies to lower income residents, and/or preserving existing public subsidies for developments facing conversion to market rates.

**NOW, THEREFORE**, the City Council of the City of Calistoga does hereby resolve, declare and order as follows:

Section 1. That pursuant to Government Code section 36503 and Calistoga Municipal Code section 2.06.050, there is called and ordered to be held in the City of Calistoga a general municipal election on Tuesday, November 6, 2018.

Section 2. The City Council orders submitted to the voters a measure for the approval of the Ordinance increasing the City of Calistoga's Transient Occupancy Tax from 12 percent to 13 percent, effective April 1, 2019. The full text of the Ordinance shall be made available to any voter on request. The vote requirement for the measure to pass is a supermajority (two-thirds) of the votes cast.

Section 3. The measure shall be designated by letter by the Napa County Elections Department. The question to appear on the ballot for voter consideration shall be as follows:

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**Measure “\_\_\_\_\_” APPROVAL OF INCREASE TO THE TRANSIENT OCCUPANCY TAX**

To help increase, improve and preserve the City’s affordable housing stock, shall an ordinance be adopted to increase the City of Calistoga’s existing Transient Occupancy Tax (a bed tax paid when overnight visitors rent a room) from twelve percent (12%) to thirteen percent (13%), with no sunset date and estimated to generate \$512,325 annually in tax revenue?	<b>YES</b>	
	<b>NO</b>	

Section 4. The Mayor is authorized to select two members of the City Council to prepare a ballot argument in favor of the measure on behalf of the City Council, as specified in section 9282 of the California Elections Code. At the discretion of the Mayor, the argument may also be signed by members of the City Council or citizen associations or individual voters, subject to sections 9282 and 9283 of the California Elections Code. If an argument is filed against the measure, the Mayor is also authorized to select two members of the City Council to prepare a written rebuttal, which also may be signed by members of the City Council or citizen associations or individual voters, subject to sections 9282 and 9283 of the California Elections Code.

Section 5. The City Clerk is hereby directed to transmit a copy of the measure to the City Attorney, who shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure in accordance with Section 9280 of the California Elections Code, and to file that analysis no later than the deadline established by the Napa County elections official.

Section 6. Ballot arguments and rebuttals shall be filed with the City Clerk in compliance with sections 9282, 9283, and 9285 of the California Elections Code by the deadline established by the Napa County elections official.

Section 7. That the full text of the Ordinance shall not be printed in the Voter Information Pamphlet, but a statement shall appear under the Impartial Analysis informing voters that the information may be obtained from the City Clerk’s office and the City’s website.

Section 8. The Board of Supervisors of Napa County is hereby requested to issue instructions to the County Election Department to take any and all steps necessary for the holding of the election and to consolidate this ballot measure with any other applicable election conducted on the same day in the City.

Section 9. Notice of the Election is hereby given and the City Clerk shall give such further notice of the election as required by law.

Section 10. The City Clerk is hereby directed to file a certified copy of this Resolution with the Napa County Board of Supervisors and the Napa County Elections Department.

Section 11. The City Clerk is authorized and directed to take all other steps necessary to conduct the election on the Measure.

Section 12. The City Manager is authorized and directed to appropriate the funds necessary to fund the cost of the Election.

Section 13. This Resolution shall take effect upon its adoption.

**PASSED, APPROVED AND ADOPTED BY AT LEAST TWO-THIRDS OF THE CITY COUNCIL THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018.**

**AYES:  
NOES:  
ABSENT:  
ABSTAIN:**

\_\_\_\_\_  
**Chris Canning  
Mayor**

**ATTEST:**

\_\_\_\_\_  
**Kathy Flamson  
City Clerk**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Michelle Kenyon  
City Attorney**

Exhibit A

[full text of Ordinance to be attached]

DRAFT

Attachment 2

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ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING CHAPTER 3.16 OF THE CALISTOGA MUNICIPAL CODE TO INCREASE THE CITY'S TRANSIENT OCCUPANCY TAX RATE FROM 12 PERCENT TO 13 PERCENT, SUBJECT TO APPROVAL OF TWO-THIRDS OF THE ELECTORS VOTING ON THE TAX MEASURE AT THE NOVEMBER 6, 2018 GENERAL ELECTION**

**THE PEOPLE OF THE CITY OF CALISTOGA DO ORDAIN, AS FOLLOWS:**

**SECTION I: AMENDMENT OF CODE.**

Section 3.16.020 (Imposition of Tax) of the Calistoga Municipal Code is hereby amended to read as follows:

"3.16.020 Imposition of Tax.

A. For the privilege of occupancy in any hotel, as defined in this chapter, each transient is subject to and shall pay a tax in the amount of 13 percent of the rent charged by the operator including meals and amenities if included in the charge for occupancy. Said tax constitutes a debt owed by the transient to the City which is extinguished only by payment to the operator or to the City.

B. 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 cessation of occupancy.

C. If for any reason the tax due is not paid to the operator of the hotel, the tax administrator may require that such tax shall be paid directly to the tax administrator.

D. Of the 13 percent tax imposed in paragraph A of this section, 12 percent is a general purpose tax, the revenues of which may be used for any lawful municipal purpose, and 1 percent is a special purpose tax, the revenues of which are dedicated solely for affordable housing programs and services up to and including, without limitation, land acquisition, land donation, building acquisition, building rehabilitation, [building demolition](#), housing construction, maintaining the community's supply of mobile homes, providing housing subsidies to lower income residents, [providing financing to developers](#), and/or preserving existing public subsidies for developments facing conversion to market rates and shall be deposited in a separate account. An annual report shall be filed by the City Manager or designee to the City Council in compliance with Government Code section 50075.3 for the special purpose tax revenues collected and expended."

**SECTION II: SEVERABILITY.**

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

The City Council finds and declares that it would have adopted each and every provision of this ordinance, even if it had not adopted any other provision.

**SECTION III: STATUTORY AUTHORITY FOR TAX.**

This ordinance is adopted pursuant to Revenue and Taxation Code section 7280.

**SECTION IV: ELECTION REQUIRED.**

This ordinance shall not become operative unless and until two-thirds of the electors voting on this ordinance approve the imposition of the tax at the General Election to be held on November 6, 2018.

**SECTION V: EFFECTIVE DATE.**

This ordinance relates to the levying and collecting of the City transient occupancy tax ("TOT") and shall take effect only if approved by a majority of the voters voting on the measure at the November 6, 2018 General Election, and if approved, shall become effective January 1, 2019.

PASSED, APPROVED, AND ADOPTED BY THE PEOPLE OF THE CITY OF CALISTOGA AT THE REGULAR MUNICIPAL ELECTION HELD ON THE 6<sup>TH</sup> DAY OF NOVEMBER, 2018.

\_\_\_\_\_  
**Chris Canning**  
Mayor

ATTEST:

\_\_\_\_\_  
**Kathy Flamson**  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
**Michelle Kenyon, City Attorney**