



LOCAL RECOVERY AND REINVESTMENT

POTENTIAL MEASURE INCREASING THE TRANSIENT OCCUPANCY (HOTEL BED) TAX

CITY COUNCIL MEETING

Keith DeMartini, Finance Director

July 28, 2020

Objective



- Adopt a Resolution Submitting to the Voters at the November 3, 2020 Election a City of San Bruno Recovery and Reinvestment Measure Increasing the Transient Occupancy Tax (“Hotel Tax”)

Agenda



- I. Ballot Question
- II. Request to Council & Next Steps
- III. Questions



I. Ballot Question

Ballot Question



To maintain/fund city services/facilities such as: addressing traffic congestion/parking, maintaining neighborhood safety, 911 emergency medical response times, disaster/health crisis response services, parks/city facilities, and general services, shall an ordinance updating the City of San Bruno's existing transient occupancy tax (a bed tax paid only by hotel/lodging guests) from 12% to 14%, until ended by voters, providing approximately an additional \$370,000 annually for San Bruno , with independent audits, all funds controlled locally, be adopted?

Resolution & Ordinance



■ Resolution Features

- Removed word “oversight” from ballot question – current oversight of TOT funding will remain
- Allows the City to submit to the voters the TOT rate increase in the November 2020 election
- Authorize a process permitting a community submittal of the argument
- City Attorney’s impartial analysis

■ Ordinance Features

- Increases the TOT rate from 12% to 14%
- Provides City Council with authority to reduce rate below 14%
- Allocates proceeds for general purposes
- March 1, 2021 – effective date of new tax rate



II. Request to Council & Next Steps


Request to City Council



- Adopt a Resolution Submitting to the Voters at the November 3, 2020 Election a City of San Bruno Recovery and Reinvestment Measure Increasing the Transient Occupancy Tax (“Hotel Bed Tax”)

Election Cycle Timeline



Date	Item
July 10, 2020	San Bruno Business Roundtable Meeting with Hotel Operators
July 14, 2020	City Council Study Session - Receive information regarding a potential TOT rate increase measure and provide direction staff
July 28, 2020 * 	City Council Regular Meeting – Action Required in order to place a TOT revenue measure on the November 2020 ballot
August 8, 2020	If the City Council approves, the City will transmit all require documents to the County to include the revenue measure on the November 2020 ballot
August – October	Community outreach and education efforts
November 3, 2020	Election Day
March 1, 2021	If the voters approve, the effective date of the new tax rate

* 2/3 vote (or 4 of 5) for City Council approval for measure to be placed on the ballot.

Questions and Discussion





THE END