



November 8, 2022 Local Ballot Measure: L

Measure L

City of Healdsburg

Measure Question

2/3 (Two-Thirds) Needed to Pass

Transient Occupancy Tax Measure. Shall the City of Healdsburg adopt an ordinance amending the City’s Transient Occupancy Tax to facilitate acquisition and construction of capital improvements for parks, community services facilities, and affordable housing, including payment of principal, interest, and cost of indebtedness, without altering any other mechanics or rates of the Transient Occupancy Tax?

What Your Vote Means

YES	NO
A “Yes” vote is a vote in favor of the Measure. If the Measure is approved, the City may use TOT revenues to acquire and construct capital improvements for parks, community services facilities and affordable housing, and issue bonds secured by TOT revenues.	A “No” vote is a vote against the Measure. If the Measure is not approved, the City may not use TOT revenues to acquire and construct capital improvements for parks, community services facilities and affordable housing, or issue bonds secured by TOT revenues.

For and Against Measure L

FOR	AGAINST
Ariel Kelley Vice Mayor David Hagele Councilmember Osvaldo Jimenez Mayor Evelyn Mitchell Councilmember	No argument was submitted against Measure L



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Arguments and rebuttals are the opinions of the authors. They are printed exactly as submitted, including errors.

City Attorney's Impartial Analysis of Measure L	Argument in Favor of Measure L
<p>The City Council is placing Measure L on the ballot. If approved by the voters, the Measure would amend the City's existing Transient Occupancy Tax Ordinance ("TOT Ordinance") to change how the City may use the TOT tax revenues.</p> <p>The existing TOT Ordinance imposes a tax on visitors staying in lodging in the City. The current tax rate is 14%. The first 10% of the revenues must be used to provide "community services," as defined by the TOT Ordinance. The next 2% of the revenues must be used for provision of "affordable housing services and programs," as defined by the TOT Ordinance. Any revenues in excess of 12% is placed in the City's general fund to be used for general municipal purposes.</p> <p>This Measure would amend the existing TOT Ordinance to broaden the permitted uses for TOT revenues. First, the Measure would authorize the City to use TOT revenues to construct, acquire and rehabilitate parks, open space, and recreational facilities in the City. Second, the Measure would authorize the City to use TOT revenues to acquire new affordable housing and rehabilitate the City's existing affordable housing supply. Finally, the Measure would authorize the City to issue bonds secured by TOT revenues. Issuing bonds would facilitate financing of larger parks, community services, and affordable housing projects in the City.</p> <p>The Measure would not change the existing TOT rate; the percentage of tax revenues allocated to community services, affordable housing and the general fund; the persons subject to or exempt from the tax; or the mechanics of the collection of the tax.</p> <p>Since the original TOT Ordinance was a special tax, this Measure requires a two-thirds majority of "Yes" votes to take effect.</p> <p>A "Yes" vote is a vote in favor of the Measure. If the Measure is approved, the City may use TOT revenues to acquire and construct capital improvements for parks, community services facilities and affordable housing, and issue bonds secured by TOT revenues.</p> <p>A "No" vote is a vote against the Measure. If the Measure is not approved, the City may not use TOT revenues to acquire and construct capital improvements for parks, community services facilities and affordable housing, or issue bonds secured by TOT revenues.</p> <p style="text-align: center;">s/ Samantha W. Zutler City of Healdsburg City Attorney</p> <p>The above statement is an impartial analysis of Measure L. The full text of Measure L is printed in the Voter's Information Pamphlet and is also available on the City's website at: www.healdsburg.gov. If you desire a copy of the Measure, please call the City Clerk's office at 707-431-3316 and a copy will be mailed at no cost to you.</p>	<p>Do you love Healdsburg's 220+ acres of parks and open space? Measure L will improve and expand our parks, beautify our community and enhance our quality of life – all without increasing taxes and at no cost to Healdsburg residents.</p> <p>For 57 years, Healdsburg's "hotel tax" or Transient Occupancy Tax (TOT), which is paid only by visitors staying in Healdsburg hotels, has funded some of the best parts of living in Healdsburg: our parks, senior center, community center, afterschool programs, open space, and more. With TOT revenue growing, we can now add to these amazing facilities and programs for our residents, but we need your help.</p> <p>Your Yes vote allows our city to use this already voter-approved funding stream to immediately invest in our parks and finance future community improvement projects like park construction, open space preservation, affordable housing, public landscape drought resilience, Fitch Mountain Park fire protection, and more...all paid for by visitors.</p> <p>Community stakeholders have worked alongside City Council to develop plans for two immediate projects: the renovation of Badger Park, and the construction of a brand new 36-acre park in North Healdsburg. These shovel-ready projects will provide ADA-accessible pathways, Russian River access, hiking trails, community garden plots, pickleball courts, soccer and baseball fields, designated dog play areas, BMX pump track, playgrounds, and more for our community. Delaying these popular projects will dramatically add to their construction and material costs. Voting Yes on Measure L will allow all of us to enjoy these incredible park projects sooner, and at no cost to residents.</p> <p>By voting Yes on L, visitors will continue to pay the same hotel tax they have since 1965 and residents will enjoy the expanded benefits. It's simple: Visitors pay. Residents play.</p> <p>Please, vote Yes on L.</p> <p>Learn more at VoteLocalParks.com</p> <p>s/ Ariel Kelley Vice Mayor</p> <p>s/ David Hagele Councilmember</p> <p>s/ Osvaldo Jimenez Mayor</p> <p>s/ Evelyn Mitchell Councilmember</p> <p style="text-align: center;">No argument was submitted against Measure L</p>



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Full Text of Measure L

EXHIBIT A

CITY OF HEALDSBURG

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HEALDSBURG AMENDING THE TRANSIENT OCCUPANCY TAX ORDINANCE OF THE CITY OF HEALDSBURG TO PERMIT THE USE OF TRANSIENT OCCUPANCY TAX REVENUES TO ACQUIRE AND CONSTRUCT CAPITAL IMPROVEMENTS FOR PARKS, COMMUNITY SERVICES FACILITIES AND AFFORDABLE HOUSING, INCLUDING PAYMENT OF PRINCIPAL, INTEREST AND COSTS OF INDEBTEDNESS FOR THE SAME

WHEREAS, in 2004, the City of Healdsburg voters approved and enacted the Transient Occupancy Tax Ordinance Of The City Of Healdsburg ("TOT Ordinance"), set forth in Chapter 3.12 of the Healdsburg Municipal Code, for the privilege of occupancy in any hotel within the City; and

WHEREAS, pursuant to Healdsburg Municipal Code Section 3.12.030, each transient is subject to a tax of not less than 12 percent nor more than 14 percent of the rent charged by the hotel operator, with the actual rate of the tax established by resolution of the City Council. The current tax rate is 14%; and

WHEREAS, pursuant to Healdsburg Municipal Code Section 3.12.160, the first 10 percent of the 14 percent transient occupancy tax shall be used for the provision of community services only, the next 2 percent of the 14 percent transient occupancy tax shall be used for the provision of affordable housing services and programs, and any transient occupancy tax in excess of 12 percent shall be paid into the City's general fund for general fund purposes; and

WHEREAS, the City Council wishes to have the ability to use a portion of the TOT Ordinance revenues for the acquisition and improvement of new parks, community services facilities, and affordable housing, as well as to use TOT Ordinance revenues to secure bond financing to generate funds to build new parks, community service facilities and increase affordable housing in the City; and

WHEREAS, the City Council wishes to amend the definitions of "community services" and "affordable housing services and programs" in Healdsburg Municipal Code Section 3.12.020, to specifically permit TOT Ordinance revenues to be used for acquisition and construction of new parks, and capital improvements for community services and affordable housing facilities, including payment of principal, interest and costs of indebtedness for the same; and

WHEREAS, except as outlined above, this measure will not alter the tax rate; the percentage of tax revenues allocated for the percentage of community services, affordable housing, and the general fund; the persons subject to or exempt from the tax; the mechanics of the collection of the tax; or any other provisions of the TOT Ordinance; and

WHEREAS, this measure to amend the TOT Ordinance requires an affirmative vote of 2/3 of the electorate voting on the measure to pass, and if the measure does not garner 2/3 of the vote, the provisions of the current TOT Ordinance will remain intact.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF HEALDSBURG DO ORDAIN AS FOLLOWS:

Section 1. Findings

The City Council of the City of Healdsburg does hereby find that the above referenced recitals are true and correct and material to the adoption of this Ordinance.

Section 2. Amendment of Code

Healdsburg Municipal Code Chapter 3.12, Transient Occupancy Tax, Sections 3.12.020, Definitions, and 3.12.160, Use of tax proceeds, are hereby amended as follows:

3.12.020 Definitions

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter.

A. "Affordable housing services and programs" means the ~~provision of financing of capital improvements, and other~~ services, and programs and assistance provided by the City of Healdsburg to prospective and current tenants, owners and/or developers to assist in acquiring, rehabilitating, increasing, improving and preserving the City's supply of housing available to households identified by income category in HMC 20.28.310, as the same may be amended from time to time.

B. "Agreement in writing" means a document, signed by the operator and occupant, stating that the occupant intends to occupy the hotel for more than 30 consecutive days.

C. "Chapter" means Chapter 3.12 HMC entitled "Transient Occupancy Tax."

D. "Community services" means the facilities and services provided by the City of Healdsburg community services department, including but not limited to the construction, acquisition, improvement, rehabilitation, management and operation of fields for soccer, baseball, and other sports, parks, open space, and recreational facilities, including but not limited to Recreation, Plaza, Badger, Giorgi, "the Parkland Farms," Carson Warner Memorial Skate Park, and the Villa Chanticleer; support for senior services; transit services and the operation and management of the Healdsburg Airport; civic promotion; special event coordination; distribution of information about community services; constructing, acquiring, rehabilitating, funding, planning, designing, and engineering capital improvement projects; support for community enrichment classes and recreational programs; scheduling and coordination of outdoor area usage at local schools, parks, and community facilities; provision of transit services for individuals with special needs; and administering contracts for maintenance and operation of community services and facilities.

E. He – Him – His. Pronouns of the masculine gender are utilized for the sake of brevity and are intended to refer to persons of either gender or of the neuter gender, as applicable.

F. Hearing Officer. The hearing officer shall be the City Manager or his or her designee.

G. "Hotel" means any structure or any portion of any structure that is occupied or intended or designed for occupancy by transients for sleeping purposes, including any inn, home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof that is used for occupancy by transients, even if such use is on a part-time basis.

H. "Occupancy" means the use or possession or the right to the use or possession of any room or rooms or portion thereof in any hotel for sleeping purposes in exchange for rent (as defined in this section).

I. "Operator" means the person who is the proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee or any other capacity. Where the operator performs his functions through a managing agent or booking agency of any type or character other than an employee, the managing agent or booking agency shall also be deemed an "operator" for the purposes of this chapter and shall have the same duties and liabilities as its principal. Compliance with the provisions of this chapter by either the principal, the managing agent or



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Full Text of Measure L (Cont.)

booking agency shall, however, be considered to be compliance by all, and a violation of this chapter by either the principal or any agent acting on behalf of the principal shall be considered a violation by all.

J. "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or other group or combination acting as a unit.

K. "Rent" means the actual consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credit and property and services of any kind or nature without any deduction therefrom whatsoever.

L. "Tax administrator" means the finance officer or his authorized agent.

M. "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license, or other agreement for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such person shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of this chapter may be considered.

3.12.160 Use of tax proceeds.

The first 10 percent of all proceeds of the tax levied and imposed by this chapter shall be accounted for and paid into a special fund or account designated for use for the provision of community services only. The next two percent of such proceeds shall be accounted for and paid into a special fund or account designated for use for the provision of affordable housing services and programs. Any proceeds of the tax that are in excess of 12 percent of the room rate shall be paid into the City's general fund for general fund purposes. Any proceeds of the tax may be used, in addition to funding the services and programs described herein, to acquire and construct capital improvements or facilities, including payment of principal, interest and costs of indebtedness for the same. No other entity, public or private, shall have access to the proceeds of the transient occupancy tax, and no part thereof shall be expended on services provided outside the City.

As to all proceeds of the tax levied and imposed by this chapter for the provision of community services and affordable housing services and programs, and collected by the City, the finance director shall file an annual report with the City Council that contains the amount of such proceeds, how such proceeds were expended and the status of any project required or authorized to be funded with revenue raised by such proceeds, all in accordance with California Government Code Section 50075.3.

Section 3. Severability

If any section, subsection, sentence, clause or phrase or word of this Ordinance is for any reason held to be unconstitutional, unlawful or otherwise invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date

This Ordinance shall take effect ten (10) days after the certification by the City Council of the election returns indicating passage of the Ordinance by two thirds of voters casting votes in the election.

Section 5. Termination Date

The amendment to this ordinance provided herein shall extend until the tax is terminated by the voters.

Section 6. Publication

The City Clerk is directed to publish this Ordinance as required by State law.

APPROVED (or DENIED) by the following vote of the People of the City of Healdsburg on November ____, 2022:

YES: _____ NO: _____ TOTAL NUMBER OF BALLOTS CAST: _____

IT IS HEREBY FURTHER CERTIFIED that the foregoing Ordinance was adopted by Declaration of the November 8, 2022 election results by the City Council of the City of Healdsburg on ____, 2022, by the following vote, to wit:

AYES: Councilmembers: ()

NOES: Councilmembers: ()

ABSENT: Councilmembers: ()

ABSTAINING: Councilmembers: ()

SO ORDERED: _____ ATTEST: _____

Osvaldo Jimenez, Mayor

Raina Allan, City Clerk

Dated _____