

**CITY OF FORT BRAGG
FULL TEXT OF MEASURE U**

AN ORDINANCE OF THE CITY OF FORT BRAGG AMENDING SECTION 3.12.030 OF THE FORT BRAGG MUNICIPAL CODE TO ADD AN ADDITIONAL 2% TAX ON TRANSIENT OCCUPANCIES

WHEREAS, pursuant to Revenue and Taxation Code Section 7280, the City has the authority to levy a tax the privilege of occupying a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging unless the occupancy is for a period of more than 30 days; and

WHEREAS, the City Council first adopted the City's Uniform Transient Occupancy Tax Ordinance (Chapter 3.12 of the Fort Bragg Municipal Code) (the "Uniform TOT Ordinance") in 1965, and the City has been continuously imposing and collecting its transient occupancy tax since that time; and

WHEREAS, in its current form, the Uniform TOT Ordinance provides for a tax upon "transients" (lodging guests) at a rate of 12% of the room rent charged to the transient by a "hotel operator" (lodging operator); and

WHEREAS, this tax is collected by the hotel operator from the transient and remitted to the City by the hotel operator; and

WHEREAS, the Uniform TOT Ordinance, which is on file in the office of the City Clerk, available for public inspection during normal business hours and incorporated herein by reference, governs how the tax is applied and administered; and

WHEREAS, the Fort Bragg Municipal Code, including the Uniform TOT Ordinance, is available online to the public at no charge; and

WHEREAS, this Ordinance approves and imposes an additional 2% transient occupancy tax to be governed by the provisions of the Uniform TUT Ordinance; and

WHEREAS, by the adoption of this Ordinance, the aggregated new and existing transient occupancy taxes will be imposed at the rate of 14% of the room rent charged to the transient by a hotel operator.

NOW, THEREFORE, OF THE CITY OF FORT BRAGG DO HEREBY ORDAIN AS FOLLOWS:

SECTION I: Amendment. Section 3.12.030 of Chapter 3.12 (TRANSIENT OCCUPANCY TAX) of Title 3 (REVENUE AND FINANCE) of the Fort Bragg Municipal Code is hereby amended to read as follows:

"Section 3.12.030 Amount of Tax

A. Pursuant to the authority of Cal. Revenue and Taxation Code §7280, there is levied an occupancy tax on the privilege of occupying a room or rooms in any hotel as defined by §3.12.020 unless the occupancy is for a period of more than 30 days. The amount of the tax shall be 14% of the room rent charged by the hotel operator. It is the responsibility of the hotel operator to collect the occupancy tax in full at the time of renting a room or rooms to a transient. It is the further responsibility of the hotel operator to remit the 14% occupancy tax to the City within the time limits set forth in this chapter.

B. For purposes of this chapter, the phrase "the privilege of occupying a room or rooms in any hotel" shall be applied and interpreted as described in Cal. Revenue and Taxation Code §7280(b), as amended from time to time.

C. In the event that a transient occupies a room or rooms beyond the period originally contracted for with the hotel operator, it is the responsibility of the hotel operator to collect any unpaid occupancy tax upon the transient's ceasing to occupy space in the hotel. In the event that the hotel operator fails to collect the tax from the transient, the hotel operator shall be responsible for payment in full of the occupancy tax to the City.

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FULL TEXT OF MEASURE U**

D. The Director of Finance, at the direction and request of the City Manager, (i) shall keep account of how the proceeds of the 2% of the tax approved by the voters in 2016 are being used, (ii) shall keep account of how the proceeds of the 2% of the tax approved by the voters in 2024 are being used, and (iii) shall annually render an itemized written report to the City Council detailing such expenditures."

SECTION II: Use of Tax Proceeds. The proceeds of the 2% transient occupancy tax imposed by this Ordinance shall be deposited in the City's general fund and available for any lawful municipal purpose. Once deposited, such proceeds shall be audited as part of City's annual independent audit of the general fund and shall be accounted for in the City's Consolidated Annual Financial Report."

SECTION III: Effective Date. This Ordinance shall take effect on April 1, 2025.

SECTION IV: Amendment. This Ordinance may be amended by the City Council. However, no such amendment can increase the rate of the tax imposed by this ordinance unless such amendment is approved by the voters of the City.

SECTION V: Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**IMPARTIAL ANALYSIS
CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE U
CITY OF FORT BRAGG**

Measure U, has been placed on the ballot seeking voter approval of an ordinance imposing a 2% increase in the rate of Fort Bragg's transient occupancy tax.

The transient occupancy tax is commonly referred to as the "hotel tax." It is collected by operators of hotels from guests ("transients") who stay at a hotel for thirty consecutive days or less. Hotel operators remit to the City the taxes they collect.

The current rate of the tax is 12% of the room rent charged by the hotel operator. Measure U would add an additional 2% to the tax rate, resulting in a 14% tax rate.

For purposes of the tax, "hotel" means "any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes." "Hotel" specifically includes "any hotel, inn, tourist home or house, bed and breakfast facility, motel, studio hotel, bachelor hotel, lodging house, room house, apartment house, dormitory, public or private vacation resort club, or motor home or travel trailer at a fixed location, or other similar structure or portion thereof." Measure U does not change this existing definition.

The tax would remain in effect until repealed by the voters. The additional 2% is anticipated to generate approximately \$400,000 annually, which would be deposited in the City's general fund. The City Council has noted that the general fund is used to fund general City services, which include services that reduce tourist impacts; keep public spaces, parks, beaches, and bathrooms safe, clean, and free of litter; support local businesses. Tax proceeds will be audited as part of City's annual independent audit of the general fund and be accounted for in the City's Consolidated Annual Financial Report.

This measure was placed on the ballot by the City Council of the City of Fort Bragg.

A YES vote approves the measure and approves the proposed increase to the transient occupancy (hotel) tax.

A NO vote rejects the measure and rejects the proposed increase to the transient occupancy (hotel) tax.

The above statement is an impartial analysis of Measure U. If you desire a copy of the measure, please call the elections official's office at (707) 961-2823 and a copy will be mailed at no cost to you.

s/Baron Bettenhausen
Barron Bettenhausen, City Attorney

THIS SECTION WAS INTENTIONALLY LEFT BLANK

**ARGUMENT IN FAVOR OF
MEASURE U**

Vote YES on T and U – Protect Fort Bragg's Quality of Life!

YES on U maintains Fort Bragg's small town character without increasing the taxes you pay – vote **YES on U** to update the Tourist Tax.

Tourists are a critical part of Fort Bragg's local economy. But tourists also use our public services, parks, and beaches. During peak season, the Police Department is forced to put more officers on duty simply to handle the demand.

Shouldn't tourists pay their fair share for the Fort Bragg services they use when visiting? Vote **YES on U** to maintain our essential services – it is 100% paid for by visitors who are hotel or lodging guests.

We all love living in Fort Bragg because of its small town character, quality of life, and natural environment. **YES on U** keeps OUR money local for LOCAL needs.

Fort Bragg needs a reliable source of funding. *Every dime of Measure U funding stays LOCAL and not a penny can be taken by the State!*

Here's what YOUR YES on U vote does:

- Reduces Tourists Impacts and Protects OUR Quality of Life
- Keeps Fort Bragg's Public Spaces, Parks, Beaches and Bathrooms Safe, Clean and Litter Free
- Supports Local Businesses
- Addresses Homelessness

Here's what Measure U WON'T DO:

- Measure U is NOT a tax on your home or property.
- Fort Bragg residents who are not hotel or lodging guests won't be taxed.

Measure T, also on your ballot, is a separate measure to Keep Fort Bragg Safe.

All Measure T and U money is subject to independent financial audits and public disclosure of all spending. All money stays in Fort Bragg and cannot be taken by Sacramento politicians.

Vote YES on Measure T and U – keep Fort Bragg Safe and our Quality of Life vibrant!

For official information about Measures T and U, visit www.city.fortbragg.com

s/Cas Smith
Cas Smith, N.C.P owner

s/Padraic Ferris
Padraic Ferris, Sgt. FBPD

s/Dave Turner
Dave Turner, Fort Bragg Native, Business Owner

s/Justin Celeri
Justin Celeri, FBFD President

NO ARGUMENT AGAINST THIS MEASURE WAS SUBMITTED