



CITY OF SAN MATEO

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Agenda Report

Agenda Number: 25

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: City Manager's Office
MEETING DATE: August 17, 2020
SUBJECT:
Transient Occupancy Tax Ballot Measure – Rebuttal Argument

RECOMMENDATION:

If an argument is filed in opposition to the ballot measure to increase the City's Transient Occupancy Tax, review and approve the rebuttal argument as drafted by Council subcommittee.

BACKGROUND:

The City Council called a regular election for November 3, 2020, and placed on the ballot a measure to increase the City's Transient Occupancy Tax, or TOT. Also known as a hotel tax, the measure would increase San Mateo's TOT from 12% to 14% and be paid by guests of hotels, motels and short-term vacation rentals. As a general tax, the measure needs a simple majority of voter approval to pass.

If approved, the measure is expected to generate an estimated \$1 million annually in General Fund revenue. These locally-controlled funds would support a range of City services such as maintaining streets and repairing potholes, providing fire protection and emergency medical services, managing traffic congestion and enhancing pedestrian safety, and maintaining parks and recreation facilities including courts, fields and playgrounds. More information about the measure is available on the City's website at www.cityofsanmateo.org/localfundingmeasure.

On July 20, 2020, the City Council unanimously approved placing the measure on the ballot. The Council also approved a primary argument in support of the measure as drafted by a Council subcommittee comprised of Mayor Joe Goethals and Deputy Mayor Eric Rodriguez. Council also directed the subcommittee to prepare a rebuttal argument for Council's review at the August 17th meeting should anyone file an argument in opposition to the measure. Council reconfirmed this direction and approved amended ballot measure language at its August 3rd meeting.

Primary arguments are due August 14th and rebuttal arguments are due August 24th. The August 17th meeting is the only time Council is scheduled to meet during this period. At the time this meeting agenda is published, it will not yet be known whether an opposition argument has been filed against the measure. However, it is common for opposition arguments to be filed against tax measures. Should an opposition argument be filed by 5 p.m. Friday, August 14th, the subcommittee will draft a rebuttal argument for Council's review at the August 17th meeting, which would be included when available as Attachment 1.

Only Council members who signed the primary argument may sign the rebuttal argument, unless the authors of the primary argument authorize in writing any other person to prepare, submit or sign the rebuttal.

BUDGET IMPACT:

There is no budgetary impact for taking this action.

ENVIRONMENTAL DETERMINATION:

This action is not a project subject to CEQA, because it can be seen with certainty that it will not cause a physical change in the environment. (Public Resources Code Section 21065.)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Proposed Rebuttal Argument

STAFF CONTACT

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