

## **FISCAL ANALYSIS BY CITY MANAGER**

### **MEASURE LL**

#### **City of Laguna Beach**

#### **Proposed Increase in Transient Occupancy Tax Rate**

The Transient Occupancy Tax (TOT) is a charge that is paid by guests for lodging at a motel, hotel, bed and breakfast, short-term lodging, or other temporary lodging facility for a duration of thirty consecutive calendar days or less. The existing City of Laguna Beach TOT rate is 10% and has been in effect since 1993. The ballot measure, if approved, would increase the City's TOT rate from 10% to 12%. The City of Laguna Beach Finance Division estimates that the proposed 2% increase in the City's TOT rate will generate additional revenue of approximately \$2,000,000 annually into the City's General Fund. This estimated revenue increase could fluctuate depending on actual lodging occupancy, room rates and/or the number of lodging facilities available in the City. Revenues from the TOT are placed in the City's General Fund for general City operations and services, including the protection of beaches from pollution, police and fire protection and emergency response, public works, and utility undergrounding to prevent fire and power outages. If approved by the voters, the proposed increase in the City's TOT would take effect ten (10) days after the vote is declared by the City Council.

/s/ John Pietig  
City Manager

**STATEMENT OF AUTHOR**

The undersigned author of the fiscal analysis of Ballot Measure \_ at the general municipal election to be held on November 8, 2016 hereby states that such analysis is true and correct to the best of his knowledge and belief.

John Pietig, City Manager, City of Laguna Beach

AUTHOR'S NAME, ADDRESS, DATE AND PHONE NUMBER:

Printed Name John Pietig Date August 4, 2016

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