

ORDINANCE NO. 1420

AN ORDINANCE OF THE CITY OF DALY CITY AMENDING SECTION 3.32.020 OF CHAPTER 3.32 OF TITLE 3 OF THE CITY OF DALY CITY MUNICIPAL CODE PROVIDING FOR AN INCREASE IN THE TRANSIENT OCCUPANCY TAX RATE FROM TEN PERCENT TO TWELVE PERCENT EFFECTIVE JANUARY 1, 2019 AND THIRTEEN PERCENT EFFECTIVE JULY 1, 2020

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**SECTION ONE. AMENDING SECTION 3.32.020 OF CHAPTER 3.32 OF TITLE 3 OF THE CITY OF DALY CITY MUNICIPAL CODE.** Section 3.32.020 of Chapter 3.32 of Title 3 of the City of Daly City Municipal Code titled “Tax Imposed” is hereby amended in its entirety to read as follows:

Section 3.32.020. Tax Imposed.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax of ten percent of the rent charged by the operator. Effective January 1, 2019, each transient is subject to and shall pay a tax of twelve percent of the rent charged by the operator. Effective July 1, 2020, each transient is subject to and shall pay a tax of thirteen percent of the rent charged by the operator. This tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator or to the city. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax due is not paid to the operator of the hotel, the tax administrator may require that such tax shall be paid directly to the tax administrator.

**SECTION TWO. 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, and to this end the provisions of this ordinance are declared to be severable.

**SECTION THREE. CODIFICATION.** Section One of this ordinance shall be codified in the City of Daly City municipal code. Sections Two, Three, Four, and Five of this ordinance shall not be codified.

**SECTION FOUR. COMPLIANCE WITH CEQA.** The action to adopt this ordinance is exempt from the provisions of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.) (CEQA) because it can be seen with certainty that there is no possibility the adoption and implementation of this ordinance may have a significant effect on the environment, and accordingly the adoption of this ordinance is not subject to CEQA pursuant to CEQA Guidelines Section 15061(b)(3). Additionally, the ordinance involves the increase to an existing tax on transient occupancies and does not involve any commitment to any project which may result in a potentially significant impact on the environment and thus is not a project subject to the requirements of CEQA pursuant to CEQA Guidelines Section 15378 (b)(4).

**SECTION FIVE. EFFECTIVE DATE.** This ordinance relates to the increase of the City of Daly City transient occupancy tax authorized pursuant to the provisions of Article 3.7 of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code (Sections 53720-53730), for unrestricted general revenue purposes, and submitted to the City of Daly City electorate at an election called for November 6, 2018. This ordinance may be approved by a majority vote of the City of Daly City electorate voting on the measure at the election. If this ordinance is approved by the City of Daly City electorate as outlined above, then this ordinance shall become effective ten (10) days following the date the vote is declared by the City Council in accordance with Elections Code §9217.

IT IS HERBY CERTIFIED that the foregoing Ordinance was APPROVED by the following vote of the People of the City of Daly City on November 6, 2018:

Yes: 20,024                      No: 5,076                      Total: 25,100

IT IS HEREBY FURTHER CERTIFIED that the foregoing Ordinance was adopted by Declaration of the November 6, 2018 election results by the City Council of the City of Daly City at a meeting held on December 10, 2018, by the following vote

AYES:              Councilmembers: Daus-Magbual, DiGiovanni,  
Manalo, Sylvester, Buenaventura

NOES: Councilmembers: None

ABSENT;              Councilmembers: None

K. Annette Hipona  
CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

RAYMOND A. BUENAVENTURA  
MAYOR OF THE CITY OF DALY CITY