

CITY ATTORNEY IMPARTIAL ANALYSIS OF MEASURE M

The City Council of the City of Pacifica has placed Measure M on the November 5, 2024 ballot asking voters to adopt an ordinance to amend Section 3-7.03 of the Pacifica Municipal Code to increase the current 12% Transient Occupancy Tax (TOT) rate by 3%, for a total TOT of 15%.

Many cities throughout California require hotel or other short-term lodging guests to pay TOT for the privilege of occupying a hotel and other short-term lodging. If approved by the voters, Section 3-7.03 of the Pacifica Municipal Code would be updated to increase the TOT rate by 3%. Measure M is a general tax, meaning that revenues raised from the increased TOT go into the City's general fund and could be used for any general governmental purposes of the City, including but not limited to police, fire, 911 emergency response; street/pothole repair; youth/senior programs; adapting to sea-level rise; and keeping trash off beaches.

If adopted Measure M would generate additional revenue for the City of Pacifica. The City estimates the increase in the TOT is expected to generate approximately \$720,000 annually in additional revenue for the City. Proceeds from the TOT would be deposited into the City's general fund and become subject to the same audit requirements as other general fund revenues. Any auditor's report would include an accounting of the revenues received from the TOT and would be presented to the City Council annually and made available for public review. The increases to the TOT, if adopted, would become effective ten (10) days after the City Council has certified the results of that election by resolution and would remain in effect until ended by voters. The levying and collection of the TOT would be as specified in Chapter 7 within Title 3 of the Pacifica Municipal Code.

In order for Measure M to be approved, the voters must pass the Measure by a simple majority vote (50% + 1) to pass.

A "yes" vote is a vote in favor of the increase to the TOT rate.

A "no" vote is a vote against the increase to the TOT rate.

The above statement is an impartial analysis of Measure M. The full text of Measure M is printed in the Voter's Information Pamphlet and is also available on the City of Pacifica's website at: <https://www.cityofpacifica.org/departments/city-clerk/november-5-2024-presidential-general-election>. If you desire a copy of Measure M, please call the City Clerk's office at (650) 738-7307 and a copy will be mailed at no cost to you.

/s Michelle Marchetta Kenyon, City Attorney
City of Pacifica