

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 3
FOR THE REGULAR MEETING OF
MONDAY, JULY 26, 2004 AT 2:00 P.M.
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

ADOPTION AGENDA, DISCUSSION, COMMITTEE ITEM

COMMITTEE ON RULES, FINANCE, AND INTERGOVERNMENTAL RELATIONS,
ORDINANCES TO BE INTRODUCED, READY FOR DISPENSING WITH THE READING
AND ADOPTION:

ITEM-S404: Eight actions related to Submitting to the Voters Various Ballot Propositions
Relating to Recommendations to Raise Transient Occupancy Tax (TOT) from
10.5% to 13%.

(See City Manager Reports CMR-04-144 and CMR-04-155; memorandum from
Charles G. Abdelnour dated 6/28/2004, memorandum from Bill Baber dated
6/28/2004, and PowerPoint. See memorandum from Bruce Herring dated
7/21/2004, which was not available at Committee.)

TODAY’S ACTIONS ARE:

Consider introduction and adoption any of the ordinances in Subitem A, Subitem B, Subitem C,
and Subitem D. **NOTE:** Within Subitem D there are two subparts: D1, the general tax proposal
may be adopted as a stand alone measure or D2 may also be adopted to direct the City Attorney
and City Manager to return in one week with a proposal for an advisory ballot measure to be
placed on the ballot as a companion item to D1 seeking advice from the electorate on the use of
the increase in general tax TOT proceeds.

Subitem–A: (O-2005-15)

Introduction and adoption of an Ordinance submitting to the qualified voters of
the City of San Diego at the Municipal Election consolidated with the Statewide
General Election to be held on November 2, 2004, one proposition related to
increasing the City’s Transient Occupancy Tax from 10.5% to 13%.

ADOPTION AGENDA, DISCUSSION, COMMITTEE ITEM Continued)

COMMITTEE ON RULES, FINANCE, AND INTERGOVERNMENTAL RELATIONS,
ORDINANCES TO BE INTRODUCED, READY FOR DISPENSING WITH THE READING
AND ADOPTION: (Continued)

ITEM-S404: (Continued)

Subitem-A: (Continued)

This option has been proposed by Local 145/POA and the Lodging Association. It allocates 1.25 cents for Fire Safety equipment, facilities, infrastructure and deferred maintenance needs including an upgrade to communications systems, and 1.25 cents for Police equipment, facilities, infrastructure and deferred maintenance needs including an upgrade to communications system, and 2.5 cents to be deposited into a Tourism Promotion Fund. The measure also amends the Municipal Code to establish a Tourism Promotion Advisory Board with jurisdiction to make recommendations to the City Council with respect to allocations of the Tourism Promotion Fund. This option is a special tax earmarking proceeds of the tax for specific purposes and thus requires 2/3 approval from the voters.

Subitem-B: (O-2005-16)

Introduction and adoption of an Ordinance submitting to the qualified voters of the City of San Diego at the Municipal Election consolidated with the Statewide General Election to be held on November 2, 2004, one proposition related to increasing the City's Transient Occupancy Tax from 10.5% to 13%.

This option has been proposed by Councilmember Maienschein as a modification to the Local 145/POA and Lodging Association proposal. It allocates 1.25 cents for Fire Safety equipment, facilities, infrastructure and deferred maintenance and 1.25 cents for Police equipment, facilities, infrastructure and deferred maintenance. However, it specifically prioritizes and allocates funding from FY 2005 through FY 2012 for the Public Safety Communications Plan. This measure also allocates 2.5 cents to be deposited into a Tourism Promotion Fund and amends the Municipal Code to establish a Tourism Promotion Advisory Board with jurisdiction to make recommendations to the City Council with respect to allocations of the Tourism Promotion Fund. This option is a special tax earmarking proceeds of the tax for specific purposes and thus requires 2/3 approval from the voters.

ADOPTION AGENDA, DISCUSSION, COMMITTEE ITEM Continued)

COMMITTEE ON RULES, FINANCE, AND INTERGOVERNMENTAL RELATIONS,
ORDINANCES TO BE INTRODUCED, READY FOR DISPENSING WITH THE READING
AND ADOPTION: (Continued)

ITEM-S404: (Continued)

Subitem-C: (O-2005-17)

Introduction and adoption of an Ordinance submitting to the qualified voters of the City of San Diego at the Municipal Election consolidated with the Statewide General Election to be held on November 2, 2004, one proposition related to increasing the City's Transient Occupancy Tax from 10.5% to 13%.

This option has been proposed by Councilmember Donna Frye. It allocates 1.25 cents to fund Fire-Rescue and 1.25 cents for Police Department deferred maintenance and new equipment and facility needs until June 30, 2008, after which the funds may be used for general governmental purposes. This option is a special tax earmarking proceeds of the tax for specific purposes and thus requires 2/3 approval from the voters.

Subitem-D: (O-2005-18)

D1 Introduction and adoption of an Ordinance submitting to the qualified voters of the City of San Diego at the Municipal Election consolidated with the Statewide General Election to be held on November 2, 2004, one proposition related to amending the City Charter and the San Diego Municipal Code to increase the City's Transient Occupancy Tax from 10.5% to 13%.

This option has been proposed by the City Manager to raise TOT from 10.5% to 13% for general governmental purposes. This option is a general tax and thus requires a simple majority approval from the voters.

D2 Resolution directing the City Attorney and City Manager to return to Council in one week with a proposal for an advisory ballot measure to be placed on the ballot as a companion to Subitem D1 seeking advice from the electorate on the use of the increase in general tax TOT proceeds.

Subitem-E:

In the matter of Council direction regarding the City Attorney's impartial analysis on any of the ballot measures approved for placement on the ballot.

ADOPTION AGENDA, DISCUSSION, COMMITTEE ITEM Continued)

COMMITTEE ON RULES, FINANCE, AND INTERGOVERNMENTAL RELATIONS,
ORDINANCES TO BE INTRODUCED, READY FOR DISPENSING WITH THE READING
AND ADOPTION: (Continued)

ITEM-S404: (Continued)

Subitem-F:

In the matter of Council direction regarding the City Manager's fiscal analysis of
on any of the ballot measures approved for placement on the ballot.

Subitem-G:

In the matter of Council direction regarding authorship of ballot arguments for
any of the ballot measures approved for placement on the ballot.

**RULES, FINANCE AND INTERGOVERNMENTAL RELATIONS COMMITTEE'S
RECOMMENDATION:**

On 7/14/2004, RULES voted 3 to 1 to forward to the full City Council without recommendation.
(Councilmembers Peters, Maienschein, and Mayor Murphy voted yea. Councilmember
Madaffer voted nay. Councilmember Atkins not present.)