

CITY OF FAIRFIELD

RESOLUTION NO. 2024-190

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIRFIELD APPROVING AND ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF FAIRFIELD A BALLOT MEASURE TO AMEND FAIRFIELD MUNICIPAL CODE SECTION 18.13(a) TO INCREASE THE TRANSIENT OCCUPANCY TAX (TOT) RATE BY TWO PERCENT AT THE GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2024, DIRECTING THAT THE CITY ATTORNEY PREPARE AN IMPARTIAL ANALYSIS AND PROVIDING FOR ARGUMENTS AND REBUTTALS RELATED TO THE MEASURE

WHEREAS, Fairfield is a full-service city, equipped with its own City-run police, fire, park, public works including water utility services; and

WHEREAS, the health, safety, and welfare of all residents, businesses, and visitors in the City of Fairfield ("the City") is the City's top priority; and

WHEREAS, the City of Fairfield faces a structural budget deficit that it is trying to solve; and

WHEREAS, the general fund pays for important City services such as police, fire, and paramedic services; 911 emergency response; emergency street repairs and maintenance; neighborhood park and recreation services; and general municipal services to the public; and

WHEREAS, the City proposes an increase in the amount of two percent, until ended by voters, to the existing Transient Occupancy Tax (TOT) rate as directed by City Council; and

WHEREAS, a Transient Occupancy Tax is paid by hotels and motels guests, and tourists to ensure they contribute to maintaining the roads, infrastructure, public safety services and other resources they utilize while staying in Fairfield; and

WHEREAS, the tax was established in 1965 and the current 10% tax rate was last adjusted 40 years ago in 1984 and the proposed increase to 12% will bring it in line with neighboring communities; and

WHEREAS, the proposed, locally enacted, Transient Occupancy Tax measure is projected to generate additional general fund revenue of approximately \$600,000 annually for a two percent rate increase; and

WHEREAS, local, voter-approved funding for essential services will provide a local source of additional funding for the City of Fairfield that cannot be taken by the State and all funds would stay in Fairfield for local services and infrastructure only; and

WHEREAS, the proposed measure will be subject to fiscal accountability protections such as public disclosure of all spending; mandatory annual audits that ensure funds are used effectively and as promised and only to benefit the Fairfield community; and

WHEREAS, pursuant to California Revenue and Taxation Code Section 7280 the City of Fairfield ("City") has the authority to levy a Transient Occupancy Tax for general purposes, and subject to voter approval; and

WHEREAS, the general rule is that a Transient Occupancy Tax must be placed on a regularly scheduled general election for members of the council, unless the council adopts a resolution proclaiming a fiscal emergency; and

WHEREAS, at the March 12, 2024, City Council Study Session, the council directed staff to bring back approval of Transient Occupancy Tax and Business License Tax Modernization and Simplification Ballot measures to a future council meeting to be considered for submission to the voters at the November 2024 election; and

WHEREAS, if Fairfield's measure passes, then the Transient Occupancy Tax rate will be 12 percent; and

WHEREAS, the TOT is not imposed on Fairfield residents, rather it is imposed on occupants of hotels, inns, Airbnb, and other short-term lodging facilities for stays of 29 days or less. The TOT is applied to a customer's lodging bill. The TOT is a general tax that is deposited into the City's general fund.

WHEREAS, to qualify for the ballot, 2/3 of the City Council (Five members) are required to vote affirmatively for the Transient Occupancy Tax ordinance. If a council member is absent from the meeting, Five City Council Members are still required to vote affirmatively for the item to qualify for the ballot; and

WHEREAS, if so, approved by the council, and then passed by the voters on Tuesday, November 5, 2024, with a majority of voters (50% plus 1) supporting the measure, it would go into effect on January 1, 2025.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF FAIRFIELD HEREBY RESOLVES:

Section 1. The City Council pursuant to its right and authority, does order to be submitted to the voters at the General Election to be held on November 5, 2024, the following question:

Proposed Language for Transient Occupancy Tax Measure Election on November 5, 2024 THE FAIRFIELD TRANSIENT OCCUPANCY TAX (TOT) MEASURE	
MEASURE M: <ul style="list-style-type: none">Fairfield Essential Services Protection Measure. To protect essential city services such as pothole/street repair; fire protection/9-1-1 response; neighborhood police patrols; city park maintenance; senior and youth programs; and for general government use, shall the ordinance be adopted updating Fairfield’s existing transient occupancy (hotel) tax, paid only by hotel/ lodging guests, from 10% to 12%, until ended by voters, providing approximately \$600,000 annually, that cannot be taken by the State, including annual independent audits?	YES
	NO

Section 2. The proposed measure submitted to the voters is hereby approved in Ordinance 2024-05, which is incorporated herein by this reference.

Section 3. The City will reimburse the county for the actual cost incurred in conducting the election upon receipt of a bill stating the amount due as determined by the election’s official.

Section 4. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 5. Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

Section 6. Pursuant to California Elections Code Section 9280, the council hereby directs the city clerk to transmit a copy of the measure to the city attorney. The city attorney shall prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit such impartial analysis to the city clerk not later than 5 p.m. on August 14, 2024.

Section 7. Arguments for or against this measure shall be submitted not later than 5 p.m. on August 16, 2024, to the city clerk.

Section 8. The council adopts the provisions of subdivision (a) of Section 9285 of the Elections Code to permit rebuttal arguments if arguments have been filed in favor of and against the measure which is being submitted to the voters of the City at this special election. Rebuttal arguments shall be filed not later than 5:00 p.m. on August 20, 2024.

Section 9. The city clerk is hereby directed to file a certified copy of this Resolution with the Solano County Board of Supervisors and the Solano County Registrar of Voters.

Section 10. This action is Categorically Exempt per CEQA Section 21080(b)(9); 15300 which applies to any project that has been determined not to have significant effect on the environment and exempt from this division.

PASSED AND ADOPTED this 16th day of July 2024, by the following vote:

AYES: MEMBERS: MOY/BERTANI/CARR/PANDURO/TONNESEN/VACCARO/WILLIAMS

NOES: MEMBERS: _____

ABSENT: MEMBERS: _____

ABSTAIN: MEMBERS: _____

MAYOR

ATTEST:

CITY CLERK