

IMPARTIAL ANALYSIS OF MEASURE __

Measure __ seeks voter approval to increase the rate of the City of Rancho Cucamonga's existing transient occupancy tax (TOT). If approved, Measure __ would adopt an ordinance to increase the rate of the City's TOT from 10% to a maximum of 12%. The TOT is paid only by guests who occupy, or have the right to occupy, hotels, motels, and other short-term lodgings within Rancho Cucamonga for thirty consecutive calendar days or less. The TOT is collected and remitted to the City by operators of such lodgings.

The proposed measure is a general tax, as defined in Article XIIC of the California Constitution, which means the City can spend the tax revenue on general municipal services, such as public safety, roads, and parks and open space improvements. The ordinance would require all revenue to be spent on services and infrastructure within the City. The City estimated that this Measure will raise approximately \$1,000,000 annually in new local revenue.

Measure __ would also permit the City Council to adjust the TOT to a rate that is less than or equal to, but not more than 12%, or to repeal the ordinance, without further voter approval. In addition, the City's independent auditors would annually complete a report reviewing the collection and expenditure of TOT revenue.

Measure __ was placed on the ballot by the Rancho Cucamonga City Council, and must be approved by a majority of voters to become law. A "yes" vote on Measure __ favors enacting the proposed ordinance that would increase the City's TOT rate to a maximum of 12%. A "no" vote on Measure __ opposes the proposed ordinance, and would maintain the City's TOT rate at the existing 10%.

Nicholas R. Ghirelli
Rancho Cucamonga City Attorney

The above statement is an impartial analysis of Measure __. If you desire a complete copy of the TOT Ordinance, please call the City Clerk at (909) 774-2023 and a copy will be sent to you at no cost.