

**RESOLUTION NO. 2019-31**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA CALLING FOR THE PLACEMENT OF A GENERAL TAX MEASURE ON THE NOVEMBER 5, 2019 SPECIAL MUNICIPAL ELECTION BALLOT FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF A PROPOSED ORDINANCE AMENDING THE CITY'S TRANSIENT OCCUPANCY (HOTEL) TAX BY INCREASING THE RATE FROM 8% TO 12% AND ADDRESSING ONLINE TRAVEL COMPANY AND OTHER THIRD PARTY BOOKINGS; MAKING FINDINGS OF FISCAL EMERGENCY PURSUANT TO CALIFORNIA PROPOSITION 218; REQUESTING FULL ELECTION SERVICES FROM THE COUNTY OF ORANGE TO CONDUCT SAID SPECIAL ELECTION; AND SETTING RULES AND DEADLINES FOR ARGUMENTS AND REBUTTALS FOR AND AGAINST THE ORDINANCE**

**WHEREAS**, pursuant to Section 9222 of the California Elections Code, the City Council has authority to place propositions on the ballot to be considered at a Municipal Election; and

**WHEREAS**, pursuant to Chapter 5.12 of Title 5 of the Stanton Municipal Code (S.M.C. §§5.12.010 through 5.12.140), the City currently imposes a Transient Occupancy Tax (Hotel) Tax ("TOT") at the rate of eight percent (8%) upon guests of hotels and other transient accommodations within the City; and

**WHEREAS**, the City Council desires to amend the Stanton Municipal Code to increase the rate of the TOT from eight percent (8%) to twelve percent (12%); and

**WHEREAS**, the City Council also desires to modernize the Stanton Municipal Code to allow for the imposition and collection of the TOT on the full rent charged to a guest for hotel occupancy, whether the occupancy is booked directly by the guest, through online travel companies which enable guests to purchase occupancy via the Internet, or through online short term rental companies operating to facilitate connections in the rental market or otherwise broker short term rentals between a host and a guest, or by similar electronic means; and

**WHEREAS**, the TOT is a general tax the proceeds of which are deposited into the City's general fund and which pay for important City services such as police, fire and paramedic services, street operations and maintenance, library services, parks and recreation services and general municipal services to the public; and

**WHEREAS**, on November 6, 1996, the voters of the State of California approved Proposition 218 (California Constitution, Article XIII C), an amendment to the State Constitution which requires that all general taxes which are imposed, extended or increased must be submitted to the electorate and approved by a majority vote of the qualified electors voting in the election; and

**WHEREAS**, the proposed amendments which increase the rate of the TOT constitute a tax "increase" subject to Proposition 218; and

**WHEREAS**, the proposed amendments which apply the TOT rate to the total rent charged to a guest for occupancy in a hotel (including any retail markup and other charges imposed through purchase of occupancy through an agent, on-line travel company, or online short term rental company) may also be characterized as an “increase” in the TOT under Proposition 218; and

**WHEREAS**, pursuant to Proposition 218 (California Constitution Article XIII C, §2(b)), the general rule is that any local election for the approval of an increase to a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government; and

**WHEREAS**, Proposition 218 permits the City Council to call a special election for the voters to consider imposing, increasing or extending a general tax if the City Council finds, by a unanimous vote, that there exists an emergency requiring a special election to be conducted earlier than the next regularly scheduled general election at which City Council members are to be elected; and

**WHEREAS**, the next regularly scheduled general election at which City Council members are to be elected is not until November 3, 2020; and

**WHEREAS**, for the following reasons, the health, safety and general welfare of the citizens of the City would be endangered if the City were unable to place this Measure before its voters prior to November 3, 2020; and

**WHEREAS**, because the City’s operating costs continue to significantly outpace City revenues, the City of Stanton projects operating budget shortfalls of \$100,000 starting in FY 2020-2021, which are projected to increase to \$1,000,000 by FY 2023-2024; and

**WHEREAS**, as of FY 2019-2020, over three-quarters of the General Fund budget is spent on public safety expenditures (fire, police and emergency response); and

**WHEREAS**, to balance the budget in prior years, the City has already eliminated 23 full-time positions, including 12 public safety positions; and

**WHEREAS**, without additional sources of revenue, the City will have to consider further reductions to authorized positions which will have a direct negative effect on the level of public services and programs provided to the community; and

**WHEREAS**, the potential reduction in public services and programs can be addressed by proposing a new measure to Stanton voters increasing the City’s transient occupancy tax rate and modernizing its terms as set forth herein; and

**WHEREAS**, without additional sources of revenue, the projected deficit will start having an effect on the City’s budget as early as Fiscal Year 2020-2021, requiring the City to decide whether to reduce public services and programs or spend down its reserve funds; and

**WHEREAS**, in order to prudently develop and decide on a budget for Fiscal Year 2020-2021, the City must know in advance whether or not Stanton voters support the tax measure set forth herein. A November, 2019 special election will provide sufficient time for the City to incorporate the voters' decision into its Fiscal Year 2020-2021 budgeting calculations; and

**WHEREAS**, if the City were to wait until the November, 2020 General Municipal Election to place this question before Stanton voters, the City would have to develop and approve a Fiscal Year 2020-2021 budget without knowing the voters' wishes in this regard, compromising the City's ability to budget with full knowledge of all of its available revenue sources going forward; and

**WHEREAS**, the circumstances described above create an emergency situation warranting the placement of the Measure on a special election ballot to permit the voters to decide on the Measure pursuant to Proposition 218; and

**WHEREAS**, the City Council also desires to request that the Orange County Registrar of Voters provide full election services to the City in order to conduct the Special Municipal Election for the Ordinance/Measure described herein to be held on November 5, 2019; and

**WHEREAS**, the City Council also desires to establish deadlines and rules for the submission of written arguments and rebuttals for and against the Ordinance/Measure in accordance with applicable California Elections Code procedures; and

**WHEREAS**, the specific terms relating to the TOT amendment are provided for in the ordinance to be considered by the qualified voters, attached hereto as Exhibit "A" (the "Ordinance" or "Measure") and by this reference made an operative part hereof, and in accordance with all applicable laws.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1. Recitals.** The City Council hereby finds and determines that the foregoing recitals are true and correct, are incorporated herein and by this reference made an operative part hereof.

**SECTION 2. Declaration of Emergency.** Pursuant to California Proposition 218 (California Constitution, Article XIII C, Section 2(b)), the City Council, **by a unanimous vote**, hereby declares the existence of an emergency in that there are imminent financial risks and dangers, as described above, to the public welfare and the City's financial ability to provide municipal services at current levels and without disruption, so that a special election is necessary to address such risks and dangers.

**SECTION 3. Submission of Ballot Measure.** The City Council of the City, pursuant to its right and authority as contained in California Proposition 218 and Elections Code section 9222, **by a unanimous vote**, hereby orders the Ordinance attached hereto as Exhibit "A" to be submitted to the qualified voters of the City at the Special Municipal Election to be held on Tuesday, November 5, 2019. The proposed Ordinance shall be in the form attached hereto as Exhibit "A" to this Resolution and is incorporated by this reference as if fully set forth herein.

**SECTION 4. Ballot Measure.** The City Council, pursuant to its right and authority, does hereby order that the ballot measure shall be presented and printed upon the ballot submitted to the qualified voters in the manner and form set forth in this Section 3. On the ballot to be submitted to the qualified voters at the Special Municipal Election to be held on Tuesday, November 5, 2019, in addition to any other matters required by law, there shall be printed substantially the following:

"To improve general City services, such as police, fire and emergency response, parks and youth/senior services, and street repair, shall a measure amending the Stanton Municipal Code to increase the Transient Occupancy Tax rate from 8% to 12%, providing approximately \$250,000 annually, until ended by voters, and applying the tax to all rent charged to hotel guests, including by online travel and short term rental companies, for transient occupancy of any hotel, be adopted?"	YES	
	NO	

**SECTION 5. Election Procedures.**

- A. The ballots to be used at the election shall be in the form and content as required by law.
- B. In accordance with Section 10002 of the Elections Code, the Board of Supervisors of Orange County is hereby requested to consent to having the County Election Department/Registrar of Voters render full election services to the City of Stanton as may be requested by the City Clerk of said City, the County of Orange to be reimbursed in full for such services as are performed.
- C. The full election services which the City of Stanton requests the Registrar of Voters, or such other official as may be appropriate, to perform and which such officer is hereby authorized and directed to perform, if said Board of Supervisors consents, include: the preparation, printing and mailing of sample ballots and polling place cards; the establishment or appointment of precincts, polling places, and election officers, the preparation, printing, mailing and furnishing of vote-by-mail ballots, making such publications as are required by law in connection therewith; the furnishing of ballots, voting booths and other

necessary supplies or materials for polling places; the canvassing of the returns of the election and the furnishing of the results of such canvassing to the City Clerk of the City of Stanton; and the performance of such other election services as may be requested by the City Clerk.

- D. The City Clerk is authorized, instructed and directed to procure and furnish, or cause to be procured and furnished through the County of Orange, any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.
- E. The polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, except as provided in Section 14401 of the Elections Code of the State of California.
- F. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections in the City.
- G. 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.
- H. All ballots shall be tallied at a central counting place and not at the precincts. Said central counting place shall be at a County center as designated by the Registrar of Voters.
- I. The Orange County Registrar of Voters is hereby authorized to canvass the returns of said election.
- J. The City Clerk of the City of Stanton shall receive the canvass from the County as it pertains to the election on the measure, and shall certify the results to the City Council, as required by law.

**SECTION 6. Arguments and Impartial Analysis.**

- A. The City Council authorizes (i) the City Council or any member(s) of the City Council, (ii) any individual voter eligible to vote on the above measure, (iii) a bona fide association of such citizens or (iv) any combination of voters and associations, to file a written argument in favor of or against the City measure, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California and may change the argument until and including **August 6, 2019 by 5:00 p.m.**, after which no arguments for or against the measure may be submitted to the City Clerk. Arguments in favor of or against the measure shall each not exceed 300 words in length. Each argument shall be filed with the City Clerk, signed, and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an

organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument.

- B. The City Clerk shall comply with all provisions of law establishing priority of arguments for printing and distribution to the voters, and shall take all necessary actions to cause the selected arguments to be printed and distributed to the voters.
- C. Pursuant to Section 9280 of the Elections Code, the City Council 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. The City Attorney shall transmit such impartial analysis to the City Clerk, who shall cause the analysis to be published in the voter information guide along with the ballot measure as provided by law. The Impartial Analysis shall be filed by the deadline set for filing of primary arguments as set forth in subsection (A) above. The impartial analysis shall include a statement indicating whether the measure was placed on the ballot by a petition signed by the requisite number of voters or by the City Council. In the event the entire text of the measure is not printed on the ballot, nor in the voter information portion of the sample ballot, there shall be printed immediately below the impartial analysis, in no less than 10-font bold type, the following: **“The above statement is an impartial analysis of Ordinance or Measure \_\_\_\_\_. If you desire a copy of the ordinance or measure, please call the election official’s office at (insert phone number) and a copy will be mailed at no cost to you.”**
- D. That the provisions of this Section 6 herein shall apply only to the election to be held on November 5, 2019, and shall then be repealed.

#### **SECTION 7. Rebuttals.**

- A. Pursuant to Section 9285 of the Elections Code of the State of California, when the Clerk has selected the arguments for and against the various City initiated measures which will be printed and distributed to the voters, the Clerk shall send copies of the argument in favor of the measures to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The authors or persons designated by them may prepare and submit rebuttal arguments not exceeding 250 words. The rebuttal arguments shall be filed with the City Clerk not later than **August 16, 2019 by 5:00 p.m.** Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.
- B. The provisions of this Section 7 herein shall apply only to the election to be held on November 5, 2019, and shall then be repealed.

**SECTION 8. Placement on the Ballot.** The full text of the Ordinance/Measure shall not be printed in the voter information guide, and a statement shall be printed in the ballot pursuant to Section 9223 of the Elections Code advising voters that they may obtain a copy of this Ordinance/Measure at no cost, upon request made to the City Clerk.

**SECTION 9. Delivery of Resolution to County.** The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions. The City Council directs the City Clerk to deliver copies of this Resolution, including the Ordinance/Measure attached hereto as Exhibit "A", to the Clerk of the Board of Supervisors of Orange County and to the Registrar of Voters of Orange County.

**SECTION 10. Public Examination.** Pursuant to California Elections Code section 9295, this Measure will be available for public examination for no fewer than ten (10) calendar days prior to being submitted for printing in the voter information guide. The Clerk shall post notice in the Clerk's office of the specific dates that the examination period will run.

**SECTION 11. CEQA.** The City Council hereby finds and determines that the ballot measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5).

**SECTION 12. Severability.** If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

**SECTION 13. Effective Date of Resolution.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Stanton, California, at a special meeting held on this 23<sup>rd</sup> day of July, 2019.

  
\_\_\_\_\_  
DAVID J. SHAWVER, MAYOR

**CERTIFICATION FOR RESOLUTION NO. 2019-31**

I, Patricia A. Vazquez, City Clerk of the City Council of the City of Stanton, California, do hereby certify that the whole number of the members of the City Council is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the City Council of the City of Stanton on the 23<sup>rd</sup> day of July, 2019, by the following vote:

AYES: Ramirez, Shawver, Taylor, Van, Warren

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED AS TO FORM:

  
\_\_\_\_\_  
MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, Patricia A. Vazquez, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2019-31 has been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of the Stanton City Council, held on July 23, 2019, and that the same was adopted, signed and approved by the following vote to wit:

AYES: Ramirez, Shawver, Taylor, Van, Warren

NOES: None

ABSENT: None

ABSTAIN: None

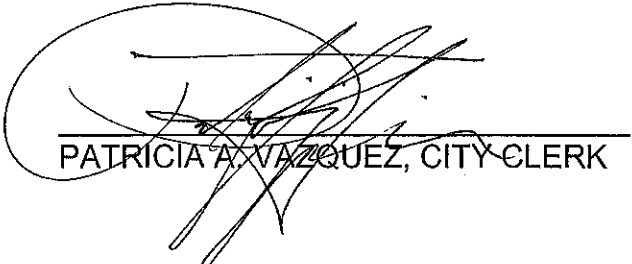
  
\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK



EXHIBIT "A"

ORDINANCE NO. 1092

AN ORDINANCE OF THE PEOPLE OF THE CITY OF STANTON, CALIFORNIA, AMENDING CERTAIN SECTIONS OF CHAPTER 5.12 OF TITLE 5 OF THE STANTON MUNICIPAL CODE INCREASING THE RATE OF THE CITY'S TRANSIENT OCCUPANCY (HOTEL) TAX FROM 8% TO 12%, ADDRESSING ONLINE TRAVEL COMPANY AND OTHER THIRD PARTY BOOKINGS AND MAKING OTHER CONFORMING CHANGES

(NOTE: Additions are highlighted in *bold italics* and deletions are highlighted in ~~strikeout~~)

NOW THEREFORE, THE PEOPLE OF THE CITY OF STANTON DO ORDAIN AS FOLLOWS:

**SECTION 1.** Subject to the approval of a majority of the voters of the City of Stanton at the Special Municipal Election so designated by the City Council in a separate resolution placing the proposal on the ballot for such election, Sections 5.12.020, 5.12.030 and 5.12.040 are hereby amended and Sections 5.12.055 and 5.12.150 are hereby added to Chapter 5.12 of Title 5 of the Stanton Municipal Code to read as follows:

**"Chapter 5.12 TRANSIENT OCCUPANCY**

....

**"5.12.020. Definitions.**

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter.

A. "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

B. "Hotel" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof.

C. "Occupancy" means the use or possession, or the right to the use or possession of any room or rooms or portion thereof (*whether or not the person entitled to the use or possession actually uses or possesses such room or rooms or portion thereof*), in any hotel for dwelling, lodging or sleeping purposes. *The use or possession or right to the use or possession of any room or any suite of connecting rooms as office space, banquet or private dining rooms, or as exhibit, sample or display space shall not be considered "occupancy" within the meaning of this definition unless the person exercising occupancy uses or possesses, or has the right to the use or possession of all or any portion of such room or suite of rooms for dwelling, lodging or sleeping purposes.*

D. "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days. *The following rules shall apply to this definition:*

1. Any such person so occupying space *or entitled to occupy a room* in a hotel shall be deemed to be a transient until the period of thirty (30) *calendar* days has expired ~~unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy.~~ *Any person who exercises or is entitled to occupancy for a period of thirty consecutive calendar days or less shall be deemed to be a transient, regardless of whether the reservation and payment or payment for occupancy is made directly by the person exercising or entitled to occupancy or by another person or entity. The intent is to tax the person occupying or having the entitlement to occupy the hotel room.*
2. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of this chapter may be considered.
3. *In the event a person exercises or is entitled to occupancy for a continuous and uninterrupted period of longer than thirty (30) calendar days, he or she shall be deemed a transient and subject to the tax for only for the first thirty (30) calendar days of occupancy. The person shall cease being a transient and the tax shall not apply to the thirty-first (31st) calendar day and each following calendar day of continuous and uninterrupted occupancy. However, any break or interruption in occupancy shall start a new thirty (30) calendar day period subject to the tax.*
4. *In the case of a block reservation, a person's employee or agent shall be deemed a transient if that employee or agent exercises or is entitled to occupancy of a room for a period of 30 consecutive calendar days or less, regardless of the duration of any block reservation agreement. By way of example, if a corporation enters into a one-year block reservation agreement with an operator and one of the corporation's employees occupies a room for 30 calendar days under that agreement, the employee shall be deemed a transient whose occupancy is subject to the tax, notwithstanding the*

**fact that the block reservation agreement itself may have a term longer than 30 calendar days."**

E. "Rent" means the **total** consideration charged **to the transient, (including but not limited to, room rates, service charges, parking fees, purchase price, advance registration, block or group reservation charges, assessments, retail markup, commission, processing fees, cancellation charges, attrition fees, or online booking or broker fees)**, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. **Nothing in this definition shall be construed to mean that rent is charged directly or indirectly for occupancy in a hotel when a room is provided to the transient as a compliment for the operator and where no consideration is charged to or received from any other person. Further, bona fide charges for food and beverages which are subject to tax under the California Sales and Use Tax Law (Revenue and Taxation Code Sections 6001 et. seq.) shall not be deemed rent subject to the tax imposed by this chapter.**

F. "Operator" means the person who is proprietor of the hotel **or any other person who has the right to rent rooms within the hotel to customers or to facilitate the rental of rooms**, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, **seller, reseller**, or any other capacity. Where the operator performs his functions through a managing agent of any type or character, other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties and liabilities as his **the agent's** principal. **Full** compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.

G. "Tax Administrator" means the director of finance.

H. "**Online Short Term Rental Company**" shall mean any person, whether operating for profit or not for profit, which facilitates the connection between transients aiming to purchase occupancy in any hotel via the Internet, or by similar electronic means.

I. "**Online Travel Company**" shall mean any person, whether operating for profit or not for profit, which enables transients to purchase occupancy in a hotel via the Internet, or by similar electronic means.

J. "**Block Reservation**" means an arrangement whereby a person reserves, whether on an exclusive or non-exclusive basis, a room or block/group of rooms for a defined period of time under a written or oral agreement with an operator, intending for such room(s) to be occupied by that person's employees or agents on an intermittent, periodic or "as needed" basis during that defined period of time.

### 5.12.030 Tax imposed.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of eight ~~eight~~ **twelve (12%)** percent of the rent charged ~~paid~~ by the operator ~~transient~~. Said tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator, **a rental agent pursuant to Section 5.12.055 of this chapter**, or to the city. The transient shall pay the tax to the operator **or rental agent** 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 **or rental agent** of the hotel, the tax administrator may require that such tax shall be paid directly to the tax administrator.

### 5.12.040 Exemptions.

- A. No tax shall be imposed upon:
1. Any person as to whom, or any occupancy as to which, it is beyond the power of the City to impose the tax provided in this chapter;
  2. Any federal or state officer or employee when **occupying a room while on official government business. For purposes of this section, non-employee students, supporters and volunteers of state universities and colleges shall not be deemed to be officers or employees of the state.**
  3. Any officer or employees of a foreign government who is exempt by reason of express provision of federal law or international treaty.

**B. No exemption shall be granted except upon a claim therefor made at the time rent is collected and under penalty of perjury upon a form prescribed by the tax administrator. Any federal or state officer or employee when on official government business claiming such an exemption shall provide to the operator or rental agent as conclusive evidence that his or her occupancy is for the official business of his or her employer:**

1. **Travel orders from his or her government employer; or a government warrant issued by his or her employer to pay for the occupancy; or a government credit card issued by his or her employer to pay for the occupancy; and**
2. **Proof of his or her governmental employment as an employee or officer as described in subsection (A), and proof, consistent with these provisions, that his or her occupancy is for the official business of his or her governmental employer.**

*It shall be the duty of an operator or rental agent to keep and maintain for a period of three (3) years written documentation in support of each exemption granted under this Section.*

....

**5.12.055 Third Party Rental Transactions.**

**A. Any transient who pays rent to an online short term rental company, an online travel company, or similar agent (collectively a "rental agent") instead of to an operator shall, at the time the rent is paid, pay the tax to the rental agent in the manner required by section 5.12.030. If for any reason the tax is not paid to the rental agent, it shall be paid to the operator before the transient has ceased occupancy in the hotel or paid directly to the tax administrator pursuant to section 5.12.030. Any transient seeking a refund under section 5.12.120 of taxes paid to a rental agent must establish that the transient has been unable to obtain a refund from the rental agent who collected the tax.**

**B. Any rental agent who collects rent shall comply with all obligations of the operator set forth in sections 5.12.050 and 5.12.110 of this chapter. The rental agent shall remit all collected taxes to the operator before the deadline for the operator to remit the taxes to the tax administrator under section 5.12.070, and the rental agent shall provide the operator with copies of all records required to be maintained by the operator pursuant to section 5.12.110 of this chapter, including records necessary for the operator to comply with its obligations under this chapter.**

**C. If the tax administrator determines that a rental agent has failed to collect, remit, or report any tax, the tax administrator may take any action against the rental agent that he or she may take against an operator under sections 5.12.080 and 5.12.090 of this chapter subject to the requirements of those sections. If the tax administrator assesses unremitted taxes and penalties against the rental agent, the rental agent shall be subject to the provisions of sections 5.12.090, 5.12.100, 5.12.120, 5.12.130 and 5.12.140 of this chapter as if it were an operator. Nothing in this section shall prohibit the tax administrator from assessing the full amount of any unremitted taxes and penalties solely against the operator in lieu of assessing some or all of those taxes and penalties against the rental agent.**

....

**5.12.150 Amendment or Repeal – Adjustment of Taxing Rate or Methodology.**

**This chapter may be repealed or amended by the City Council without a vote of the People of the City of Stanton. However, as required by California Constitution Article XIII C (Proposition 218), voter approval is required for any amendment or provision that would increase the maximum rate or methodology of any tax levied pursuant to this chapter. The people of the City of Stanton**

**affirm that the following actions shall not constitute an increase of the rate or methodology of the transient occupancy tax requiring subsequent voter approval:**

**A. The restoration of the rate of the tax to a rate that is no higher than the maximum set by this voter-approved chapter, if the City Council has previously acted to reduce the rate of the tax;**

**B. An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this chapter;**

**C. The establishment of a class of person or service that is exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception explicitly set forth in this chapter); and**

**D. Resuming collection of the tax imposed by this chapter, even if the City had, for some period of time, either suspended collection of the tax or otherwise failed to collect the tax, in whole or in part."**

**SECTION 2.** Pursuant to Article XIIB of the California Constitution, the appropriation limit for the City of Stanton will be increased by the maximum projected aggregate collection authorized by the levy of this general tax, as indicated in Section 1, in each of the years covered by this Ordinance plus the amount, if any, by which the appropriation limit is decreased by law as a result of the levy of the general tax set forth in this Ordinance.

**SECTION 3.** If any portion of this Ordinance is declared invalid by a court of law or other legal body with applicable authority, the invalidity shall not affect or prohibit the force and effect of any other provision or application of the Ordinance that is not deemed invalid. The voters of the City hereby declare that they would have circulated for qualification and/or voted for the adoption of this Section, and each portion thereof, regardless of the fact that any portion of the initiative may be subsequently deemed invalid.

**SECTION 4.** Pursuant to California Constitution Article XIIC §(2)(b) and California Elections Code §9217, this Ordinance shall take effect only if approved by a majority of the eligible voters of the City of Stanton voting at the Special Municipal Election to be held on November 5, 2019, and shall take effect ten (10) days after the City Council has certified the results of the Special Municipal Election by resolution.

**SECTION 5.** The Mayor is hereby authorized to attest to the adoption of this Ordinance by the People voting thereon on November 5, 2019, by signing where indicated below.

I hereby certify that the foregoing Ordinance was PASSED, APPROVED AND ADOPTED by the people of the City of Stanton on the 5<sup>th</sup> day of November, 2019.

\_\_\_\_\_  
DAVID J. SHAWVER, MAYOR

ATTEST:

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
MATTHEW E. RICHARDSON, CITY ATTORNEY