HERMOSA BEACH GENERAL MUNICIPAL ELECTION – NOVEMBER 3, 2015

ARGUMENT IN FAVOR OF MEASURE TO INCREASE THE TRANSIENT OCCUPANCY TAX (HOTEL BED TAX) FROM 10% TO 12%

VOTE YES on Measure ___!

"Hermosa’s Transient Occupancy Tax (aka "TOT" or "Hotel Bed Tax") on guests who stay overnight in our hotels, motels, and hostels has been 10% for twenty five years. This fee is one of the most direct ways for our City to collect revenues from visitors, which helps pay their fair share for City services."

Since 1990, the average rate of Hotel Bed Tax in our nearby cities and the county has increased to 12%:

- Santa Monica 14%
- Inglewood 14%
- City of Los Angeles 14%
- LA County 12.6%
- Redondo Beach 12%
- Hawthorne 12%
- Long Beach 12%

Supporting this measure would generate an estimated additional $440,000 in annual revenue from existing hotel rooms for our General Fund. City Council can use this revenue to fund capital improvements, infrastructure maintenance and upgrades, fire, police, civil services, and beautification projects.

According to Dean Runyan Associates, tourism consultants to the State of California:

“Most leisure travelers do not choose their destination based on the Hotel Bed Tax. This small increase to 12% would have no measurable impact on occupancy rates since Hermosa Beach is not a convention/corporate destination, and this rate is in line with neighboring cities and the rest of Southern California.”

This small increase would mean an additional $2 per $100 of nightly room rate, or an additional $5 on a $250 per night room. Since nearly all of those staying overnight in Hermosa’s hotels are tourists, the fee will be paid mostly by non-residents.

Hotel Bed Tax is not paid by hotel owners – they collect it from their overnight guests.

VOTE YES on Measure ___ and help keep Hermosa the "Best Little Beach City"!

For more information, please visit www.hermosahoteltax.com or call 424-256-8548

GEORGE J. SCHMELTZER – Former Mayor – Hermosa Beach
HANY S. FANGARY – Hermosa Beach City Councilmember
J.R. REVICZKY – Former Mayor – Hermosa Beach
JANICE R. BRITTAIN – Public Works Commissioner
STACEY ARMATO – Former committee chairperson for Stop Hermosa Beach Oil

This argument was received in the City Clerk’s Office on July 28, 2015 before the close of the 14-day filing period. No argument against the measure was submitted.