

RESOLUTION NO. 20-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA AUTHORIZING HOTEL OPERATORS TO DEFER THE PAYMENT AND REPORTING OF TRANSIENT OCCUPANCY TAX AS AN EXERCISE OF EMERGENCY POWERS PURSUANT TO THE CITY'S EMERGENCY DECLARATION

The City Council of the City of Goleta does hereby find, order and resolve as follows:

SECTION 1. Recitals.

- A. A severe acute respiratory illness caused by a novel (new) coronavirus, known as COVID-19, has spread globally and rapidly, resulting in severe illness and death around the world. The World Health Organization has described COVID-19 as a global pandemic.
- B. On March 4, 2020, California Governor Gavin Newsom declared a State of Emergency in response to the increased spread of COVID-19. Additionally, on March 12, 2020, the Santa Barbara County Board of Supervisors and the Department of Public Health all declared a local and public health emergency in response to increased spread of COVID-19 across the country and in Santa Barbara County. The President of the United States has declared a federal emergency as a result of the spread of the COVID-19.
- C. On March 14, the City Manager, as the Director of Emergency Services, declared an existence of local emergency, activated its Emergency Operations Center and, out of an abundance of caution, cancelled or postponed all non-essential City-hosted and sponsored programs and events until April 30, 2020 to help prevent further spread of coronavirus and protect its vulnerable populations, such as seniors and people with compromised immune systems, from infection.
- D. On March 17, 2020, the City Council adopted Resolution 20-18 which ratified the City Manager's emergency declaration and imposed attendant orders to close restaurants, gyms, movie theaters and the like; to prohibit the use of City play structures and exercise equipment in its parks; and to prohibit residential and commercial evictions based on nonpayment of rent due to loss of income from COVID-19.
- E. On March 19, 2020, the Governor issued Executive Order 33-20,

which ordered all residents to immediately heed current State public health directives to stay home, except as needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as the State Public Health Officer may designate as critical to protect health and well-being of all Californians.

- F. Hotels and motels are allowed to remain open pursuant to the Governor's Executive Order 33-20; however, they have all suffered significant revenue losses as a result of loss of business due to the pandemic.
- G. Hotels in the City are subject to Chapter 3.06 of the Goleta Municipal Code, which requires them to collect from hotel guests 12 percent occupancy tax, referred to as the transient occupancy tax ("TOT"), and hold such tax revenue in trust for the City and remit such tax on a scheduled basis to the City.
- H. During this time of economic uncertainty and declining hotel revenues, the City Council finds that it is vital to assist the hotels in the City to remain open and viable businesses so that visitors can stay in hotels during this period of local emergency but also so that they will be able to successfully operate again once all state and local orders are lifted.
- I. The City desires to help hotels continue in business and can do so by allowing for a deferral in the due dates of scheduled TOT payments to the City.
- J. This Resolution is an exercise of the City's emergency powers as provided for under State law and Chapter 2.10 of the Goleta Municipal Code, is temporary in nature and is intended to provide temporary financial relief to hotels within the City of Goleta during, and immediately following, the City's response to the COVID-19 pandemic.

SECTION 2. Action. The City Council hereby resolves:

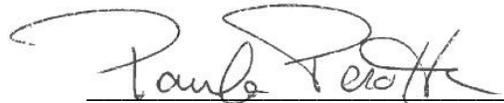
- A. To authorize hotel operators who make a written request with the City to defer payment of the TOT for the months of March and April 2020 to June 30, 2020.
- B. To authorize the City Manager to allow a hotel operator, upon written request, to defer payment of the TOT for months subsequent to April 2020, in two month increments. For example, if the City Manager allows for the deferral of TOT for the months of May 2020 and June 2020, the due date for those months would be August 31, 2020.
- C. If a hotel operator who has requested a deferral does not remit payment and reports required by Chapter 3.06 of the Goleta Municipal Code upon the modified due date, the hotel operator shall be subject to the penalties and interest pursuant to Section 3.06.050 with the penalties and interest to

apply as of the date that the TOT was originally due, notwithstanding any deferral allowed by this Resolution.

- D. For any hotel operator that has elected to obtain a deferral pursuant to this Resolution, section 3.06.050 of the Goleta Municipal Code concerning penalties for failure to remit the TOT when due is hereby suspended, except as provided in Paragraph C and shall be in full force and effect again as set forth in Paragraph E.
- E. For any hotel operator who has elected to obtain a deferral pursuant to this Resolution, section 3.06.060 of the Goleta Municipal Code requiring the Tax Collector to take certain actions when an operator fails to remit the TOT collected, including the assessment of penalties and interest, sending notice to the operator, and allowing the operator to have a hearing, is hereby suspended, except as provided in Paragraph C, and shall be in full force and effect again as set forth in Paragraph E.
- F. Upon cessation of the local emergency, all operators who collected the TOT shall remit all payments owed to the City by the end of the following month pursuant to Chapter 3.06. From and after the date the tax is owed, all applicable interest and penalties set forth in Section 3.06.050 shall begin accruing, and the enforcement provisions in Section 3.06.060 may be enforced by the Tax Collector.
- G. Nothing in this resolution shall relieve an operator from collecting from transients the amounts required to be collected, as specified in Section 3.06.020 of the Goleta Municipal Code, and all operators shall continue doing so regardless of any deferrals requested under this Resolution. This resolution also does not relieve any operator from its obligation to remit to the City the TOT collected.
- H. Each operator that collects, or has collected, TOT shall continue to comply with Section 3.06.040 of the Goleta Municipal Code requiring an operator to report to the City's Tax Collector the total rents charged and received and the amount of tax collected for transient occupancies.

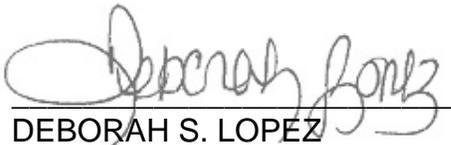
SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 7th day of April 2020.



PAULA PEROTTE, MAYOR

ATTEST:



DEBORAH S. LOPEZ
CITY CLERK

APPROVED AS TO FORM:



MICHAEL JENKINS
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF GOLETA)

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, DO HEREBY CERTIFY that the foregoing Resolution No. 20-19 was duly adopted by the City Council of the City of Goleta at a regular meeting held on the 7th day of April, 2020 by the following roll call vote of the City Council:

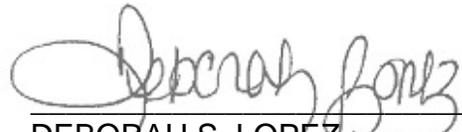
AYES: MAYOR PEROTTE, MAYOR PRO TEMPORE RICHARDS,
 COUNCILMEMBERS ACEVES, KASDIN AND KYRIACO

NOES: NONE

ABSENT: NONE

ABSTENTIONS: NONE

(SEAL)


DEBORAH S. LOPEZ
CITY CLERK