

## ORDINANCE NO. 3140-18

**AN ORDINANCE OF THE CITY OF SUNNYVALE  
AMENDING SECTION 3.16.040 ("IMPOSITION—RATE—  
PAYMENT") OF THE SUNNYVALE MUNICIPAL CODE TO  
INCREASE THE TRANSIENT OCCUPANCY TAX**

WHEREAS, by Resolution No. 888-18, adopted July 17, 2018, the City Council of the City of Sunnyvale submitted a measure to the electors of the City of Sunnyvale proposing an amendment to Section 3.16.040 of the Sunnyvale Municipal Code increasing the Transient Occupancy Tax as set forth in Section 1 of this ordinance; and

WHEREAS, the proposed amendment was adopted by a majority of the voters at the election held on November 6, 2018, and the City Council has by Resolution No. \_\_\_\_\_ declared that the ballot measure was approved.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. SECTION 3.16.040 AMENDED. Section 3.16.040 of Sunnyvale Municipal Code is hereby amended to read as follows:

**3.16.040. Imposition – Rate - Payment.**

(a) For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of eight percent of the rent charged by the operator through June 30, 1995, and eight and one-half percent of the rent charged by the operator on or after July 1, 1995.

(b) Commencing January 1, 2007, and continuing through December 31, 2008, the amount of the tax shall be nine percent of the rent charged by the operator. Effective January 1, 2009, the amount of the tax shall be nine and one-half percent of the rent charged by the operator, provided, however, that the average citywide hotel/motel occupancy rate from January 1 through September 30, 2008, as determined by the director of finance, is at least sixty percent. If the average occupancy rate during this period is less than sixty percent, the increase in the amount of the tax shall be deferred until January 1, 2010. In any event, the amount of the tax on and after January 1, 2010, shall be nine and one-half percent of the rent charged by operator.

(c) Commencing January 1, 2014, and continuing thereafter, the amount of the tax shall be ten and one-half percent of the rent charged by the operator.

(d) Commencing January 1, 2019, and continuing thereafter, the amount of the tax shall be 12.5 percent of the rent charged by the operator.

(e) Said tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator or to the city. The transient, or any person paying rent on the transient's behalf, shall pay the tax to the operator 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 of the hotel, the tax administrator may require that such tax shall be paid directly to the tax administrator.

SECTION 2. CEQA - EXEMPTION. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project which has the potential for causing a significant effect on the environment.

SECTION 3. EFFECTIVE DATE. Pursuant to California Elections Code Section 9217, this ordinance is adopted as of December 18, 2018, when the City Council of the City of Sunnyvale certified the election results. This ordinance shall go into effect December 28, 2018.

SECTION 4. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

This ordinance was introduced by Resolution No. 888-18 by the City Council of the City of Sunnyvale at the regular meeting of the City Council, held on the 17<sup>th</sup> day of July 2018, for submission to the voters at an election to be held on November 6, 2018.

AYES: HENDRICKS, KLEIN, LARSSON, MELTON  
NOES: GRIFFITH, SMITH, GOLDMAN  
ABSENT: NONE  
ABSTAIN: NONE  
RECUSAL: NONE

This ordinance was submitted to the voters and approved by a vote of **32,743 (78.53%) (Yes)** to 8,951 (21.47%) (No) as declared by Resolution No. \_\_\_\_\_ of the City Council, dated December 18, 2018.

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk  
Date of Attestation: \_\_\_\_\_

\_\_\_\_\_  
Mayor

(SEAL)

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney