

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No. _____

Adopt a Resolution to:)
Resolution of the Board of Supervisors of the)
County of Monterey calling for an election for)
the purpose of submitting to the qualified)
electors of Monterey County a countywide)
measure to raise the Transient Occupancy Tax;)
directing the County Elections Official to)
conduct the election; and directing consolidation)
of the election with the regular election of)
November 3, 2026 (4/5ths vote required).....)

WHEREAS, the Board of Supervisors has determined it is in the best interest of the County of Monterey (County) and its residents to submit to the voters a proposed measure to increase the County's Transient Occupancy Tax (TOT) in the unincorporated area of Monterey County by two percent (2%);

WHEREAS, visitors are drawn to Monterey County by its unique natural beauty and historical attractions; and the economic impact of tourism is vital to County's economy;

WHEREAS, balancing the costs and benefits of tourism is essential to the preservation of Monterey County's communities and quality of life, and a TOT is an important part of that balance, as it can help offset certain costs of tourism such as use of the County's infrastructure and services;

WHEREAS, Revenue and Taxation Code section 7280 authorizes a county to levy a tax for the privilege of occupying a room or other living space in a hotel, motel or other lodging, where the lodging is for 30 days or less;

WHEREAS, pursuant to Revenue and Taxation Code section 7280, all ballots in Monterey County shall contain the TOT increase question although the TOT will only increase in the unincorporated areas of Monterey County if approved;

WHEREAS, the County has previously enacted ordinances codified at Chapter 5.40 of the Monterey County Code which impose a TOT of 10.5% in the unincorporated area of Monterey County on the rent charged by the operator for the occupancy of hotels, motels, inns or other lodging, with exceptions;

WHEREAS, a TOT rate of four percent (4%) was approved by the voters as a general tax in 1965 and the tax rate has been raised and lowered throughout the years, and was last increased in 1995 from ten percent (10%) to ten and one-half percent (10.5%);

WHEREAS, the Board of Supervisors desires that the existing 10.5% transient occupancy tax rate remain a general tax and increase by 2%, and that the matter of the increase be submitted to the voters for approval as a general tax;

WHEREAS, the funds collected from the increase in the TOT will be used to provide funding for critical County services, including but not limited to programs to improve street, water and sewer infrastructure maintenance; pothole repair; enhance emergency services; update libraries, and parks and recreation facilities; improve healthcare and job development programs, and reduce homelessness;

WHEREAS, the increase to the TOT will be enacted solely to raise revenue for general governmental purposes of the County and not for purposes of regulation or for raising revenue for regulatory purposes, in that all of the proceeds from the tax shall be placed in the County's general fund and be used for the usual current expenses of the County;

WHEREAS, subdivision (b) of section 2 of Article XIII C of the California Constitution and section 53723 of the California Government Code require that before the County may impose a general tax, the tax must be submitted to the voters and approved by a majority vote of the voters;

WHEREAS, subdivision (b) of section 2 of Article XIII C of the California Constitution mandates that an election required by that subdivision be consolidated with a regularly scheduled general election for members of the governing body of the local government, subject to specific exceptions not relevant here;

WHEREAS, if approved by a majority of voters, the proposed increase to the TOT would be accomplished by an ordinance amending Chapter 5.40 of the Monterey County Code;

WHEREAS, pursuant to California Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections;

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, pursuant to California Elections Code Section 1000 *et seq.*, various district, county, State, and other political subdivision elections shall be held on November 3, 2026, an established regular election date.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the County of Monterey Board of Supervisors as follows:

1) A County election is hereby called to be held throughout the County on the regular election date of November 3, 2026, for the purpose of submitting to the qualified electors of the County of Monterey the following measure:

Measure _____

To fund critical County of Monterey services, including programs to improve street, water and sewer infrastructure maintenance; repair potholes; enhance emergency services; update libraries, parks and recreation facilities; improve healthcare and job development programs; and reduce homelessness, shall the County of Monterey increase its existing Transient Occupancy Tax paid only by hotel/lodging guests in the unincorporated area from 10.5% to 12.5% providing approximately \$7,600,000 annually to be spent locally, until ended by voters?

YES _____ NO _____

2) Said County election shall be held and conducted, the votes received and canvassed, the returns thereof made, and the result thereof ascertained and determined in accordance with the law, including but not limited to the provisions of Section 10418 of the Elections Code.

3) Said County election hereby called shall be and hereby is consolidated with any and all elections also called to be held throughout the County on November 3, 2026, in all respects as required by and pursuant to law, including but not limited to the provisions of Section 10418 of the Elections Code.

4) In accordance with the provisions of Section 9160 of the Elections Code, the County Counsel is hereby directed to prepare an impartial analysis of this measure.

5) In accordance with the provisions of Section 9160 of the Elections Code, the County Office of Auditor-Controller is hereby directed to prepare a fiscal impact statement of this measure.

6) Arguments for and against this measure may be submitted in conformance with Elections Code Section 9161, *et seq.*

7) The Clerk of the Board of Supervisors shall file a copy of this Resolution with the County Clerk.

8) This Resolution shall take effect immediately following passage and adoption by the Board of Supervisors.

9) Severability. The County declares that, should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Resolution shall remain in full forth and effect.

BE IT FURTHER RESOLVED AND ORDERED THAT the County of Monterey Elections Department is requested to print the proposed ordinance attached hereto as Attachment A in the County Voter Information Guide for the November 3, 2026, election date.

PASSED AND ADOPTED this _____ day of _____, 2026, by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2026.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By _____
Deputy

ATTACHMENT A

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, AMENDING CHAPTER 5.40 OF THE MONTEREY COUNTY CODE TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. Findings and Declarations.

A. Pursuant to Article XI, section 7 of the California Constitution, the County of Monterey may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens.

B. Visitors are drawn to Monterey County by its unique natural beauty and historical attractions, and the economic impact of tourism is vital to Monterey County's economy.

C. Balancing the costs and benefits of tourism is essential to the preservation of Monterey County's communities and quality of life, and a transient occupancy tax ("TOT") is an important part of that balance, as it can help offset certain costs of tourism such as use of the County's infrastructure and services.

D. Revenue and Taxation Code section 7280 authorizes a county to levy a tax for the privilege of occupying a room or other living space in a hotel, motel or other lodging, where the lodging is for 30 days or less.

E. The County of Monterey, pursuant to the authority of Revenue and Taxation Code section 7280, has previously enacted ordinances codified at Chapter 5.40 of the Monterey County Code which impose a transient occupancy tax of 10.5% in the unincorporated area of Monterey County on the rent charged by the operator for the occupancy of hotels, motels, inns or other lodging, with exceptions.

F. A transient occupancy tax rate of four percent (4%) was approved by the voters as a general tax in 1965 and, therefore, may be used for any general government purpose. The tax rate has been raised and lowered throughout the years and was last increased in 1995 from ten percent (10%) to ten and one-half percent (10.5%).

G. The Board of Supervisors desires that the existing ten and one-half percent (10.5%) transient occupancy tax rate in the unincorporated area of the County remain a general tax and increase by two percent (2%).

H. The Board of Supervisors desires that the matter of the increases in the transient occupancy tax rates in unincorporated Monterey County be submitted to the voters for approval as a general tax.

SECTION 2. Section 5.40.030 of the Monterey County Code is hereby amended to read as follows:

For the privilege of occupancy in any hotel, each transient is subject and shall pay a tax in the amount of twelve and one-half (12.5) percent of the rent charged by the operator. The tax constitutes a debt owed by the transient to the County which is extinguished only by payment to

the operator or to the County.

A. The transient 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 Collector may require that such tax shall be paid directly to the Tax Collector.

B. Any tax imposed by this Chapter which is itemized on the guest receipt shall be remitted to the County. The amount allocated to room rental rates, number of rooms rented, tax, and products or services shall be readily identifiable in the operator's accounting records. The allocation to non-rent items shall not exceed the prices normally charged for those items.

C. Any operator offering a package rate must separately identify on the guest receipt of the room portion of the package rate, the transient occupancy tax applicable to the room portion of the package rate, the non-room portion of the package rate, and any transaction and use tax sales tax) on the non-room portion of the package rate. The operator shall bear the burden of proving that the allocation of taxes between the room portion and the non-room portion of the package rate was properly made and that the proper amounts of taxes were collected and remitted to the appropriate agencies. Allocation of room rents from the package amount shall not be below prevailing room rates for the same area as determined by the Tax Collector or County Auditor-Controller.

SECTION 3. SEVERABILITY. If any subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, which shall remain in full force and effect. The Board of Supervisors hereby declares that it would have adopted this Ordinance and each and every subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion of the article would be subsequently declared invalid or unconstitutional. The courts are hereby authorized to reform the provisions of this Section in order to preserve the maximum permissible effect of each subsection herein.

SECTION 4. EFFECTIVE DATE. This ordinance shall take effect on the thirtieth day following its adoption. This ordinance shall only become operative on January 1, 2027 if approved by a majority of the voters voting on the tax at the November 3, 2026 election.