



L City of Placentia, Placentia Hotel Tax Measure

Shall the measure increasing the rate of the City of Placentia’s existing transient occupancy tax (hotel tax), paid only by hotel guests, to 14%, funding city services such as police patrols, fire protection, 911 response, and road repairs; requiring citizen oversight and annual audits, generating about \$715,000 annually, until ended by voters, be adopted?

What your vote means

YES	NO
A YES vote approves the ordinance increasing the rate of the Hotel Tax to 14%.	A NO vote rejects the ordinance, and would leave the Hotel Tax at 10%.

For and against

FOR	AGAINST
Robert S. McKinnell Chair, Citizen’s Oversight Committee Kenny Binnings President of Placentia Chamber of Commerce	No argument against this measure was submitted.



Ballot Measures-L

Full Text of Measure L City of Placentia

AN ORDINANCE OF THE CITY OF PLACENTIA, CALIFORNIA, AMENDING SECTION 5.08.500 OF THE MUNICIPAL CODE TO CHANGE THE RATE OF THE TRANSIENT OCCUPANCY TAX AND ADDING SECTION 3.20.100 TO THE MUNICIPAL CODE TO REQUIRE CERTAIN ACCOUNTABILITY MEASURES

WHEREAS, Section 3.20.020 of the Placentia Municipal Code requires that, for the privilege of occupancy in any hotel, each transient is subject to and shall pay a transient occupancy tax at the rate set forth in Section 5.08.500 of the Municipal Code; and

WHEREAS, the transient occupancy tax is collected by the hotel operator from the transient and then remitted by the operator to the City; and

WHEREAS, the transient occupancy tax is governed by Chapter 3.20 of the Municipal Code; and

WHEREAS, Section 3.20.010 of the Municipal Code provides that “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 30 consecutive calendar days or less, counting portions of calendar days as full days and that any such person so occupying space in a hotel shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy; and

WHEREAS, Section 3.20.010 of the Municipal Code provides that “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 motel, 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; and

WHEREAS, Section 3.20.010 of the Municipal Code provides that “rent” means the consideration charged, 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; and

WHEREAS, the rate of the Transient Occupancy Tax is currently 10%; and

WHEREAS, the People of the City of Placentia desire to increase the rate of the tax to 14%, and to adopt certain accountability measures.

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

SECTION 1. Section 5.08.500 of Chapter 5.08 (Finance Department—Business Licenses) of the Municipal Code is hereby amended to read:

§ 5.08.500 Transient Occupancy Tax

The rate of the transient occupancy tax imposed by Section 3.20.020 of this Code is 14% of the rent charged by the operator.

SECTION 2. Section 3.20.100 is added to Chapter 3.20 (Transient Occupancy Tax) of the Municipal Code to read as follows:

§3.20.100 Accountability

- A. The proceeds of the transient occupancy tax as well as the expenditure thereof, shall be audited annually by an independent accounting firm. Such independent audit may be a part of any other independent audit of municipal finances. The report of the audit shall be filed with the City Council and shall be a public record of the City.
- B. The citizen’s oversight committee established by Section 3.32.020 of this code shall, in addition to its other duties, review the expenditure of funds generated by the transient occupancy tax. It shall prepare an annual report on such expenditures which shall be presented to the city council and shall also be published on the city’s webpage. Unless otherwise directed by resolution or ordinance of the city council, or by Chapter 3.32 or other provision of this code, the committee shall not have any function, power, or authority other than those expressly provided in this section. In no event shall a failure of the city council or the committee to meet, or to take any other action required by this section, invalidate any tax imposed or collected under this chapter; however, any court of competent jurisdiction may issue an order to the city compelling the city to comply with the requirements of this section.
- C. The proceeds of the transient occupancy tax shall be deposited in the general fund of the city and may be used for any lawful municipal purpose. The tax is a general tax imposed for general government purposes.

SECTION 3. The City Council may, by ordinance, amend this Ordinance. However, the City Council shall not increase the rate of the tax imposed by this Ordinance above the rate set forth in this Ordinance without the approval of the increase by a vote of the Electorate.

SECTION 4. If any section, subsection, sentence, clause, or phrase of this Ordinance is held invalid, such decision shall not affect the validity of the remaining provisions of this Ordinance.

SECTION 5. This Ordinance shall take effect on January 1, 2027.



Ballot Measures-L

Section 11

Impartial Analysis City of Placentia Measure L

The City of Placentia currently imposes a 10% transient occupancy tax on transients (hotel guests) who occupy a hotel room for 30 consecutive days or less. This tax is commonly referred to as the City's "Hotel Tax." It is collected by the hotel operator (or their agent) from the guest based on the "rent" charged for lodging. The hotel operator then remits the collected tax to the City.

For purposes of the Hotel Tax, "hotel" is broadly defined to include "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." Thus, short-term rentals of homes or of rooms in homes would be subject to the tax.

Proceeds of the Hotel Tax are deposited in the general fund and available for any lawful municipal purpose. Examples of services funded through the general fund include neighborhood police patrols, fire protection, 911 response, and road repairs. The City's accounts, including the general fund, are audited annually by an independent auditor.

Measure L seeks voter approval of an ordinance that increases the rate of the Hotel Tax to 14%. The ordinance requires that, in addition to independent annual audits of tax proceeds and expenditures, the City's existing Citizens' Oversight Committee review expenditures of funds generated by the Hotel Tax and prepare an annual report of such expenditures.

The measure was placed on the ballot by the City Council of the City of Placentia. To be adopted, this measure requires the approval of a majority of the voters casting ballots.

A YES vote approves the ordinance increasing the rate of the Hotel Tax to 14%.

A NO vote rejects the ordinance, and would leave the Hotel Tax at 10%.

The above statement is an impartial analysis of Measure L . If you desire a copy of the measure, please call the elections official's office at (714) 993-8231 and a copy will be mailed at no cost to you.

/s/ Christian Bettenhausen, City Attorney



Argument in Favor of Measure L

Visitors Pay Their Fair Share, Residents Benefit.

Vote **YES** on Placentia’s Hotel Tax Measure to protect essential city services, keep local dollars in Placentia, and ensure visitors pay their fair share. Visitors Pay, Residents Benefit.

Placentia’s hotel tax is **paid only by guests** who stay in local hotels, motels, and short-term rentals. It is not a tax on Placentia residents’ property, income, or everyday expenses.

This measure is a **fair, common-sense way to increase revenue** without raising taxes on local residents. When visitors use Placentia’s roads, public safety services, parks, and infrastructure, they should help pay to maintain them.

Placentia’s **current hotel tax rate has not kept pace with inflation** and is below other Orange County rates. Updating Placentia’s rate to the proposed 14% will keep Placentia competitive for tourism while generating approximately \$715,000 each year with every dollar staying in Placentia.

A YES vote also **supports transparency and accountability**. A Citizens’ Oversight Committee will prepare annual audits to ensure funds are used to maintain the city’s infrastructure, including roads and parks; build fiscal reserves; and support public safety.

The City continues to work hard to **improve Placentia’s finances, invest in public safety, and maintain neighborhood services despite continuing cost increases**. Without additional local revenue, the City faces harder choices in the years ahead about what services can be maintained.

This measure **helps Placentia control its future because the money stays local**. It supports only local needs to protect the quality of life that makes Placentia a safe, family-friendly community.

Please join residents, community leaders, and local taxpayers in voting **YES on Placentia’s Hotel Tax Measure**.

s/ Robert S. McKinnell
Chair, Citizen’s Oversight Committee

s/ Kenny Binnings
President of Placentia Chamber of Commerce

No argument against this measure was submitted.