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OAKLAND CITY COUNCIL

CSUL- EHH2:03 Resolution No.

___C.M.S.

Introduced by: Councilmembers Jean Quan, Henry Chang and Larry Reid

REVISED RESOLUTION SUBMITTING, ON THE COUNCIL'S OWN MOTION, TO THE ELECTORS AT THE NOVEMBER 7, 2006 ELECTION, A PROPOSED ORDINANCE AMENDING THE OAKLAND MUNCIPAL CODE IN ORDER TO PROVIDE FOR A TWO PERCENT SURCHARGE TO THE CITY'S TRANSIENT OCCUPANCY TAX (HOTEL TAX) TO SUPPORT THE OAKLAND ZOO, OAKLAND MUSEUM OF CALIFORNIA, CHABOT SPACE AND SCIENCE CENTER AND THE CULTURAL FUNDING/GRANTS PROGRAM FOR FREE OR LOW COST PERFORMING ARTS PROGRAMS

WHEREAS, the City Council of the City of Oakland desires to amend the Oakland Municipal Code in order to provide for a two percent (2%) surcharge to the City's transient occupancy tax rate; and

WHEREAS, Oakland visitors and residents benefit from quality cultural and educational experiences and institutions located within the city; and

WHEREAS, the Oakland Zoo, the Oakland Museum of California, the Chabot Space and Science Center, and free or low cost performing arts programs programs are valuable assets that enhance the quality of life of Oakland residents; and

WHEREAS, the increasing costs of maintenance and operations and dwindling private resources are ongoing threats to the viability of Oakland's most valuable institutions; and

WHEREAS, it is the desire of the City Council to establish a steady stream of revenue for the Oakland Zoo, the Oakland Museum of California, the Chabot Space and Science Center and free or low cost performing arts programs programs; and

WHEREAS, in many cities regional cultural institutions such as these, are funded from hotel taxes; and

WHEREAS, these institutions attract a large number of visitors to the City of Oakland; and

WHEREAS, all revenues received from any increase shall be allocated equally to the Oakland Zoo, the Oakland Museum of California, the Chabot Space and Science Center and free or low cost performing arts programs;

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Oakland does hereby submit to the voters at the November 7, 2006 election the text of the proposed ordinance, which shall be as follows:

SECTION 1. The Oakland Municipal Code is hereby amended by adding Section 4.24.031 to read as follows:

Section 4.24.031. Imposition of surcharge.

A. There shall be a tax of two percent (2%) of the rent charged by the operator of a hotel, in addition to the eleven percent tax specified in Section 4.24.030, for the privilege of occupancy in any hotel in the City of Oakland. The surcharge so collected shall be appropriated equally for the Oakland Zoo, the Oakland Museum of California, the Chabot Space and Science Center and the Cultural Funding/Grants Program for free or low cost performing arts programs programs as follows: 25% for the Oakland Zoo, 25% for the Oakland Museum of California, 25% for Chabot Space and Science Center and 25% for a new Cultural Funding/Grants Program for free or low cost performing arts programs programs as programs.

B. All funds collected by the City from the taxes imposed by this section shall be deposited into a special fund in the City treasury and appropriated and expended only for the purposes authorized by this Ordinance.

C. <u>Annual Audit</u>. An independent audit or review shall be performed annually to assure accountability and the proper disbursement of the proceeds of this tax in accordance with the purposes stated herein. Tax proceeds may be used to pay for the audit or review.

D. Citizen Oversight Committee. A citizen oversight committee shall be established to ensure proper administration of the revenue collection and appropriation mandated by this ordinance, the Mayor shall appoint one member and each Councilmember shall appoint one member.

E. For any year during which this tax is in effect, the City Council may collect this tax only if the General Fund appropriation for the Oakland Zoo, the Oakland Museum of California, and the Chabot Space and Science Center is maintained at a level that is no lower than the General Fund appropriation for fiscal year 2006-07, including any one time grant or provision of assistance.

SECTION 2. This ordinance shall be effective immediately or such later date as required by state law.

SECTION 3. Severability: If any article, section, subsection sentence, clause or phrase of this ordinance is held to be invalid or unconstitutional, the offending portion shall be severed and shall not affect the validity of remaining portions which shall remain in full force and effect.

SECTION 4. This Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 et seq., as it can be seen with certainty that there is no possibility that the activity authorized herein may have a significant effect on the environment.

SECTION 5. There are existing transient occupancy taxes that are general taxes, the proceeds of which are deposited in the general fund. Additional revenues received as a result of this ordinance will be used for the purposes set for in Section 4.24.031 and thus are special taxes.

FURTHER RESOLVED: The City Council hereby authorizes and directs the City Clerk of the City of Oakland (the "City Clerk") at least 88 days prior to November 7, 2006, to file with the Alameda County Clerk certified copies of this resolution.

FURTHER RESOLVED: The City Council does hereby request that the Board of Supervisors of Alameda County include on the ballots and sample ballots the recitals and measure language contained in this resolution to be voted on by the voters of the qualified electors of the City of Oakland.

FURTHER RESOLVED: The City Clerk is hereby directed to cause the posting, publication and printing of notices of this Resolution and proposed ordinance, pursuant to the requirements of the Charter of the City of Oakland, and the Government and Elections Codes of the State of California.

FURTHER RESOLVED: The City Council does hereby request that the Registrar of Voters of the County of Alameda perform necessary services in connection with said election.

FURTHER RESOLVED: The City Clerk is hereby directed to obtain printing supplies and services as required for said election.

FURTHER RESOLVED: The City Clerk is hereby authorized to provide such other services and supplies in connection with said election as may be required by the laws of the State of California and the Charter of the City of Oakland.

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FURTHER RESOLVED: In accordance with the Election Code and Chapter 11 of the Oakland Municipal Code, the City Clerk shall fix and determine a date for submission of arguments for or against said measure, and said date shall be posted in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____, 20_____,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST:____

LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California