

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BURLINGAME AMENDING SECTION 4.09.025 (TAX RATE) WITHIN CHAPTER 4.09 (UNIFORM TRANSIENT OCCUPANCY TAX) OF TITLE 4 (REVENUE AND FINANCE) OF THE BURLINGAME MUNICIPAL CODE TO UPDATE THE CITY'S TRANSIENT OCCUPANCY TAX BY INCREASING THE RATE TO FIFTEEN PERCENT (15%); CEQA DETERMINATION: EXEMPT PURSUANT TO STATE CEQA GUIDELINES SECTION 15378, 15060, AND 15061(b)(3)**

**WHEREAS**, the City of Burlingame seeks to continue providing excellent local services, maintain our record of strong fiscal accountability, and a recent community survey shows residents want core services maintained and our high quality of life protected; and

**WHEREAS**, Title 4, Chapter 4.09 of the City of Burlingame Municipal Code ("BMC") establishes the City's Transient Occupancy Tax (TOT) regulations, which require that each "transient" who occupies a "hotel", as those terms are defined in Section 4.09.020, must pay the TOT rate of twelve percent (12%) for the privilege of occupying the hotel (BMC Section 4.09.025); and

**WHEREAS**, the proposed TOT measure would increase the City's TOT rate from twelve percent (12%) to fifteen percent (15%); and

**WHEREAS**, the proposed TOT measure would only be paid by guests who stay in local hotel/motel rooms and short-term rentals; and

**WHEREAS**, if enacted, this measure will give Burlingame control over local funds for local needs, allowing Burlingame to remain self-reliant and requiring this proposed voter-approved funding be spent for Burlingame residents; and

**WHEREAS**, this locally enacted funding cannot be taken by the State; and

**WHEREAS**, the City will continue its high standards for fiscal accountability and transparency with citizen oversight, independent financial audits, and yearly reports to the community to ensure City funds are spent responsibly on the community's priorities; and

**WHEREAS**, funds from this measure would support local priorities identified by residents including maintaining city streets and sidewalks and repairing potholes; maintaining parks and trees; enhancing emergency response, preparedness, and wildfire prevention; and for general government use; and

**WHEREAS**, Article XIII C, section 2(b) of the California Constitution requires that any general tax, such as the TOT, must be approved by a majority vote of the voters voting on the issue; and

**WHEREAS**, Article XIII C, section 2(b) of the California Constitution requires that an election by the voters to approve a general tax must be consolidated with a statewide general election at which members of the City Council will be elected; and

**WHEREAS**, November 3, 2026, is the date of the statewide general election at which members of the City Council will be elected; and

**WHEREAS**, the City Council believes that it is in the best interests of the City to submit the proposed 3% upward adjustment to the TOT to the voters of the City of Burlingame.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF BURLINGAME DO ORDAIN AS FOLLOWS:**

**Section 1. Amendment.** Section 4.09.025 (Tax Rate) within Chapter 4.09 (Uniform Transient Occupancy Tax) of Title 4 (Revenue and Finance) of the Burlingame Municipal Code is hereby amended by repealing and replacing it in its entirety to read as follows:

For the privilege of occupancy in any hotel or short-term rental, each transient is subject to and shall pay a tax in the amount of 15% of the rent charged by the operator.

**Section 2. Audits.** Proceeds resulting from the TOT shall be deposited into the City's General Fund and become subject to the same audit requirements as other General Fund revenues. Any auditor's report shall include an accounting of the revenues received from the TOT and shall be presented to applicable Committee members and the City Council annually and made available for public review.

**Section 3. Compliance with CEQA.** The adoption of this Ordinance is not a "Project" as defined under Section 15378(b)(4) of the California Environmental Quality Act (CEQA) Guidelines because it is a financing decision without commitment to a specific project that may result in a potentially significant physical impact on the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the actions proposed are not subject to CEQA. In addition, it can be seen with certainty that there is no possibility that adoption and implementation of this Ordinance may have a significant effect on the environment, and accordingly the adoption of this Ordinance is exempt from CEQA pursuant to the "general rule" of CEQA Guidelines Section 15061(b)(3).

**Section 4. Severability.** If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

**Section 5. Codification.** Section 1 of this Ordinance shall be codified in the Burlingame Municipal Code. Sections 2, 3, 4, 5, and 6 shall not be so codified.

**Section 6. Effective date.** This Ordinance shall go into effect in accordance with Elections Code Section 9217 and shall be deemed adopted and become effective only if approved by a majority of the eligible voters of the City of Burlingame voting thereon, at an election to be held on November 3, 2026, and shall take effect ten (10) days after the City Council has certified the results of that election by resolution. The levying and collection of the TOT shall be as specified Resolution No. \_\_\_\_ in Chapter 4.09 within Title 4 of the Burlingame Municipal Code and as directed by the City Council.