Impartial Analysis of Measure R

The City Council of the City of Pacifica has placed this measure on the ballot to ask the voters of Pacifica to approve an amendment to the City's transient occupancy tax ordinance to increase the transient occupancy tax rate from the current 10% to 12%. The transient occupancy tax is that tax placed upon the room rent charged to hotel guests in the City of Pacifica. Hotels in Pacifica collect the tax from hotel guests as part of the charge to be paid by the guests for occupancy of their hotel room.

The City estimates that the increase of the transient occupancy tax from 10% to 12% would generate approximately \$160,000 dollars per year. Because the transient occupancy tax is a general tax and not a special tax, the additional revenue generated would be deposited into the City's general fund for general governmental purposes and can be used for any legal City purpose.

Because the additional tax revenue would be used for general City governmental purposes, a simple majority vote of those persons voting on the measure is required to approve the measure. And, because the tax would be adopted by a vote of the people, the tax rate could not be increased again unless approved by another vote of the people.

A YES vote approves the measure. A NO vote rejects the measure

Date: August 16, 2010

/s/ Cecilia M. Quick Pacifica City Attorney The above statement is an impartial analysis of Measure R. If you desire a copy of the measure, please call the Pacifica City Clerk's Office at (650) 738-7307 and a copy will be mailed at no cost to you. The Measure is also available online at http://www.cityofpacifica.org/government/city_council