

## REPORT TO CITY COUNCIL

**DATE:** JANUARY 27, 2010

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER

**BY:** CHRISTY PINUELAS, DIRECTOR OF FINANCE

**SUBJECT:** ADOPTION OF ORDINANCE NO. 10-372; AN ORDINANCE AMENDING SECTION 6502 OF CHAPTER 5 OF ARTICLE VI OF THE AGOURA HILLS MUNICIPAL CODE RELATING TO TRANSIENT OCCUPANY TAX

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At the January 13, 2010, regular City Council meeting, the City Council introduced, read by title only, and waived further reading of Ordinance No. 10-372. The ordinance would amend Section 6502 of Chapter 5 of Article VI of the Agoura Hills Municipal Code relating to transient occupancy tax.

The ordinance would update the definition of a transient and eliminate the obligatory agreement between a transient and a hotel.

Attached for your reference is a copy of the proposed ordinance.

### RECOMMENDATION

Staff recommends the City Council adopt Ordinance No. 10-372, regarding amendment of Section 6502 of Chapter 5 of Article VI of the Agoura Hills Municipal Code relating to transient occupancy tax.

Attachment: Ordinance No. 10-372

**ORDINANCE NO. 10-372**

**AN ORDINANCE OF THE CITY OF AGOURA HILLS,  
CALIFORNIA, AMENDING SECTION 6502 OF CHAPTER  
5 OF ARTICLE VI OF THE AGOURA HILLS MUNICIPAL  
CODE RELATING TO TRANSIENT OCCUPANCY TAX**

The City Council of the City of Agoura Hills does hereby ordain as follows:

SECTION 1. Section 6501 (“Definitions”) of Chapter 5 (“Transient Occupancy Tax”) of Article VI (“Taxes; Licenses; Business Regulations”) of the Agoura Hills Municipal Code is hereby amended to modify the definition of “Transient” to read as follows:

“*Transient.* “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 thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the thirtieth (30<sup>th</sup>) consecutive day of such occupancy or right of occupancy has elapsed, without regard to the existence or non-existence of an agreement in writing between the operator and the occupant obliging the occupant to pay market rate for the occupancy for a period of at least thirty-one (31) consecutive days. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of this article may be considered.”

SECTION 2. Section 6502 (“Tax Imposed”) of Chapter 5 (“Transient Occupancy Tax”) of Article VI (“Taxes; Licenses; Business Regulations”) of the Agoura Hills Municipal Code is hereby amended to read as follows:

**“6502. Tax imposed.**

(a) For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of twelve (12) percent of the rent charged by the operator. Such tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator of the hotel at the same 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 administrator may require that such tax shall be paid directly to the tax administrator.

(b) In the event that an agreement exists between a hotel and a transient for occupancy, as defined in this article, for a period in excess of thirty (30) days, and in the event that such transient allows occupancy by another person for thirty (30) days or fewer as subtenant, guest, licensee or permittee, the transient who has made the agreement with the hotel as aforesaid shall be subject to and shall pay the tax provided for herein.”

SECTION 3. Severability. If any section, subsection, sentence, clause, portion, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, portions, or phrases of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, portion, or phrase without regard to whether any other section, subsection, sentence, clause, portion, or phrase of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 4. Effective Date. This ordinance shall go into effect on the 31st day after its passage.

SECTION 5. Certification. The City Clerk of the City of Agoura Hills shall certify to the passage and adoption of this ordinance and shall cause the same or a summary thereof to be published and posted in the manner required by law.

PASSED, APPROVED AND ADOPTED this 13th day of January, 2010, by the following vote to wit:.

AYES:            ()  
NOES:            ()  
ABSENT:         ()  
ABSTAIN:        ()

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William D. Koehler, Mayor

ATTEST:

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Kimberly M. Rodrigues, MMC, City Clerk

APPROVED AS TO FORM:

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Craig A. Steele, City Attorney