

**IMPARTIAL ANALYSIS BY CITY ATTORNEY
City of Riverside - Measure V**

(Transient Occupancy Tax-Amendment to RMC 5.32)

This Measure contains a proposed amendment to Chapter 5.32 of the Riverside Municipal Code with respect to the City's transient occupancy tax. This tax is only charged to persons staying at hotels and motels within the City. The proposed amendment would increase the transient occupancy tax from its current rate of 11% of the room charge to 12% of the room charge, beginning July 1, 2012, and from 12% to 13%, beginning July 1, 2014.

The City's transient occupancy tax rate has remained at 11% since 1993. It is paid only by those persons staying at hotels and motels within the City for thirty days or less and is not paid by property owners within the City.

Revenues from the transient occupancy tax are collected by the hotel and motel operators from their guests and then paid over to the City. The revenues are not designated for any particular purpose and are placed into the City's general fund and used for various general city purposes, including police and fire protection, youth and senior programs, streets, parks, tourism promotion, libraries, the convention center and the museum.

This Measure, if approved by a majority of the voters, would not increase the transient occupancy tax rate from its current 11% until July 1, 2012, when the tax rate would increase by 1% to 12%. It would then remain at 12% until July 1, 2014, when it would increase from 12% to 13%. The measure also enables the City to adjust the tax to any rate that is less than 12% after July 1, 2012, and to any rate that is less than 13% at any time after July 1, 2014, and to repeal the tax without further voter approval.

Further, if approved by a majority of the voters, the Measure would prohibit any increase in the current rate of the transient occupancy tax prior to July 1, 2012, and would prohibit any increase of the rate above 12% percent prior to July 1, 2014. It would also prohibit any increase in the rate above 13% after July 1, 2014.

This Impartial Analysis is hereby submitted to the Elections Official in conformance with Section 9280 of the Elections Code of the State of California.

Dated: August 9, 2010



Gregbry P. Priamos
City Attorney