

# Mammoth Lakes Town Council Agenda Action Sheet

**Title:** Update of draft Official Ballot Language – 2% Transient Occupancy Tax Increase

**Council Meeting Date:** 7/3/2024

**Prepared by:** Rob Patterson, Town Manager

**Recommended Motion:** Town Council will receive a presentation of the updated draft official ballot language for the 2% Transient Occupancy Tax increase and provide direction to staff in developing the final language for adoption in July.

**Summary:** Staff continues to work with our Consultant, Team CivX, on the development of the official ballot question. This initiative is a general tax which requires our comments to remain general, in support of a general tax initiative. The proceeds of the tax cannot be designated for anything but general fund obligations and therefore must remain consistent in that messaging. The Town Council provided input on concerns with the existing language and each of those items were addressed. The largest change was the inclusion of the incremental tax expected rather than the total tax which serves to remove confusion inherent in the previous language. The Town also made edits that would reduce conflict with the Mammoth Lakes Fire Protection District (MLFPD) initiative which is also expected to be on the fall ballot. Language around wildfire mitigation was removed, in spite of the fact the Town provides some support to Whitebark on the ESCCRP project which also fits into that category. The language was switched to disaster preparedness which has direct ties to the impacts of last winter's storms on our community. The Town also finished the After-Action Review of our response to that emergency, which outlined a number of steps the Town will need to take. This all fits nicely while coordinating with the MLFPD and removing conflicts. The new draft language is listed below:

*To support general town services — without increasing taxes on Mammoth Lakes residents — such as providing affordable workforce housing to sustain the local economy, supporting public safety, enhancing disaster preparedness, repairing roads, improving recreation amenities and supporting snow removal, shall the Town of Mammoth Lakes' measure increasing the transient occupancy tax by 2% be adopted, generating approximately \$4,000,000 annually until ended by voters, paid only by hotel and short-term rental guests, with annual audits and all funds staying local?*

In addition to the ballot question, the Town is working on a mailer / survey that will be mailed prior to the July 3<sup>rd</sup> meeting. This mailer draft, attached for your review, provides more specific examples of how the revenues will support the community.

The Town does not need to have a first and second reading of the ordinance adopted in July. The approval to move forward with this ballot measure only requires a resolution from the Town Council which will be provided at the July 17<sup>th</sup> meeting. The Ordinance component is required once the initiative passes by voters, so we have time to get that completed.