

Argument in Favor of Measure R

Pacifica's Transient Occupancy Tax (TOT), commonly called the "hotel tax" is paid by visitors who rent hotel rooms in Pacifica. The current TOT is 10%. This measure would increase the TOT to 12%. While costs have increased, Pacifica's TOT has not been increased since **1985**.

The TOT is used to offset the cost of city services also used by visitors. This measure is estimated to add **\$160,000 per year** to the General Fund. The General Fund for Pacifica pays for services such as public safety, emergency services, road repair, beach maintenance, and recreation.

Like most cities, Pacifica is faced with increasing costs along with decreasing property values and the associated recession. Even after reducing staff and making department cuts, Pacifica continues to spend more than it receives. This TOT increase is part of a five year plan to stabilize our city's finances. The plan includes reducing employee costs by \$8 million and increasing revenues by \$6 million over the next five years.

Pacifica benefits by keeping hotel occupancy at high levels. Increasing our hotel tax brings Pacifica current with the same 12% hotel tax as Half Moon Bay and most surrounding cities and San Francisco remains considerably higher.

Plain and simple...this is a tax paid by visitors for our city services they use. Unlike other revenue sources, every TOT dollar collected stays in Pacifica. Please join us in voting "Yes" on Measure R

/s/ **Sue Digre** August 12, 2010
Mayor

/s/ **Mary Ann Nihart** August 5, 2010
Mayor pro Tem

/s/ **Pete DeJarnatt** August 5, 2010
Councilmember

/s/ **Jim Vreeland** August 5, 2010
Councilmember

/s/ **Julie Lancelle** August 5, 2010
Councilmember