

RESOLUTION 2026-100

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026 FOR THE SUBMISSION TO THE VOTERS A QUESTION RELATING TO A MEASURE UPDATING THE CITY'S TRANSIENT OCCUPANCY (HOTEL) TAX AND INCREASING THE TRANSIENT OCCUPANCY TAX RATE FROM 13% TO 14%; REQUESTING THE CONSOLIDATION OF THE SAME WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE; SETTING FORTH RULES AND REGULATIONS FOR ARGUMENTS RELATED TO SUCH MEASURE; AND REQUESTING THE CITY ATTORNEY TO DRAFT AN IMPARTIAL ANALYSIS REGARDING SUCH MEASURE

WHEREAS, the City of Solana Beach ("City") conducted public outreach to its residents in the Spring 2026 to determine what they find to be important priorities for the City and found that the following issues are priorities for the City's residents:

1. Keeping parks, beaches, and trails safe, clean, and well-maintained
2. Keep trash and pollution out of lagoons, local waterways, off beaches
3. Keep public restrooms well-maintained and clean
4. Upgrade life-saving emergency medical equipment and technology
5. Provide public safety services
6. Provide lifeguards at local beaches
7. Upgrade Marine Safety Lifeguard Center to improve emergency response, water rescue, community safety
8. Provide restrooms, benches at local parks, beaches, trails, where needed
9. Protect Solana Beach's long-term fiscal sustainability
10. Enhance community spaces
11. Providing additional local parks, open space and amenities
12. Support the junior lifeguard program
13. Expand youth & senior facilities and programs; and

WHEREAS, to fund these priorities, to maintain the ongoing coastal operations,

and other general City services, the City has explored additional sources of general fund revenue; and

WHEREAS, Solana Beach's local economy is based in strong part on visitors and tourism and ensuring that visitors who stay in local hotels and short-term lodging contribute towards addressing the impacts of tourism, is a responsible long-term approach for the City and community's fiscal stability and quality of life; and

WHEREAS, the City cannot depend on the State or Federal Government to take care of local needs and a stable source of locally controlled funding can help to provide essential services for residents and local businesses; and

WHEREAS, the City has a 20-year-old transient occupancy tax pursuant to Chapter 3.36 of Title 3 of the Solana Beach Municipal Code at the rate of 13% ("TOT"); and

WHEREAS, the TOT is a general tax; and

WHEREAS, under the provisions of the laws relating to general law cities in the State of California, a General Municipal Election is to be held on November 3, 2026, for the election of Municipal Officers; and

WHEREAS, on June 24, 2026, the City Council of the City of Solana Beach called a General Municipal Election to be held on November 3, 2026 for the purpose of the election of two Members of the City Council and requested that the Board of Supervisors of the County of San Diego consent to the consolidation of such General Municipal Election with the Statewide General Election to be held on the same date ("General Municipal Election"); and

WHEREAS, the City Council desires to submit to the voters at the General Municipal Election a question relating to a ballot measure that, if approved by a majority of the voters (50% +1), amends Chapter 3.36 of Title 3 of the Solana Beach Municipal Code to update the TOT ordinance and to increase the TOT rate by 1% which will provide approximately \$250,000 annually until ended by voters; and

WHEREAS, this measure will provide funding to address community identified priorities such as preventing trash from entering local beaches and lagoons, keeping beaches and parks, and trails safe, clean, and well-maintained, keeping public restrooms well-maintained and clean, maintaining lifeguards at local beaches and upgrading life-saving emergency medical equipment and technology.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Solana Beach as follows:

SECTION 1. Recitals. The above recitals are true and correct and incorporated herein as findings.

SECTION 2. Environmental. The City Council hereby determines that this Resolution is not in-and-of-itself a “project” pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq., including without limitation California Code of Regulations, Title 14, Sections 15378(b)(4) and 15061(b)(3), as it can be seen with certainty that there is no possibility that the adoption of the ordinance itself may have a significant effect on the environment. This Resolution relates to a transient occupancy tax and relates to the creation of City funding mechanisms and City fiscal activities, which does not involve any commitment to any project which may result in a potentially significant physical impact on the environment.

SECTION 3. Submission of Measure. That pursuant to the requirements of the laws of the State of California relating to general law cities, there is called and ordered to be held in the City of Solana Beach, California, on Tuesday, November 3, 2026, a General Municipal Election for the purpose submitting to the voters of the City of Solana Beach a question relating to a ballot measure that, if approved by a majority of the voters (50% +1), amends Chapter 3.36 of Title 3 of the Solana Beach Municipal Code to update the City’s transient occupancy tax and to increase the transient occupancy tax rate by 1%, which will provide approximately \$250,000 annually until ended by voters and is a general tax (“Measure”). The question relating to this Measure to be submitted to the voters is provided in Section 4 below.

SECTION 4. Question. That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election on Tuesday, November 3, 2026, the following question:

To provide general city services such as keeping beaches, parks, trails, and restrooms safe, clean and well-maintained; preventing trash from entering local beaches/lagoons; upgrading emergency response/safety facilities, shall City of Solana Beach’s measure updating the 20-year-old transient occupancy tax (paid only by hotel/short-term vacation rental guests as specified in ordinance) and increasing the rate by 1% be adopted, providing approximately \$250,000 annually until ended by voters, with all money locally controlled?	YES
	NO

SECTION 5. Complete Text of Measure. That the proposed complete text of the Measure submitted to the voters is attached as Exhibit A.

SECTION 6. Vote Requirement. That the vote requirement for the Measure to pass is a majority (50%+1) of the votes cast.

SECTION 7. Form and Content. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 8. Coordination. That the City Clerk is authorized, instructed and directed to coordinate with the County of San Diego Registrar to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 9. Polls. That the polls for the election shall be open as provided in Resolution No. 2026-036 and applicable law.

SECTION 10. Applicable Law. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 11. Notice. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.

SECTION 12. City Clerk Administration. That the City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 13. Consolidation.

(a) That pursuant to the requirements of Elections Code Section 10403, the Board of Supervisors of the County of San Diego is hereby requested to consent and agree to the consolidation of the General Municipal Election with the Statewide General Election on Tuesday, November 3, 2026, for the purpose of submitting the Measure to the voters of the City of Solana Beach as described in this Resolution. The question relating to the Measure to be submitted to the voters is provided in Section 4 above.

(b) That the County of San Diego election department is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used. The election will be held and conducted in accordance with the provisions of law regulating such election, including, but not limited to, Elections Code Section 10418.

(c) That the Board of Supervisors is requested to issue instructions to the County election department to take any and all steps necessary for the holding of the

the County election department to take any and all steps necessary for the holding of the consolidated election.

(d) That the City of Solana Beach recognizes that additional costs will be incurred by the County of San Diego by reason of this consolidation and agrees to reimburse the County of San Diego for any costs.

(e) That the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the election department of the County of San Diego.

SECTION 14. Arguments.

(a) **Primary Arguments.** That the City Council authorizes, but does not require, all members of the City Council to file (a) written argument(s) In Favor of or Against City measure(s) not exceeding 300 words, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California. The arguments may be changed or withdrawn until and including the date fixed by the City Clerk after which no arguments for or against the City measure may be submitted to the City Clerk. The arguments shall be filed with the City Clerk, signed, with the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The arguments shall be accompanied by forms provided by the City Clerk.

(b) Rebuttal Arguments.

(i) That pursuant to Elections Code Section 9285, when the City Clerk has selected the arguments in favor and against the Measure (not exceeding 300 words each) which will be printed and distributed to the voters, the election official shall send a copy of an argument in favor of the proposition to the authors of any argument against the Measure and a copy of an argument against the Measure to the authors of any argument in favor of the Measure immediately upon receiving the arguments.

(ii) The author or a majority of the authors of an argument relating to a city measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument.

(iii) A rebuttal argument may not be signed by more than five authors.

(iv) The rebuttal arguments shall be filed with the City Clerk, signed, with the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers, not more than 10 days after

the final date for filing primary arguments. The rebuttal arguments shall be accompanied by forms provided by the City Clerk.

(v) Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

(vi) That the provisions of this Section 14 shall apply only to the election to be held on November 3, 2026.

SECTION 15. Impartial Analysis. That the City Council directs the City Clerk to transmit a copy of the Measure to the City Attorney.

(a) The City Attorney shall prepare an impartial analysis of the Measure not exceeding 500 words showing the effect of the Measure on the existing law and the operation of the Measure.

(b) The analysis shall include a statement indicating whether the Measure was placed on the ballot by a petition signed by the requisite number of voters or by the governing body of the City.

(c) In the event the entire text of the Measure is not printed on the ballot, nor in the voter information portion of the voter information guide, there shall be printed immediately below the impartial analysis, in no less than 10-point type, the following: "The above statement is an impartial analysis of Ordinance or Measure _____. If you desire a copy of the ordinance or measure, please call the election official's office at 858-720-2400 or email clerkoffice@cityofsolanabeach.ca.gov and a copy will be mailed or emailed at no cost to you."

(d) The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

SECTION 16. Implementation. The City Clerk and City Manager are authorized to take all actions as necessary to effectuate the purposes of this Resolution and the election. The City Manager is authorized to make any typographical, clerical, and non-substantive corrections and such other revisions as may be required to this Resolution and its exhibits/attachments.

SECTION 17. That the City Clerk shall certify to the passage and adoption of this Resolution.

SECTION 18. That the City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

PASSED, ADOPTED, AND APPROVED by the City Council of the City of Solana Beach, California, at a regular meeting thereof this 15th day of July, 2026 by the following vote to wit:

AYES: Councilmembers – Heebner, Zito, Edson, Becker
NOES: Councilmembers – None
ABSTAIN: Councilmembers – None
ABSENT: Councilmembers – MacDonald



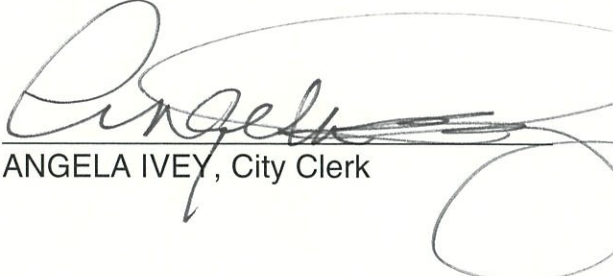
LESA HEEBNER, Mayor

APPROVED AS TO FORM:



JOHANNA N. CANLAS, City Attorney

ATTEST:



ANGELA IVEY, City Clerk

PROPOSED ORDINANCE 545

**AN ORDINANCE OF THE CITY OF SOLANA BEACH,
CALIFORNIA, AMENDING CHAPTER 3.36 OF TITLE 3 OF
THE SOLANA BEACH MUNICIPAL CODE TO UPDATE
THE CITY'S TRANSIENT OCCUPANCY (HOTEL) TAX AND
TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE
FROM 13% TO 14%**

WHEREAS, Solana Beach's local economy is based in strong part on visitors and tourism and ensuring that visitors who stay in local hotels and short-term lodging contribute towards addressing the impacts of tourism, is a responsible long-term approach for the City and community's fiscal stability and quality of life; and

WHEREAS, the City cannot depend on the State or Federal Government to take care of local needs and a stable source of locally controlled funding can help to provide essential services for residents and local businesses; and

WHEREAS, the City of Solana Beach ("City") imposes, upon guests of hotels, motels, inns, tourist homes, and other temporary transient accommodations, a transient occupancy tax of 13% of the rent charged by an operator of such accommodations pursuant to Chapter 3.36 of Title 3 of the Solana Beach Municipal Code ("TOT") wherein the revenue are spent as follows:

- A. TOT revenue collected pursuant to Solana Beach Municipal Code ("SBMC") Section 3.36.010(A) is used for general governmental purposes.
- B. TOT revenue collected pursuant to SBMC Sections 3.36.010(B), 3.36.010(C), and 3.36.010(D) is used for the purposes described in SBMC Section 3.36.015(B); and

WHEREAS, this Ordinance increases the TOT tax rate by 1% and provides that this 1% increase is a general tax in which the revenue is to be used for general governmental purposes; and

WHEREAS, this Ordinance updates and modernizes the TOT Ordinance; and

WHEREAS, the TOT is only paid by transient guests who stay in local lodging facilities, and ensures tourists pay their fair share to use and benefit from the City's services and amenities during their stay; and

WHEREAS, TOT revenues remain in the City, are controlled by the City, and are used for unrestricted general municipal purposes; and

WHEREAS, this measure will provide funding to address community identified priorities such as preventing trash from entering local beaches and lagoons, keeping beaches, parks, and trails safe clean, and well-maintained, keeping public restrooms well-maintained and clean, maintaining lifeguards at local beaches and upgrading life-saving

emergency medical equipment and technology.

NOW, THEREFORE, the People of the City of Solana Beach, California, do hereby ordain as follows:

Section 1. Findings. The recitals set forth above are true and correct, and incorporated herein as findings by this reference.

Section 2. New Solana Beach Municipal Code (“SBMC”) Section 3.36.010.5. Section 3.36.010.5 entitled “Transient Occupancy Tax Increase of 2026” is hereby added to Chapter 3.36 of Title 3 of the Solana Beach Municipal Code as follows:

Section 3.36.010.5 Transient Occupancy Tax Increase of 2026.

Beginning on January 1, 2027, for the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of one percent of the rent charged by the operator. The tax imposed by this section shall be in addition to the tax imposed by SBMC 3.36.010.

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 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 city manager may require that such tax shall be paid directly to the city manager.

Section 3. New Section 3.36.015.5. A new Section 3.36.030.5 entitled “Utilization of tax revenues from tax imposed by SMBC 3.36.010.5” is hereby added to Chapter 3.36 of Title 3 of the Solana Beach Municipal Code as follows:

Section 3.36.030.5 Utilization of tax revenues from tax imposed by SMBC 3.36.010.5.

All revenues collected pursuant to the transient occupancy tax imposed by the city under SBMC 3.36.010.5 (as adopted by Ordinance No. 545) shall be used for general governmental purposes.

Section 4. Amendment to SBMC Section 3.36.030(A). Section 3.36.030(A) of Chapter 3.36 of Title 3 of the Solana Beach Municipal Code is hereby amended in its entirety as follows:

“Hotel” means any structure or any portion of any structure occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, including any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, short-term vacation rental, lodging house, rooming house, apartment house, dormitory, public or private club, mobile

home or house trailer at a fixed location or other similar structure or portion thereof. "Short-term vacation rental" includes any single-family dwelling, multi-family unit, bedroom of a primary residence, accessory dwelling unit, or junior accessory dwelling unit, which is rented to a transient pursuant to this chapter.

Section 5. Amendment to SBMC Section 3.36.030(E). Section 3.36.030(E) of Chapter 3.36 of Title 3 of the Solana Beach Municipal Code is hereby amended in its entirety as follows:

"Rent" means the consideration charged, whether or not received, for the occupancy of space in a hotel, valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. For the purposes of clarity, "rent" includes any cleaning fees, resort fees, parking fees, pet fees, extra guest fees, cancellation charges, WIFI/Internet charges, and any other fees, rates and charges as part of the total "rent" charged. However, any fees, rates and charges not collected directly by the operator, including service, booking and other transaction fees charged by hosting platforms, online travel companies, and third-party booking vendors, are excluded from the definition of "rent" for purposes of this Chapter.

Section 6. Amendment to SBMC Section 3.36.040. Section 3.36.040 of Chapter 3.36 of Title 3 of the Solana Beach Municipal Code is hereby amended in its entirety as follows:

Section 3.36.040 Collection of tax.

A. Each operator shall collect the tax imposed by this chapter to the same extent and at the same time as the rent is collected from every transient. The amount of tax shall be separately stated from the amount of rent charged, and each transient shall receive a receipt for payment from the operator. A duplicate receipt shall be kept by the operator. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will be added to the rent, or that, if added, any part will be refunded except in the manner provided in this chapter. If the operator collects the rent but fails to collect the tax for any reason, the operator shall be responsible for paying the tax.

B. For purposes of this Section, if the operator uses a web- or application-based hosting platform, online travel company, or third-party booking vendor that facilitates rentals and payments for hotel rentals, the hosting platform, online travel company, or third-party booking vendor shall be considered an agent of the operator for purposes of collecting and remitting the tax to the City.

Section 7. Amendment to SBMC Section 3.36.110. Section 3.36.110 of Chapter 3.36 of Title 3 of the Solana Beach Municipal Code is hereby amended in its entirety as follows:

Section 3.36.110 Records and inspection.

A. It shall be the duty of every operator liable for the collection and payment to the city of any tax imposed by this chapter to keep and preserve, for a period of three years, all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of and payment to the city, which records the city manager shall have the right to inspect at all reasonable times.

B. Pursuant to Government Code Section 50990(b), the provisions of the Short-Term Rental Facilitator Act of 2025 (commencing at California Government Code Section 50990 et seq.) shall be applicable within the City of Solana Beach's jurisdictional boundaries.

Section 8. Conflicts with Prior Ordinances. If the provisions in this Ordinance conflict in whole or in part with any other City regulation or ordinance adopted prior to the effective date, the provisions in this Ordinance will control.

Section 9. Declarative and Clarification of Existing Law. The People of Solana Beach hereby find and determine that Sections 4 and 5 of this Ordinance are declarative of, and clarify, existing law.

Section 10. Severability. If any section, subsection, paragraph, sentence, clause, phrase or term (each a "Provision") in this Ordinance, or any Provision's application to any person or circumstance, is held illegal, invalid or unconstitutional by a court of competent jurisdiction, all other Provisions not held illegal, invalid or unconstitutional, or such Provision's application to other persons or circumstances, shall not be affected. The People of the City of Solana Beach hereby declare that they would have passed this Ordinance, and each Provision therein, whether any one or more Provisions be declared illegal, invalid or unconstitutional.

Section 11. Council Authority to Amend. Pursuant to California Elections Code Section 9217, the City Council has the right and authority to amend this Ordinance to further its purposes and intent (including, but not limited to, amendment for more efficient administration as determined by the City Council) in any manner that does not increase a tax rate, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

Section 12. Effective Date. Pursuant to California Constitution Article XIII C, Section (2)(b) and California Elections Code Section 9217, this Ordinance shall be considered adopted on the date that the City Council declares that the voters of the City of Solana Beach have approved the Ordinance by a vote of no less than a majority of the votes cast by the electors voting at the General Municipal Election held on Tuesday,

November 3, 2026, and shall go into effect ten (10) days thereafter.

Section 13. Environmental. The City finds that the adoption of this Ordinance is not in-and-of-itself a “project” pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq., including without limitation California Code of Regulations, Title 14, Sections 15378(b)(4) and 15061(b)(3), as it can be seen with certainty that there is no possibility that the adoption of this Ordinance itself may have a significant effect on the environment. This Ordinance relates to a transient occupancy tax and relates to the creation of City funding mechanisms and City fiscal activities, which does not involve any commitment to any project which may result in a potentially significant physical impact on the environment.

Section 14. Execution. The Mayor is hereby authorized to attest to the adoption of this Ordinance by signing where indicated below.

I hereby certify that the foregoing Ordinance was **PASSED, APPROVED and ADOPTED** by the people of the City of Solana Beach voting on the 3rd day of November, 2026.

Lesa Heebner
Mayor

Attest:

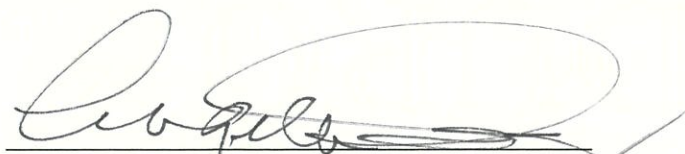
Angela Ivey
City Clerk

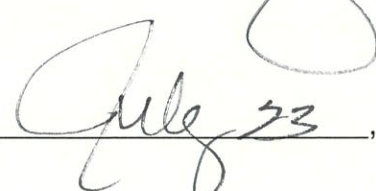


RESOLUTION CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } SS.
CITY OF SOLANA BEACH }

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, **DO HEREBY CERTIFY** that the foregoing is a full, true and correct copy of **Resolution 2026-100** *Calling and Giving Notice of the Holding of a General Municipal Election to Be Held on Tuesday, November 3, 2026 for the Submission to the Voters a Question relating to a Measure Updating the City's Transient Occupancy (Hotel) Tax and Increasing the Transient Occupancy Tax Rate from 13% to 14%; Requesting the Consolidation of the Same with the Statewide General Election to Be Held on the Same Date; Setting Forth Rules and Regulations for Arguments Related to Such Measure; and Requesting the City Attorney to Draft an Impartial Analysis Regarding Such Measure* as duly passed and adopted at a Regular Solana Beach City Council meeting held on the 15th day of July, 2026 and is the original on file in the City Clerk's Office.


ANGELA IVEY, CITY CLERK

CERTIFICATION DATE: , 2026