

April 15, 2015

The Honorable Mathew Harper California State Assembly 10th & L Streets Sacramento, CA 95814

Kristin Gaspar Mayor

RE: AB 1220 (Harper) Transient occupancy tax: short term rentals Notice of Opposition

Dear Assembly Member Harper:

Catherine S. Blakespear Deputy Mayor

The City of Encinitas opposes AB 1220 (Harper) Transient occupancy tax: short term rentals. In your summary you state that the intention of the bill is to ensure statewide uniformity and fairness in how those taxes are applied, but in reality you are only ensuring uniformity about when not to apply the tax. Fairness has nothing to do with it.

Tony Kranz Council Member This is a one-size-fits-all approach with the underlying assumption (fairness) that every jurisdiction will be equally impacted by eliminating transient occupancy tax on vacation rentals. Coastal cities or destination cities with theme parks or entertainment venues often have an abundance of existing hotel rooms and your bill will have little impact on them. On the other hand, coastal cities with few hotels but an abundance of vacation rentals will be adversely affected by your proposed bill. That would describe the City of Encinitas.

Mark Muir Council Member Years ago, our residents voted for a two percent increase in transient occupancy tax for the sole purpose of managing the beach sand replenishment program in Encinitas. Your bill would drastically reduce that dedicated income and force the city to either abandon the program or divert funding from other city services.

Our Council is committed to protecting funding for vital community services. For this and the reasons stated above, we oppose AB 1220 (Harper).

Lisa Shaffer
Council Member

Sincerely,

Kristin Gaspar

Mayor

Larry Watt Interim City Manager

cc: Assembly Member Rocky Chavez, Fax (916) 319-2176

Senator Patricia Bates, Fax (916) 651-4936

City Council

JGC Consulting, Fax (916) 441-1222 Public Works and Engineering Department