

**RESOLUTION NO. 6311(20)**

**A Resolution of the City Council of the City of Lompoc,  
County of Santa Barbara, State of California,  
Waiving Penalties and Interest for Late Transient Occupancy  
Tax Revenues Received for February 2020 and March 2020  
Lodging Services Until June 30, 2020, For Lodging Businesses  
Current on Transient Occupancy Tax Payments as of March 27, 2020**

**WHEREAS**, on March 17, 2020, the City of Lompoc (City) declared a local emergency due to COVID-19, a contagious virus with no known cure that has become a global pandemic; and

**WHEREAS**, the City's actions followed the Governor of the State of California declaring a state of emergency on March 4, 2020 and the President of the United States declaring a national emergency on March 13, 2020; and

**WHEREAS**, on March 19, 2020, the Governor issued an Executive Order mandating that all residents heed the guidelines of the California Department of Public Health to stay at home except to participate in essential services; and

**WHEREAS**, the effects of the various orders and actions needed to slow the spread of COVID-19 have resulted in significant economic effects on lodging businesses in the City, and hotel and motel room reservations have dramatically decreased; and

**WHEREAS**, hotels, motels, and other lodging businesses in the City provide not only a place for visitors to stay while in the City, but also generate additional revenue in the form of increased sales tax dollars from visitors' purchases at local stores and restaurants; and

**WHEREAS**, if hotels, motels, and other lodging businesses in the City were forced to close permanently as a result of the decrease in room reservations, there will be at minimum a significant delay in such businesses reopening, and there may be a permanent reduction in the number of hotel rooms in the City, resulting in reductions in City revenue and the elimination of an essential amenity for visitors to the City; and

**WHEREAS**, hotels, motels, and other lodging businesses in the City are subject to Chapter 3.12 of the Lompoc Municipal Code, which requires those businesses to collect from their guests a 10% occupancy tax, referred to as the transient occupancy tax, which then must be remitted to the City; and

**WHEREAS**, in this time of economic uncertainty and declining lodging revenues, the City Council finds it is vital to help assist the lodging businesses that pay transient occupancy tax in the City to remain open and viable businesses so that visitors to the City have a place of lodging during this period of local emergency, and so that such businesses will be able to successfully operate again once the conditions of public health emergency in the City cease; and

**WHEREAS**, multiple lodging businesses in the City have requested various forms of relief from payment of transient occupancy tax during the public health emergency related to COVID-19, including a request by Explore Lompoc specifically for a 60-day deferral of transient occupancy tax payments; and

**WHEREAS**, the City Council finds that it is in the best interest of the public's health, safety, and welfare for hotels, motels, and other lodging businesses to be able to continue to operate during and after the public health emergency caused by COVID-19, and that the City desires to help such businesses that pay transient occupancy tax to continue in business, and that the City can do so by temporarily waiving penalties and interest under Chapter 3.12 of the Lompoc Municipal Code in the event of non-payment of the tax; and

**WHEREAS**, this measure is temporary in nature and is intended to provide temporary financial relief to hotels, motels, and other lodging businesses that pay transient occupancy tax within the City during, and immediately following, the City's response to the COVID-19 pandemic outbreak; and

**WHEREAS**, certain lodging businesses in the City are already behind on payments of transient occupancy tax to the City as of March 27, 2020, and thus those businesses missed payments prior to the COVID-19 public health emergency and such missed payments were not caused by or related to COVID-19. Such businesses have been keeping and using the public's money, without permission or approval by the City Council, prior to any impacts of COVID-19 on their businesses.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The recitals above are true and correct and incorporated herein by this reference.

**SECTION 2.** Except as provided in Section 3 below, penalties and interest imposed by Chapter 3.12 of the Lompoc Municipal Code for late transient occupancy tax payments received for February 2020 and March 2020 lodging services are hereby waived through June 30, 2020. From and after July 1, 2020, penalties and interest on those payments shall begin to accrue. Payments for April 2020 lodging services shall be due, as normal, on May 31, 2020.

**SECTION 3.** No lodging business that is behind on payments of transient occupancy tax to the City as of March 27, 2020, shall qualify for the waiver of penalties and interest in Section 2 above.

**SECTION 4.** This Resolution shall be effective on the day of its adoption.

The foregoing Resolution was proposed by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, and was duly passed and adopted by the Council of the City of Lompoc at its special meeting on March 27, 2020, by the following vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

\_\_\_\_\_  
Jenelle Osborne, Mayor  
City of Lompoc

ATTEST:

\_\_\_\_\_  
Stacey Haddon, City Clerk  
City of Lompoc