

City of Needles

IMPARTIAL ANALYSIS OF MEASURE TO INCLUDE SHORT TERM RESIDENTIAL UNITS IN
THE CITY'S TRANSIENT OCCUPANCY TAX

BACKGROUND: The City of Needles ("City") currently charges a 10% tax on stays in hotels and motels, but does not charge this tax for short term rentals in residential areas. The City's current 10% transient occupancy tax is collected from hotel and motel guests and is a general tax which can be spent on any lawful purpose of the City, including public safety, street maintenance, parks and recreation, and other services.

MEASURE: This measure was placed on the ballot by the Needles City Council. If approved, the transient occupancy tax would be expanded to apply to short-term residential rental units. A short term residential unit is defined as "any residential property or portion of a residential property that is rented to an individual or group for 30 consecutive days or less." If this measure passes, the City estimates \$84,300 of additional annual revenue will be generated for the City's general fund.

A "Yes" vote expands the application of the existing transient occupancy tax to short term residential rental units, effective as of January 1, 2023.

A "No" vote rejects the application of the current transient occupancy tax to short term residential rental units.

The above statement is an impartial analysis of the measure. If you desire a copy of Ordinance 651-AC or the measure, please call the office of the election official/City Clerk at (760) 326-2113 and a copy will be provided at no cost to you.

/s/ John O. Pinkney
City Attorney

STATEMENT OF AUTHOR

The undersigned author of the impartial analysis of Ballot Measure to Include Short Term Residential Units in the City's Transient Occupancy Tax at the election in the City of Needles, California, to be held on November 8, 2022, hereby states that such analysis is true and correct to the best of his knowledge and belief.

Author: John O. Pinkney, Esq. Date: July 18, 2022

Title: City Attorney, City of Needles, CA

Address: 1800 E. Tahquitz Canyon Way, Palm Springs, CA 92262

Signature: /s/ John O. Pinkney Phone No.: 760-322-2275