

**PROPOSED PROPOSITIONS TO RATIFY AMENDMENTS TO THE CITY
CHARTER AND AN ORDINANCE AMENDING CHAPTER III OF THE SAN
DIEGO MUNICIPAL CODE BY ADDING THERETO A PROVISION IMPOSING
A TRANSIENT OCCUPANCY TAX, TOGETHER WITH ARGUMENTS**

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**To Be Submitted to the Qualified Voters
of The City of San Diego at the**

**SPECIAL MUNICIPAL ELECTION
TO BE HELD ON TUESDAY,
FEBRUARY 16, 1965**

.....

The following proposed propositions for the ratification and approval of amendments to the Charter and Ordinance No. 9033 (New Series) amending the San Diego Municipal Code imposing a transient occupancy tax will be submitted to the qualified voters of The City of San Diego on Tuesday, February 16, 1965.

PHILLIP ACKER, City Clerk

PROPOSITION A

(THIS PROPOSITION WILL APPEAR ON THE BALLOT IN THE
FOLLOWING FORM)

PROPOSITION A. CITY OF SAN DIEGO CHARTER AMENDMENT. Amends Section 17, Article III, of the Charter of The City of San Diego by adding the words "ordinances levying any tax" to the first paragraph. This amendment provides that "ordinances levying any tax" may be put into effect immediately. Such ordinances would remain subject to the initiative vote of the people but would not be subject to the referendum.	YES	
	NO	

This proposition amends the first paragraph of Section 17, Article III of the City Charter by the addition of new provisions. The portions to be added are underlined.

Section 17. WHEN ORDINANCES AND RESOLUTIONS TAKE EFFECT. EMERGENCY MEASURES. Ordinances making the annual tax levy, the annual appropriation ordinances, ordinances calling or relating to elections, ordinances levying any tax, and emergency measures, shall take effect at the time indicated therein. All other ordinances passed by the Council shall take effect at the time indicated therein, but not less than thirty days from the date of their passage. Ordinances adopted by vote of the electors shall take effect at the time indicated therein, or, if no time be specified, then thirty days after their adoption. An emergency measure is an ordinance to provide for the immediate preservation of the public peace, property, health, or safety, in which the emergency claimed is set forth and defined in the preamble thereto. The affirmative vote of at least two-thirds of the members elected to the Council shall be required to pass any ordinance as an emergency measure. No measure making or amending a grant, renewal or extension of a franchise or other special privilege shall ever be passed as an emergency measure. No situation shall be declared an emergency by the Council except as defined in this section, and it is the intention of this Charter that compliance with such definition shall be strictly construed by the courts.

Resolutions shall become effective immediately upon their passage, unless otherwise stated therein.

ARGUMENT FOR PROPOSITION A

This amendment is urgently needed to enable the City to soundly plan its operations. It is a common-sense amendment that preserves rights of the people while also making sure that local government can operate with the same efficiency as a successful business.

Because of a heretofore unknown quirk in the wording of the Charter, as few as 2% of the population can, by signing petitions of professional solicitors, prevent the City from receiving revenues from any tax that is not specifically levied upon real property.

This means the City is constantly faced with threat of financial chaos . . . and that property taxpayers bear an excessive share of the tax burden.

Economic, well-planned City operations in the present fiscal year . . . and the future . . . depend upon this amendment.

The amendment will correct what California Courts recently described as Charter tax and referendum provisions that are "ill-drawn and out of date." Full truth of this became known only after an unusual and unexpected Court test demonstrated these provisions were archaic and contrary to conservative principles of self-government.

Further, the Charter . . . on these points . . . differs from the State Constitution and Charters of other California cities.

Because of these serious flaws, the Charter now does not fully serve the people, but instead allows special interest groups to strangle orderly processes of representative government.

This amendment retains for people the right to challenge tax ordinances adopted by the City Council. This is by the Initiative, under which 10% of the voters can petition that an ordinance be submitted to vote of the people. This is much more sound than the present Charter provision that permits a very small minority to abruptly chop off tax revenues, causing direct threat to the City's fiscal integrity.

YES on A means better government in the American tradition.

Committee for Constitutional Good Government
through Propositions A and B

HOWARD L. CHERNOFF, Chairman

ARGUMENT AGAINST PROPOSITION A

A NO vote on this proposition is essential to protect your right to vote on future tax measures before the tax is imposed.

This bold attempt by City Hall to destroy the right of referendum has dangerous implications because:

1. Referendum only can stop oppressive legislation before it takes effect and ballot wording concerning initiative is deliberately misleading:

The referendum is a fundamental historic constitutional right by which the people are able to retain control over the instruments of government they have created. Only the referendum enables citizens to challenge oppressive legislation and prevent it from becoming operative by filing qualified petitions within 30 days after adoption. The legislation continues inoperative until approved by the voters. Differing completely from the referendum, the initiative enables citizens to propose new legislation by petition and unlike the referendum, the initiative cannot prevent oppressive legislation from becoming operative. Only the referendum protects citizens from arbitrary impositions at the hands of City Bureaucrats.

2. Proposition "A" exempts all taxes for any purpose from referendum and vests unprecedented taxing power in City officials.

City Officials have falsely represented that this Amendment merely makes the City Charter conform to the California Constitution, which exempts from the referendum tax levies for "usual current expenses" of government. Note carefully that Proposition "A" would exempt from the referendum "ordinances levying any tax". The words "for usual current expenses" contained in the California Constitution have carefully been omitted from Proposition "A", and thus tax levies earmarking funds to provide City Officials with medical care, vacation trips and similar fringe benefits would be immune from challenge by the voters.

New taxes are now planned for this spring. Referendum is the only protection citizens have against arbitrary tax levies.

Stop this bureaucratic power-grab,
Vote NO on "A".

CITIZENS COMMITTEE TO PRESERVE RIGHT TO VOTE

DALLAS G. WILBORN

JACK D. CHILDRES

President, San Diego Patriotic Society

C. ASHLEY JOHNSON

JOHN L. STENNETT

Attorney

PROPOSITION B

(THIS PROPOSITION WILL APPEAR ON THE BALLOT IN THE
FOLLOWING FORM)

PROPOSITION B. CITY OF SAN DIEGO CHARTER AMENDMENT. Amends Section 23, Article III, of the Charter of The City of San Diego by adding a sentence requiring an election on any tax ordinance initiative within six months unless the Council has within ten days enacted or repealed the ordinance in question. This amendment assures the right of the people to vote on an initiative measure on any tax ordinance within six months from the time the initiative qualifies for such vote.	YES	
	NO	

This proposition amends Section 23, Article III of the City Charter by the addition of new provisions. The portions to be added are underlined.

Section 23. INITIATIVE, REFERENDUM AND RECALL. The right to recall municipal officers and the powers of the initiative and referendum are hereby reserved to the people of the City. Ordinances may be initiated; and referendum may be exercised on any ordinance passed by the Council except an ordinance which by the provisions of this charter takes effect immediately upon its passage; and any elective officer may be recalled from office. The Council shall include in the election code ordinance required to be adopted by Section 8, Article II, of this charter, an expeditious and complete procedure for the exercise by the people of the initiative, referendum and recall, including forms of petitions; provided that the number of signatures necessary on petitions for the initiation of an ordinance for the consideration of the Council shall be three per cent of the registered voters of the City at the last general City election; that for the direct submission of a measure to the people it shall require a petition signed by ten per cent of the registered voters of the City at the last general City election; that for a referendum upon an ordinance passed by the Council it shall require a petition signed by five per cent of the registered voters of the City at the last general City election; and that for the recall of an elected officer it shall require a petition signed by fifteen per cent of the registered voters of the City at the last general City election. An initiative on any ordinance levying any tax shall be submitted to a vote of the qualified electors of the City within six (6) months unless the Council has within ten (10) days from the qualification of such initiative enacted or repealed the ordinance in question.

ARGUMENT FOR PROPOSITION B

This amendment to the Charter further strengthens the rights of the voters under the Initiative process. It guarantees that when 10% of the voters petition for repeal of a tax ordinance, an election must be held within six months after the petition is filed. It also provides for the same fast action should a petition be filed seeking a tax levy.

Through this amendment the Initiative rights of the people, a precious part of the American heritage, are reinforced and clarified.

It is an amendment that accomplishes its goal of strengthening the rights of free citizens without sacrificing the benefits of principled representative government.

We urge a YES vote on B . . . as another step toward making San Diego a model for the nation for constitutional good City Government.

Committee for Constitutional Good Government
through Propositions A and B

HOWARD L. CHERNOFF, Chairman

ARGUMENT AGAINST PROPOSITION B

Responsible citizens will vote NO on Proposition B because:

This proposed Charter Amendment is pure subterfuge.

Proposition B is completely deceptive in that it implies that the people are being given a right which they do not now have. In truth and fact the addition of this language to Section 23 of the Charter places additional limitations on the right of initiative.

Under the present City Election Code adopted pursuant to the requirements of Section 23 and Section 8 of the City Charter, a Special Election must be held within 90 days unless there is another election regularly scheduled within seven months of the time the petitions are presented. Therefore, considering the time lapse between submitting of initiative petitions and certification of qualification, the present code at this very time guarantees that no more than six months can elapse between the qualification of an initiative and the date of an election. But on the other hand the code as it presently exists guarantees an earlier vote unless a regular election is already scheduled.

This proposed Charter Amendment gives the people no rights that they do not now have, but on the other hand takes some of those rights away from them.

San Diego Citizens will not be deceived by such chicanery and will vote NO on Proposition "B".

CITIZENS COMMITTEE TO PRESERVE RIGHT TO VOTE

DALLAS G. WILBORN

JACK D. CHILDRES

President, San Diego Patriotic Society

C. ASHLEY JOHNSON

JOHN L. STENNETT, Attorney

PROPOSITION C

(THIS PROPOSITION WILL APPEAR ON THE BALLOT IN THE
FOLLOWING FORM)

PROPOSITION C. Shall the Ordinance No. 9033 (New Series) of the Ordinances of The City of San Diego, adopted by the Council on June 9, 1964, which imposes upon transients a tax of four per cent (4%) of the room rent, be approved?	YES	
	NO	

This proposition, which is Ordinance No. 9033 (New Series), adds sections to the San Diego Municipal Code providing for a Transient Occupancy Tax and is submitted for approval pursuant to referendum petition. Ordinance No. 9033 (New Series) reads as follows:

ORDINANCE NO. 9033

(New Series)

AN ORDINANCE AMENDING CHAPTER III OF THE SAN DIEGO MUNICIPAL CODE BY ADDING ARTICLE 5 THERETO, RELATING TO IMPOSING A TAX UPON THE PRIVILEGE OF TRANSIENT OCCUPANCY AND PROVIDING FOR THE COLLECTION THEREOF.

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

Section 1. That Chapter III of the San Diego Municipal Code, be, and the same is hereby amended by adding thereto a new article to be known as and numbered Article 5, containing Sections 35.0101 through 35.0116 inclusive, and to read as follows:

"ARTICLE 5

"TRANSIENT OCCUPANCY TAX

"SEC. 35.0101 TITLE AND PURPOSE.

(a) Title. This Article shall be known as the Transient Occupancy Tax Ordinance of The City of San Diego.

(b) Purpose and Intent. It is the purpose and intent of the Council that there be imposed on transient occupants of hotel rooms in the City of San Diego a tax, the proceeds of which are to be used solely for promoting the City of San Diego.

"SEC. 35.0102 DEFINITIONS.

Except where the context otherwise requires, the definitions given in this section govern the construction of this Article.

(a) Person. 'Person' means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

(b) Hotel. 'Hotel' means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes. 'Hotel' does not mean any hospital, convalescent home or sanitarium.

(c) Occupancy. 'Occupancy' means the use or possession, or the right to the use or possession of any room or rooms or portion thereof, in any hotel for dwelling, lodging or sleeping purposes.

(d) Transient. 'Transient' means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of thirty (30) days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of this Article may be considered.

(e) Rent. '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.

(f) Operator. 'Operator' means the person who is proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this Article and shall have the same duties and liabilities as his principal. Compliance with the provisions of this Article by either the principal or the managing agent shall, however, be considered to be compliance by both.

"SEC. 35.0103 TAX IMPOSED.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of four percent (4%) of the rent charged by the operator. Said tax constitutes a debt owed by the transient to the City which is extinguished only by payment to the operator or to the City. The transient shall pay the tax 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 Treasurer may require that such tax shall be paid directly to the City Treasurer.

"SEC. 35.0104 EXEMPTIONS.

No tax shall be imposed:

- (a) Upon any person as to whom, or any occupancy as to which, it is beyond the power of the City to impose the tax herein provided;
- (b) Upon any federal or State of California officer or employee when on official business;
- (c) Upon any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty;
- (d) Where the rent is at the rate of two dollars (\$2) a day or less.

No exemption claimed under paragraphs (a), (b), or (c) of this section shall be granted except upon a claim therefore made at the time rent is collected and under penalty of perjury upon a form prescribed by the City Treasurer. All claims of exemption under paragraph (d) of this section shall be made in the manner prescribed by the City Treasurer.

"SEC. 35.0105 OPERATOR'S DUTIES.

Each operator shall collect the tax imposed by this Article 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 the rent charged, and each transient shall receive a receipt for payment from 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 not be added to the rent, or that, if added, any part will be refunded except in the manner hereinafter provided.

"SEC. 35.0106 REGISTRATION.

Within thirty (30) days after the effective date of this Article, or within thirty (30) days after commencing business, whichever is later, each operator of any hotel renting occupancy to transients shall register said hotel with the City Treasurer and obtain from him a 'Transient Occupancy Registration Certificate' to be at all times posted in a conspicuous place on the premises. Said certificate shall, among other things, state the following:

- (1) The name of the operator;
- (2) The address of the hotel;
- (3) The date upon which the certificate was issued;
- (4) 'This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the Transient Occupancy Tax Ordinance by registering with the City Treasurer for the purpose of collecting from transients the Transient Occupancy Tax and remitting said tax to the City Treasurer. This certificate does not constitute a permit.'

"SEC. 35.0107 REPORTING AND REMITTING.

Each operator shall, on or before the last day of the month following the close of each calendar quarter, or at the close of any shorter reporting period which may be established by the City Treasurer, make a return to the City Treasurer, on forms provided by him, of the total rents charged and received and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. The City Treasurer may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and may require further information in the return. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this Article shall be held in trust for the account of the City until payment thereof is made to the City Treasurer. All returns and payments submitted by each operator shall be treated as confidential by the City Treasurer and shall not be released by him except upon order of a court of competent jurisdiction or to an officer or agent of the United States, the State of California, the County of San Diego, or the City of San Diego for official use only.

"SEC. 35.0108 PENALTIES AND INTEREST.

(a) Original Delinquency. Any operator who fails to remit any tax imposed by this Article within the time required shall pay a penalty of ten per cent (10%) of the amount of the tax in addition to the amount of the tax.

(b) Continued Delinquency. Any operator who fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten per cent (10%) of the amount of the tax in addition to the amount of the tax and the ten per cent (10%) penalty first imposed.

(c) Fraud. If the City Treasurer determines that the non-payment of any remittance due under this ordinance is due to fraud, a penalty of twenty-five per cent (25%) of the amount of the tax shall be added thereto in addition to the penalties stated in subparagraphs (a) and (b) of this section.

(d) Interest. In addition to the penalties imposed, any operator who fails to remit any tax imposed by this Article shall pay interest at the rate of one-half of 1% per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

(e) Penalties Merged With Tax. Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the tax herein required to be paid.

(f) Penalties During Pendency of Hearing or Appeal. No penalty provided under the terms of this Article shall be imposed during the pendency of any hearing which is provided for in Section 35.0109 of this Article nor during the pendency of any appeal to the City Council which is provided for in Section 35.0110 of this Article.

"SEC. 35.0109 FAILURE TO COLLECT AND REPORT TAX.

DETERMINATION OF TAX BY CITY TREASURER. If any operator shall fail or refuse to collect said tax and to make, within the time provided in this Article, any report and remittance of said tax or any portion thereof required by this Article, the City Treasurer shall proceed in such manner as he may deem best to obtain facts and information on which to base his estimate of the tax due. As soon as the City Treasurer shall procure such facts and information as he is able to obtain upon which to base the assessment of any tax imposed by this Article and payable by any operator who has failed or refused to collect the same and to make such report and remittance, he shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this Article. In case such determination is made, the City Treasurer shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to the operator so assessed at his last known place of address. Such operator may within ten (10) days after the serving or mailing of such notice make application in writing to the City Treasurer for a hearing on the amount assessed. If application by the operator for a hearing is not made within the time

prescribed, the tax, interest and penalties, if any, determined by the City Treasurer shall become final and conclusive and immediately due and payable. If such application is made, the City Treasurer shall give not less than five (5) days written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in said notice why said amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, the operator may appear and offer evidence why such specified tax, interest and penalties should not be so fixed. After such hearing, the City Treasurer shall determine the proper tax to be remitted and shall thereafter give written notice to the person in the manner prescribed herein of such determination and the amount of such tax, interest and penalties. The amount determined to be due shall be payable after fifteen (15) days unless an appeal is taken as provided in Section 35.0110.

"SEC. 35.0110 APPEAL.

Any operator aggrieved by any decision of the City Treasurer with respect to the amount of such tax, interest and penalties, if any, may appeal to the Council by filing a notice of appeal with the City Clerk within fifteen (15) days of the serving or mailing of the determination of tax due. The Council shall fix a time and place for hearing such appeal, and the City Clerk shall give notice in writing to such operator at his last known place of address. The findings of the Council shall be final and conclusive and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

"SEC. 35.0111 RECORDS.

It shall be the duty of every operator liable for the collection and payment to the City of any tax imposed by this Article 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 Treasurer shall have the right to inspect at all reasonable times.

"SEC. 35.0112 REFUNDS.

(a) Whenever the amount of any tax, interest, or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the City under this Article, it may be refunded as provided in subparagraphs (b) and (c) of this section provided a claim in writing therefor, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the City Treasurer within three years of the date of payment. The claim shall be on forms furnished by the City Treasurer.

(b) An operator may claim a refund or take as credit against taxes collected and remitted the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the City Treasurer that the person from whom the tax has been collected was not a transient; provided, however, that neither a refund nor a credit shall be allowed unless the amount of the tax so collected has either been refunded to the transient or credited to rent subsequently payable by the transient to the operator.

(c) A transient may obtain a refund of taxes overpaid or paid more than once or erroneously or illegally collected or received by the City by filing a claim in the manner provided in subparagraph (a) of this section, but only when the tax was paid by the transient directly to the City Treasurer, or when the transient having paid the tax to the operator, establishes to the satisfaction of the City Treasurer that the transient has been unable to obtain a refund from the operator who collected the tax.

(d) No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereto.

"SEC. 35.0113 ACTIONS TO COLLECT.

Any tax required to be paid by any transient under the provisions of this Article shall be deemed a debt owed by the transient to the City. Any such tax collected by an operator which has not been paid to the City shall be deemed a debt owed by the operator to the City. Any person owing money to the City under the provisions of this Article shall be liable to an action brought in the name of The City of San Diego for the recovery of such amount.

"SEC. 35.0114 VIOLATIONS; MISDEMEANOR.

Any person violating any of the provisions of this Article shall be guilty of a misdemeanor and shall be punishable therefor by a fine of not more than five hundred dollars (\$500.00) or by imprisonment in the City jail for a period of not more than six months or by both such fine and imprisonment.

Any operator or other person who fails or refuses to register as required herein, or to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the City Treasurer, or who renders a false or fraudulent return or claim, is guilty of a misdemeanor, and is punishable as aforesaid. Any person required to make, render, sign or verify any report or claim who makes a false or fraudulent report or claim with intent to defeat or evade the determination of any amount due required by this Article to be made, is guilty of a misdemeanor and is punishable as aforesaid.

"SEC. 35.0115 SEVERABILITY.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Article or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Article or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

"SEC. 35.0116 UTILIZATION OF REVENUES.

(a) All revenues collected by the City under this Article and remaining after payment of the costs incurred in the administration of this Article shall be used solely for the purpose of promoting the City of San Diego.

(b) The total amount of the City's annual contribution to the San Diego Convention and Tourist Bureau, except as affected by Subsection (c), below, shall be determined as follows:

(1) Revenue collected under this Article shall be used to match dollar for dollar the amount raised by the San Diego Convention and Tourist Bureau from private sources during the preceding fiscal year; provided, the amount so used shall not exceed forty per cent (40%) of the revenue collected in any single fiscal year under this Article.

(2) Revenue collected under this Article shall be used to match dollar for dollar the amount appropriated by the County of San Diego as its annual contribution to the San Diego Convention and Tourist Bureau; provided, the amount so used shall not exceed twenty per cent (20%) of the revenue collected in any single fiscal year under this Article.

(c) The amount of the City's annual contribution to the San Diego Convention and Tourist Bureau shall be not less than \$100,000.00 regardless of the provisions of Subsection (b), above.

(d) Any remaining revenues shall be used to support any program, including but not limited to programs of the San Diego Convention and Tourist Bureau, designed to promote the City as the Council may direct.

Section 2. This ordinance shall take effect thirty-one (31) days from and after the date of its passage.

ARGUMENT FOR PROPOSITION C

This ordinance is worded to make all revenues go toward promotion of this area. Approximately \$700,000 will be raised annually—putting San Diego in a strong competitive position with other major vacation and convention cities.

VISITORS BIG INDUSTRY. "24 visitors a day are equivalent to new manufacturing industry with \$100,000 annual payroll." (U.S. Dept. of Commerce.) Last year San Diego averaged 75,000 visitors daily, spending \$232-million—our third largest industry. These dollars are spent all through the community, benefiting everyone.

HOTELS, MOTELS CANNOT DO JOB THEMSELVES. Attracting visitors is a community-wide responsibility. Because they are a small part of the total community that benefits from visitor spending, hotels and motels alone cannot provide the funds needed to do the total community job—and they shouldn't be expected to. For example, they contribute only 7% of Convention and Tourist Bureau's budget; which is just part of the total effort.

WE CAN MAKE THIS INDUSTRY GROW. We don't have to ask Washington for help. We can expand this industry with room tax dollars.

ROOM TAX EVERYWHERE. Visitors accept room tax because it is used by virtually every American city. With the room tax in effect this summer, San Diego enjoyed the biggest visitor business in its history!

SAN DIEGO HANDICAPPED WITHOUT TAX! Places like Hawaii, San Francisco, Miami with room tax spend several times San Diego's promotional budget.

PREVENT PROPERTY TAX INCREASE. Without room tax, San Diego faces added property taxes to provide income to expand our Visitor Industry.

SAN DIEGO CANNOT AFFORD TO WAIT. Our great visitor facilities—like Balboa Park, Zoo, Convention Center, Harbor, Mission Bay—depend upon immediate expansion of our Visitor Industry. Otherwise we lose out to hundreds of aggressive competing cities.

We urge a YES vote on C . . . to increase jobs and reduce taxes.

Committee to Reduce Property Taxes and Expand the Visitor Industry

DAVID S. CASEY

JOHN D. BUTLER

GUILFORD H. WHITNEY

W. J. DeBRUNNER

R. R. RICHARDSON

DOUGLAS GIDDINGS

JOHN J. McCLOSKEY

MILTON R. CHEVERTON

TOM F. HAM, JR.

GORDON FLEISHER

ARGUMENT AGAINST PROPOSITION C

CITIZENS BE WARY! Many misrepresentations have been made about this scheme to finance City Hall spending spree. Responsible citizens reading this cleverly drafted ordinance will vote NO because:

1. "C" Creates Promotional Slush Fund.

Initiated by City Manager, adopted by a gullible Council, this ordinance is designed to create a half million dollar promotional "slush fund" to be spent as the Council directs. "Promotion" means whatever City Officials want it to mean. Recently, trips to Washington, Florida, Mexico, Peru, and other excursions, at taxpayers' expense, were designated "promotional." Vote NO on "C" and curtail wasteful, frivolous spending under guise of "Promotion."

2. "C" Cannot Affect Property Tax Rate.

A flagrant misrepresentation by promoters is that this ordinance affects property tax rates. This is absolutely false. The District Court of Appeal ruled this ordinance **had no effect on property tax rates**. If voters approve ordinance, ALL revenues MUST go in "promotional slush fund." If they disapprove, no slush fund and no promotional spending.

3. Ballot Wording Deliberately Conceals Use Of Funds.

Note description of "C" on Ballot fails to reveal revenues must be used solely for promotion although the City Attorney stated such disclosure was required by law. Voters will ponder the reason for this deliberate attempt to deceive.

4. Tourist Industry Hindered Not Helped by City Hall Slush Fund.

San Diego's tourist industry spends 1.5 million private dollars annually promoting tourism. Visitor spending last year reached a record \$230 million. Now City Hall proposes to tax visitors, brought here by private dollars, to build a slush fund for bureaucrats to spend as they choose. Though well intentioned, uncontrolled slush fund spending inevitably leads to favoritism and corruption. Don't let bureaucratic red tape strangle San Diego's third largest industry. Vote "NO" on "C."

COMMITTEE FOR ECONOMY IN CITY GOVERNMENT

GEORGE E. HAWLEY
Past President, Junior Chamber of Commerce

EDMUND L. FLOOD
Past President, Junior Chamber of Commerce

CHARLES W. BORGERDING

JOHN L. ALLEN
Member Chamber of Commerce

RALPH P. NOISAT
Captain, United States Navy, Retired

REGGIE C. JENSEN

WALTER M. MERRILL
Food Services Executive Association

JOHN D. MILLER

WILLIAM J. CLONEY

ALLAN D. ZUKOR
Member Chamber of Commerce