



City of Sausalito

Frequently Asked Questions

About Measures L & M

Q: What are Measures L and M?

A: Sausalito is well-known for our excellent quality of life and high property values, and it's no secret that people from all over the world visit our community. While tourism is obviously critical for Sausalito's economy and long-term sustainability, the number of bikes, buses, and taxis creating downtown congestion must be addressed for our local quality of life. If enacted by voters, **Measure L and M** would help ensure businesses operating in Sausalito and visitors to our City continue to pay their fair share, while re-investing in our local quality of life services and our local business community.

Measure L – the City of Sausalito Hotel Tax/Tourism Mitigation Measure – would, if enacted, update the City's existing hotel room tax rate by 2% increasing it to 14%, bringing it in line with other nearby communities and providing a reliable source of locally-controlled funds to manage traffic congestion, improve traffic enforcement for pedestrians, cyclist, and drivers, and reinvest in local businesses.

Measure M – the City of Sausalito Business Tax Equity Measure – would, if enacted, update and streamline the City's two decades-old business license ordinance to a flat rate of \$125 and up to \$3 per \$1,000 of gross receipts. **Measure M**, if approved by voters, would make the City's outdated business ordinance more transparent, easy to understand, and fair for businesses of all sizes. **Measure M** simplifies the existing ordinance by reducing the rates most businesses in the first category (retail, restaurants) pay by about 13% and consolidating the number of categories from 22 to 4.

Q: What local priorities will Measures L and M help address?

A: If approved, **Measure L and M** will generate approximately \$1,196,750 per year for local priorities identified by the public, including

- Maintaining streets and roads
- Providing police protection, neighborhood crime prevention, and traffic enforcement to protect pedestrians, cyclists, and drivers
- Providing traffic and congestion improvements
- Reinvesting in local businesses
- Maintaining storm drains to prevent pollutants, garbage, and sediment from entering the Bay

Q: Why were Measures L and M placed on the ballot?

A: **Measure L** was placed on the ballot following consultation with the City's hoteliers. Sausalito's hotel room tax rate hasn't changed in a number of years. If enacted by voters, **Measure L** would ensure that tourists staying in Sausalito would pay their fair share for using our local city services, while reinvesting funds in our business community.

Measure M was placed on the ballot after consultation with the local business community. The City's existing business license tax ordinance is over two decades old and is outdated, cumbersome, and difficult to administer. If approved by voters, **Measure M** would streamline and simplify the City's ordinance and update the rates, making it more transparent, easy to understand, and fair for businesses of all sizes.

Q: Who would pay for Measures L and M?

A: Measures L and M will NOT increase taxes for Sausalito residents who are not business proprietors or hotel guests. Only those who stay in hotel rooms overnight in Sausalito will pay for **Measure L** and only those who conduct business in the City will pay for **Measure M**. Sausalito residents and homeowners who are not engaged in these activities will NOT be taxed.

Q: Are Measures L and M fiscally accountable?

A: Yes. Measures L and M require annual independent audits and regular reports back to the community to ensure that the funds are spent consistent with the City's tradition of responsible fiscal management. All funds generated must be used in Sausalito for local services – no funds may be taken by the State.

Q: Where can I find more information about Measures L and M?

A: For more information, please visit the City's website at: www.sausalito.gov/NovemberMeasures If you have specific questions, please contact the City Manager's office at: (415) 289-4166 or admin@sausalito.gov.