



City of Manhattan Beach Finance Department

Attachment #3

1400 Highland Avenue, Manhattan Beach, CA 90266
Phone: (310) 802-5550 Fax: (310) 802-5551 TDD: (310) 546-3501

June 22, 2016

Gabriela Herrera
Zisli Group
Luxury Boutique Hotels / Inspired Restaurants
321 12th Street, Suite #112
Manhattan Beach, CA 90266

PAST DUE

Re: Transient Occupancy Tax Compliance Review
Notice of Deficiency Determination – Shade Hotel

Ms. Herrera:

The City of Manhattan Beach, in accordance with the provisions of its Transient Occupancy Tax Ordinance, contracted MuniServices to perform a compliance review of all Hotels within the City. The examination of records was for the period of January 2012 through December 2015 and concluded in May 2016. Consequently, an aggregate deficiency of Shade Hotel was determined in the principle amount of \$22,597.46.

On June 6, 2016, the City notified Shade Hotel via USPS of these findings and requested remittance in the amount of \$22,597.46 no later than Friday June 17, 2016. As of the date of this letter, the City has received no correspondence or payment regarding this matter.

The City's Municipal Code (MBMC 8.20.080) regarding Determination of Tax by Tax Arbitrator states: *Such operator may, within ten (10) days after the service or mailing of such notice, make an application in writing to the Tax Administrator for a hearing on the amount assessed. If an application by the operator for a hearing is not made within the time prescribed, the tax, interest, and penalties, if any, determined by the Tax Administrator shall become final and conclusive and immediately due and payable.*

As a result, the City will begin to assess penalties in the amount of 10% beginning Friday July 1, 2016 and every month thereafter until the full amount, including any penalties, has been satisfied.

Please contact me at (310) 802-5555 or via email: scharelian@citymb.info

Sincerely,

Steve S. Charelian
Revenue Services Manager
City of Manhattan Beach

cc: Bruce Moe – City Finance Director
MuniServices Inc., - Tax Arbitrator