RESOLUTION NO. 2020-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GUADALUPE, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 3, 2020, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA AND FOR THE SUBMISSION TO THE VOTERS FOR APPROVAL OF A QUESTION RELATING TO THE REAUTHORIZATION AND ENHANCEMENT OF THE CITY'S LOCAL TRANSACTIONS AND USE TAX TO ONE (1)-CENT UNTIL ENDED BY VOTERS

WHEREAS, under the provisions of the laws in the State of California, a general municipal election shall be held on November 3, 2020, for the election of municipal officers; and

WHEREAS, the City Council also desires to allow the voters of the City of Guadalupe the opportunity to reauthorize and enhance the local transaction and use tax, previously established by the City's voters when it approved Measure X at the 2014 general election, by enacting a one (1)-cent Local Transactions and Use Tax (Sales Tax) to remain in effect until ended by voters; and

WHEREAS, the local funding provided by Measure X2014 has provided vital funding for essential City services, including police and fire services; maintenance of parks, recreational facilities, and, the City library; as well as other City services that protect and enhance the City's local quality of life; and

WHEREAS, the City's voters overwhelmingly approved Measure X2014 by more than 77% in favor, which provided a reliable source of locally controlled funding that cannot be taken away by the state; and

WHEREAS, Measure X2014's funding will cease before the end of 2021, and the City will lose critical revenue for its essential services and operations if the funding is not reauthorized and will have to make cuts to essential services and operations in the coming years; and

WHEREAS, the funding provided by Measure X2014 has been significant, but it is currently insufficient to meet the City's existing and future needs, and therefore, must be enhanced in order to avoid devastating cuts to existing City services and operations; and

WHEREAS, locally controlled funding is more necessary than ever to keep the City fiscally stable so that it may continue to provide essential services because the State has taken millions of dollars from California cities, including the City of Guadalupe, over the last several decades to deal with its own budget problems; and

WHEREAS, this measure will give the City of Guadalupe local control over local funds for local needs that cannot be taken by Sacramento; and

WHEREAS, a secure source of local funding is needed to maintain and, more importantly, create new opportunities for the City's youth by maintaining and improving recreational facilities and programs, after-school programs, anti-gang outreach, maintenance/improvement of parks, and maintaining the City library, because maintaining library, park, and recreation facilities provides necessary alternatives to keep kids out of gangs and reduce crime while maintaining quality of life for the City's residents; and

WHEREAS, the City must also prevent cuts to the number of police officers and firefighters to ensure our local police and fire departments have the resources necessary to keep residents safe that will be likely in the coming years if the proposed Essential Services Transaction and Use Tax Measure is not passed by the voters; and

WHEREAS, expanding local funding will also further help the City to qualify and receive its fair share of millions of dollars in matching grants, so taxpayers don't have to pay the entire cost of critical programs; and

WHEREAS, <u>a local finance measure gives Guadalupe residents local control.</u> Every penny generated by the measure stays in Guadalupe to be used for the needs and services of our residents and the City and cannot be taken away by the State.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GUADALUPE, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the laws of the State of California, there is called and ordered to be held in the City of Guadalupe, California, on Tuesday, November 3, 2020, a General Municipal Election for the purpose of electing two members of the City Council for the full term of four years, one Mayor of the City Council for the full term of two years, and one City Clerk for the full term on four years.

SECTION 2. That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question:

CITY OF GUADALUPE MEASURE		
ESSENTIAL SERVICES. To maintain/enhance essential services,	YES	
including public safety, crime/graffiti/vandalism prevention, and opportunities for youth, including parks, recreation, library, and		
other vital services, reduce debt, and provide durable fiscal stability; shall the measure be approved adopting an ordinance		
reauthorizing transaction and use tax funding at the one cent rate until ended by voters, providing \$625,000 annually, with no funds	NO	
able to be taken by Sacramento and all funds used locally.		

- **SECTION 3.** That the proposed complete text of the measure Ordinance submitted to the voters is attached as Exhibit A. Subject to voter approval, the Ordinance imposes a retail transactions and use tax, as authorized by Revenue and Taxation Code Section 7285.9. The Ordinance specifies that the rate of the transactions tax shall be one percent (1.00%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the City; it specifies that the rate of the use tax shall be one percent (1.00%) of the sales price of tangible personal property stored, used or otherwise consumed in the City. The California Department of Tax and Fee Administration shall collect the tax from retailers subject to the tax and remit the funds to the City. Revenue from the tax may be used for unrestricted general revenue purposes.
- **SECTION 4.** That the vote requirement for the measure to pass is a simple majority (50 percent + 1) of the votes cast.
- **SECTION 5.** That the ballots to be used at the election shall be in form and content as required by law.
- **SECTION 6.** That the City Clerk is authorized, instructed, and directed to coordinate with the County of Santa Barbara Registrar of Voters to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.
- **SECTION 7.** That the polls for the election shall be open at seven o'clock (7:00) a.m. of the day of the election and shall remain open continuously from the time until 8:00 o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code §10242, except as provided in Section 14401 of the Elections Code of the State of California.
- **SECTION 8.** That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.
- **SECTION 9.** That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.
- **SECTION 10.** That the City Clerk shall certify to the passage and adoption of this resolution and enter in into a book of original resolutions.
- **SECTION 11.** That the City Clerk is hereby authorized to make minor changes herein to address clerical errors, so long as substantial conformance of the intent of this document is maintained. In doing so, the City Clerk shall consult with the City Administrator and City Attorney concerning any changes deemed necessary.
- **SECTION 12.** That this Resolution has been reviewed for compliance with the California Environmental Quality Act (CEQA), and the CEQA guidelines, and the City's environmental

procedures, and has been found to be exempt pursuant to § 15601(b)(3) (general rule) and § 15378(b)(4) of the CEQA Guidelines. The transactions and use tax proposed by the adoption of this Resolution is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action. The City Council hereby finds with certainty that there is no possibility the passage of this Ordinance will have a significant effect on the environment. Additionally, it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the City would undertake the required CEQA review for that particular project at the earliest feasible date.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Guadalupe held this 23rd day of June 2020 by the following vote:

MOTION: TONY RAMIREZ / GINA RUBALCABA

AYES: 5

Councilmembers:

Ramirez, Cardenas, Julian, Rubalcaba, Costa Jr.

NOES:

0

ABSENT:

0

ABSTAIN: 0

I, Joice Earleen Raguz, City Clerk of the City of Guadalupe, do hereby certify that the foregoing Resolution No. 2020-45 was duly adopted by the City Council of the City of Guadalupe at the City Council meeting held on the June 23, 2020.

ATTEST:

Ariston Julian Mayor

Philip F. Sinco, City Attorney

Exhibit A

ORDINANCE NO. 2020-490

AN ORDINANCE OF THE CITY OF GUADALUPE, CALIFORNIA, REPEALING CHAPTER 3.14 OF TITLE 3 OF THE GUADALUPE MUNICIPAL CODE AND REPLACING WITH A NEW CHAPTER 3.14 IMPOSING AN ESSENTIAL SERVICES TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, under the provisions of the laws in the State of California, a general municipal election shall be held on November 3, 2020, for the election of municipal officers; and

WHEREAS, the City Council also desires to allow the voters of the City of Guadalupe the opportunity to reauthorize and enhance the local transaction and use tax, previously established by the City's voters when it approved Measure X at the 2014 general election, by enacting a one (1)-cent Local Transactions and Use Tax (Sales Tax) to remain in effect until ended by voters; and

WHEREAS, the local funding provided by Measure X2014 has provided vital funding for essential City services, including police and fire services; maintenance of parks, recreational facilities, and, the City library; as well as other City services that protect and enhance the City's local quality of life; and

WHEREAS, the City's voters overwhelmingly approved Measure X2014 by more than 77% in favor, which provided a reliable source of locally controlled funding that cannot be taken away by the state; and

WHEREAS, Measure X2014's funding will cease before the end of 2021, and the City will lose critical revenue for its essential services and operations if the funding is not reauthorized and will have to make cuts to essential services and operations in the coming years; and

WHEREAS, the funding provided by Measure X2014 has been significant, but it is currently insufficient to meet the City's existing and future needs, and therefore, must be enhanced in order to avoid devastating cuts to existing City services and operations

WHEREAS, locally controlled funding is more necessary than ever to keep the City fiscally stable so that it may continue to provide essential services because the State has taken millions of dollars from California cities, including the City of Guadalupe, over the last several decades to deal with its own budget problems; and

WHEREAS, this measure will give the City of Guadalupe local control over local funds for local needs that cannot be taken by Sacramento; and

WHEREAS, a secure source of local funding is needed to maintain and, more importantly, create new opportunities for the City's youth by maintaining and improving recreational

facilities and programs, after-school programs, anti-gang outreach, maintenance/improvement of parks, and maintaining the City library, because maintaining library, park, and recreation facilities provides necessary alternatives to keep kids out of gangs and reduce crime while maintaining quality of life for the City's residents; and

WHEREAS, the City must also prevent cuts to the number of police officers and firefighters to ensure our local police and fire departments have the resources necessary to keep residents safe that will be likely in the coming years if the proposed Essential Services Transaction and Use Tax Measure is not passed by the voters; and

WHEREAS, expanding local funding will also further help the City to qualify and receive its fair share of millions of dollars in matching grants, so taxpayers don't have to pay the entire cost of critical programs; and

WHEREAS, a local finance measure gives Guadalupe residents local control. Every penny generated by the measure stays in Guadalupe to be used for the needs and services of our residents and the City and cannot be taken away by the State.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GUADALUPE DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 3.14 of Title 3 of the Guadalupe Municipal Code is hereby repealed in its entirety and replaced to read as follows:

CHAPTER 3.14 PUBLIC SAFETY AND ESSENTIAL SERVICES TRANSACTIONS AND USE TAX

3.14.010 Title.

This chapter shall be known as the "Essential Services Transactions and Use Tax Ordinance of the City of Guadalupe." The City of Guadalupe hereinafter shall be called "City." This chapter shall be applicable in the incorporated territory of the City.

3.14.020 Purpose.

This chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.
- B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those

provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

- C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.
- D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this chapter.

3.14.030 Operative date.

"Operative date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this chapter.

3.14.040 Contract with State.

Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.14.050 Transactions tax rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of 1.00% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the City on and after the operative date of the ordinance codified in this chapter.

3.14.060 Place of sale.

For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his or her agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be

determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

3.14.070 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of the ordinance codified in this chapter for storage, use or other consumption in said territory at the rate of 1.00% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to State sales or use tax regardless of the place to which delivery is made.

3.14.080 Adoption of provisions of State law.

Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this chapter as though fully set forth herein.

3.14.090 Limitations on adoption of State law and collection of use taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

- A. Wherever the State of California is named or referred to as the taxing agency, the name Guadalupe shall be substituted therefor. However, the substitution shall not be made when:
- 1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California.
- 2. The result of that substitution would require action to be taken by or against Guadalupe or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this chapter.
- 3. In those sections, including, but not necessarily limited to, sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
- a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code; or
- b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that code.

- 4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.
- B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3.14.100 Permit not required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this chapter.

3.14.110 Exemptions and exclusions.

- A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any State-administered transactions or use tax.
- B. There are exempted from the computation of the amount of transactions tax the gross receipts from:
- 1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
- 2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his or her agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:
- a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
- b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
- 3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this chapter.

- 4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance codified in this chapter.
- 5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- C. There are exempted from the use tax imposed by this chapter, the storage, use or other consumption in this City of tangible personal property:
- 1. The gross receipts from the sale of which have been subject to a transactions tax under any State-administered transactions and use tax ordinance.
- 2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
- 3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this chapter.
- 4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of the ordinance codified in this chapter.
- 5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
- 6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.
- 7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.14.120 Amendments.

All amendments subsequent to the effective date of the ordinance codified in this chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this chapter.

3.14.130 Enjoining collection forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

SECTION 2. USE OF TAX PROCEEDS. The proceeds of the tax approved by this Ordinance may be used for unrestricted general revenue purposes.

<u>SECTION 3.</u> SEVERABILITY. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 4. ELECTION REQUIRED. This Ordinance shall not become operative unless and until a majority of the electors voting on this measure vote to approve the imposition of the tax at the General Election to be held on November 3, 2020.

SECTION 5. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of the City transaction and use taxes and shall take effect immediately.

SECTION 6. COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. This Ordinance has been reviewed for compliance with the California Environmental Quality Act (CEQA), and the CEQA guidelines, and the City's environmental procedures, and has been found to be exempt pursuant to § 15601(b)(3) (general rule) and § 15378(b)(4) of the CEQA Guidelines. The transactions and use tax imposed by the adoption of this Ordinance is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action. The City Council hereby finds with certainty that there is no possibility the passage of this Ordinance will have a significant effect on the environment. Additionally, it

creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the City would undertake the required CEQA review for that particular project at the earliest feasible date.

SECTION 7. CLERICAL CORRECTION. The City Clerk is hereby authorized to make minor changes herein to address clerical errors, so long as substantial conformance of the intent of this document is maintained. In doing so, the City Clerk shall consult with the City Administrator and City Attorney concerning any changes deemed necessary.

INTRODUCED at a regular meeting of the City Council held this 23rd day of June, 2020, by the following roll call vote, subject to voter approval at the November 3, 2020, General Municipal Election.

AYES: NOES: ABSENT: ABSTAINED:	
ATTEST:	
Joice Earleen Raguz, City Clerk	Ariston Julian, Mayor
APPROVED AS TO FORM:	
Phillip F. Sinco, City Attorney	