

RESOLUTION NO. 8111

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS ORDERING THE SUBMISSION OF AN ORDINANCE PROPOSING THE IMPOSITION OF A TRANSACTIONS AND USE TAX (A GENERAL TAX) AT THE RATE OF ONE PERCENT (1.0%) TO THE QUALIFIED VOTERS OF THE CITY OF REDLANDS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2020, AS CALLED BY RESOLUTION NO. 8072

WHEREAS, the City Council (“City Council) of the City of Redlands (“City”) has created a balanced budget every year for the past 12 years despite being severely impacted by the decline in national, state, and local economies, and significant State funding takeaways; and

WHEREAS, the City Council is taking every proactive effort to save money and maintain the level of service our community has come to expect, including cutting its budget by reducing service positions, including cuts to public safety; purchasing essentials with grant funding; conserving energy to keep costs down; and participating in purchasing pools with other cities to lower expenses; and

WHEREAS, the City of Redlands is one of the few cities in the County of San Bernardino with its own Fire and Police Departments, which guarantees public safety resources are available when needed for Redlands’ residents and not diverted to other cities; and

WHEREAS, calls for 911 emergencies, crime rates, fire risks and the need to address homelessness is much higher than in the past, and the City has fewer firefighters, police officers and paramedics in Redlands than it had in the past; and

WHEREAS, members of the community have identified the need to address homelessness as one of its top priorities; and

WHEREAS, members of the community have placed a clear priority on the need to maintain police services, including neighborhood police patrols, crime prevention, and investigations; and

WHEREAS, members of the community also consider the provision of fire protection and paramedic services a high priority; and

WHEREAS, there is a great need to fix damaged sidewalks and curbs and much of the City’s aging infrastructure before it becomes more expensive to fix in the future; and

WHEREAS, revenue constraints will cause ongoing funding for the A.K. Smiley Library and other services to be reduced, translating to fewer materials, programs and hours of services; and

WHEREAS, despite significant cost saving measures the City Council has employed in recent years to address the ongoing budget crisis, including the consolidation of job duties, significant reductions in staffing levels, sales of assets and deferment of equipment purchases, and the creation of assessment districts, current revenue forecasts indicate that the City's General Fund will struggle to maintain basic service levels in future fiscal years; and

WHEREAS, in order to address these issues as soon as possible, the City Council desires to enact a one-cent transactions and use tax ordinance (the "Measure"), with approval of the voters at the statewide general election on November 3, 2020; and

WHEREAS, if enacted, this Measure would provide a locally-controlled revenue source, enacted solely to raise revenue for any and all municipal purposes including addressing homelessness, maintaining vital police and fire services, maintaining library services, keeping public areas, parks and recreation facilities well-maintained and free of graffiti and help maintain public buildings, and infrastructure including sidewalks, curbs and storm drains; and

WHEREAS, the Measure will give the City Council local control over funds for local needs and no funds from this measure can be taken away by the State; and

WHEREAS, if approved by at least a majority of affirmative votes, the rate of the transactions tax imposed by the City of Redlands' Transactions and Use Tax Ordinance, which proposes to impose a general tax ("Tax Ordinance"), shall be one percent (1.0%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the City and the rate of the use tax imposed shall be one percent (1.0%) of the sales price of tangible personal property stored, used or otherwise consumed in the City; and

WHEREAS, following the recommendation of State Board of Equalization, the City Council introduced the Tax Ordinance at its June 16, 2020, City Council meeting and adopted the Tax Ordinance following the second reading of the Tax Ordinance at the regular meeting of the City Council held on July 7, 2020; and

WHEREAS, pursuant to Section 2(b) of Article XIIC of the California Constitution subject a very limited exception, the City may not impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote at an election consolidated with a regularly scheduled election for members of the City Council; and

WHEREAS, it is the desire of the City Council that the Board of Supervisors of the county of San Bernardino be requested to consolidate said election with the scheduled election to be held that same day, and that the County Registrar be instructed to provide all necessary election services to the City; and

WHEREAS, a resolution calling for an election to consider a general tax measure imposed for general governmental purposes, such as the Tax Ordinance, is required to be approved by at least a two-thirds vote of the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redlands as follows:

Section 1. Pursuant to California Constitution Article XIII C, section 2(b), Government Code section 53724, and Elections Code section 9222, the City Council hereby calls and orders to be held in the City of Redlands, at the general municipal election of the qualified voters of the City on November 3, 2020, for the purpose of submitting to the voters an ordinance proposing the imposition of a Transactions and Use Tax (the “Tax”), as a general tax, as authorized by Revenue and Taxation Code section 7285.9. All proceeds of the Tax shall be deposited into the City’s General Fund.

Section 2. The ordinance authorizing the Tax to be approved by the voters pursuant to Section 1 shall be known as the City of Redlands’ Transactions and Use Tax Ordinance and is as set forth in Exhibit “A” hereto. The City Council has approved the Tax Ordinance, the form thereof, and its submission to the voters of the City at the November 3, 2020 election, as required by Revenue and Taxation Code section 7285.9, subject to the approval of a majority of the voters voting on the measure at the election. The entire text of the Tax Ordinance shall be made available to the public upon request. The Tax Ordinance specifies that the rate of the transactions tax shall be one percent (1.0%) 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 (1.0%) of the sales price of tangible personal property stored, used or otherwise consumed in the City. The California Board of Tax and Fee Administration shall collect the tax from retailers subject to the Tax and remit the funds to the City.

Section 3. The Tax Ordinance shall be submitted to the voters on the ballot in the form of the following question:

“To provide funding for safety services, fire protection, paramedics, 911 emergency response, addressing homelessness, police patrols and crime prevention, maintaining library services, parks, sidewalks and roads, keeping public areas well-maintained and other general services; shall the City of Redlands’ measure establishing a one-cent sales tax be adopted, providing \$10.7 million annually for city services until ended by voters, requiring a citizen oversight committee, independent audits, and all funds controlled locally?”	YES
	NO

The City Clerk shall maintain a copy of the Tax Ordinance and shall make the same available for public inspection upon request.

Section 4. The arguments in “Favor” or “Against” the above ballot measure shall not exceed 300 words and shall be filed with the City Clerk of the City of Redlands on or before 5:00 P.M., August 17, 2020, after which no arguments in “favor” or “against” the City measure may be submitted to the City Clerk.

Section 5. That the City Council authorizes and reserves the right of any and all members of the City Council to file a written argument, not to exceed 300 words, in “Favor” of the proposed Tax Ordinance.

Section 6. That rebuttal arguments shall be filed with the City Clerk by 5:00 P.M., August 21, 2020, and shall not exceed 250 words.

Section 7. That the City Clerk is hereby directed to transmit a copy of the Tax Ordinance to the City Attorney, who shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and operation of the measure in accordance with section 9280 of the Elections Code.

Section 8. That during the period commencing August 18, 2020, and ending August, 27, 2020, the City Clerk shall make available for public inspection the arguments filed “For” or “Against” the ballot measure and the impartial analysis.

Section 9. That during the period commencing August 22, 2020, and ending August 31, 2020, the City Clerk shall make available for public inspection the arguments filed in rebuttal to the arguments filed “For” and “Against” the ballot measure.

Section 10. That the County of San Bernardino’s Election Department is hereby authorized to canvass the returns of the election.

Section 11. That the Board of Supervisors of the county of San Bernardino is hereby requested to issue instructions to the county’s Election Department to take any and all steps necessary for the holding of the election.

Section 12. That the City of Redlands recognizes that costs will be incurred by the county of San Bernardino in connection with the election and agrees to reimburse the county for any such costs.

Section 13. That this resolution, at such time that it is effective, shall serve to additionally appropriate the cost of placing this ballot measure before the voters for the November 3, 2020, General Municipal Election, currently estimated at \$129,000, from the General Fund’s unassigned fund balance.

Section 14. That the City Clerk is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the Election Department of the county of San Bernardino.

Section 15. That this Resolution shall take effect immediately upon its adoption.

Section 16. That the City Clerk shall certify to the passage of this Resolution and enter it into the City’s book of original resolutions.

Section 17. This Resolution is exempt from the California Environmental Quality Act (Public Resources Code section 21000 et seq.) (“CEQA”) pursuant to the State’s CEQA Guidelines sub-section 15060(c)(2) because the adoption of this Resolution will not result in a

direct or a reasonably foreseeable, indirect, physical change in the environment; and State CEQA Guidelines sub-sections 15378(b)(2) and (4), because the adoption of this Resolution, and imposition of the tax proposed under the Tax Ordinance, does not constitute a “project” under CEQA, and therefore review under CEQA is not required.

APPROVED and ADOPTED by the City Council of the City of Redlands on this 7<sup>th</sup> day of July, 2020.

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Paul W. Foster, Mayor

ATTEST:

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Jeanne Donaldson, City Clerk

## CITY CLERK'S CERTIFICATE

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a, regular meeting of the City Council duly and regularly held on July 7, 2020, of which meeting all of the members of said City Council had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated: July 7, 2020

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Jeanne Donaldson, City Clerk

**EXHIBIT "A"**

ORDINANCE NO. 2913