

## RESOLUTION NO. 6417

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ORDERING THAT THE CITY OF GARDENA NEIGHBORHOOD SAFETY AND COMMUNITY SERVICES MEASURE TO ADOPT A THREE-QUARTER CENT (3/4¢) LOCAL TRANSACTIONS (SALES) AND USE TAX BE SUBMITTED TO THE VOTERS OF THE CITY AT THE MARCH 3, 2020 GENERAL MUNICIPAL ELECTION; DIRECTING THE CITY ATTORNEY TO PREPARE AND FILE AN IMPARTIAL ANALYSIS OF THE MEASURE; AND AUTHORIZING AND SETTING DEADLINES FOR THE FILING OF ARGUMENTS IN THE OFFICE OF THE CITY CLERK FOR AND AGAINST THE MEASURE**

WHEREAS, Gardena residents strongly prioritize maintaining and protecting city services that protect the health, welfare and safety of residents and maintain the quality of life of residents in the City; and

WHEREAS, to preserve vital city services the City must identify a reliable source of locally controlled funding for priorities such as: keeping public areas safe and clean; repairing streets and potholes; and maintaining 9-1-1 emergency response times, firefighters and paramedics, gang and drug prevention programs, senior/youth services, and neighborhood police patrols; and protecting local drinking water supplies; and

WHEREAS, the City seeks to maintain quality services that many Gardena senior citizens and families have prioritized and rely on, such as free hot meals for seniors and programs addressing dementia and Alzheimer's Disease; and

WHEREAS, the Gardena Police Department dedicates officers and resources to keeping gangs out of our City, including providing counseling and mentoring to keep at-risk kids in-school and out of gangs; and

WHEREAS, in 2018, the City responded to more than 27,000 911 emergency calls, including nearly 4,000 medical emergencies; and

WHEREAS, additional local revenue will maintain police officers who protect neighborhood safety, and ensure local firefighters and paramedics can respond quickly to 911 emergencies; and

WHEREAS, the City faces severe budget pressures due to increasing General Fund expenditures outpacing General Fund revenue, thereby creating growing budget deficits in future years which would result in the depletion of the City's General Fund Reserves if the current financial condition of the City is not addressed by new funding sources; and

WHEREAS, if enacted, a new transactions and use tax measure would give the City local control over funds for local needs and no funds could be taken by the State; and

WHEREAS, the City Council adopted a resolution calling a General Municipal Election for Tuesday, March 3, 2020; and

WHEREAS, this Council also adopted a resolution requesting that the General Municipal Election be consolidated with the Statewide Primary Election to be held on March 3, 2020 and requested the assistance of the Los Angeles County Registrar-Recorder/County Clerk; and

WHEREAS, California Revenue and Taxation Code Sections 7285.9 authorizes the City to levy a general transactions (sales) and use tax, with all revenues deposited into the City's General Fund to be expended for governmental purposes as determined by the City Council; and

WHEREAS, in order to levy such a tax, the Ordinance imposing the tax must be approved by a two-thirds vote of the City Council and the tax must be approved by a majority vote of the votes cast; and

WHEREAS, this City Council now desires to submit to the voters of the City, at the General Municipal Election to be held on March 3, 2020, an Ordinance imposing a three-quarter percent (0.75%) transaction (sales) and use tax.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DOES HEREBY FIND, DETERMINE, AND RESOLVE, AS FOLLOWS:

SECTION 1. That the above recitals are true and correct and are incorporated herein.

SECTION 2. The City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election to be held on March 3, 2020, the following question, which requires the approval of a majority (50% +1) of the votes cast:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| CITY OF GARDENA NEIGHBORHOOD SAFETY AND COMMUNITY SERVICES MEASURE: To provide the City of Gardena with funding available to retain experienced police officers/ firefighters/ paramedics; maintain 911 emergency response times, gang/ drug prevention programs, emergency communications, neighborhood police patrols, youth/senior services, parks/ recreation centers; repair streets/ sidewalks, and provide general fund services shall the ordinance establishing a 3/4¢ sales tax be adopted, providing approximately \$7,400,000 annually, until ended by voters, requiring annual audits, all funds controlled locally? | YES |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | NO  |

SECTION 3. The complete text of the Ordinance to be submitted to the voters is attached hereto as Exhibit "A" and is incorporated herein by this reference. The ballot question and the Ordinance are collectively referred to herein as the "Measure".

SECTION 4. Pursuant to California Elections Code, section 9280, the City Council directs the City Clerk to transmit a copy of the Measure to the City Attorney, who is hereby directed to prepare an impartial analysis of the Measure, not to exceed 500 words, showing the effect of the Measure on existing law and the operation of the Measure, and to transmit such impartial analysis to the City Clerk not later than 5:30 p.m. on December 10, 2019. The impartial analysis shall include a statement indicating that the Measure was placed on the ballot by the Gardena City Council.

SECTION 5. Arguments for and against the Measure may be filed in accordance with applicable provisions of law. The City Council does not authorize the Council as a body or any individual member of the Council to file a written argument or any rebuttal argument for or against

the Measure. The City Clerk shall consider other arguments and rebuttal arguments filed by bona fide associations or individual residents who are eligible to vote in accordance with applicable provisions of law. Arguments submitted for or against the Measure shall not exceed 300 words, and shall be accompanied by the printed names and signatures of the authors submitting the argument, or, if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. Arguments for or against the Measure shall be filed not later than 5:30 p.m. on December 10, 2019, during normal office hours. When the City Clerk has selected the primary arguments for and against the Measure which will be printed and distributed to the voters, the City Clerk shall send copies of the primary argument in favor to the authors of the primary argument against, and copies of the primary argument against to the authors of the primary argument in favor. The authors, or persons designated by them, may file rebuttal arguments not to exceed 250 words, which rebuttal arguments shall be filed not later than 5:00 p.m. on December 20, 2019, during normal office hours. All arguments may be changed or withdrawn until the applicable filing deadline. All arguments shall be filed in the Office of the City Clerk, City Hall, 1700 West 162<sup>nd</sup> Street, Gardena, CA 90247. The City Clerk shall follow California Elections Code, sections 9281 through 9287, with respect to ballot arguments.

SECTION 6. Pursuant to Section 10400 et seq. of the Elections Code, the Board of Supervisors of Los Angeles County is hereby requested to consent and agree to the consolidation of the election with the Statewide Primary Election on Tuesday, March 3, 2020 for the purpose of submitting to the voters of the City of Gardena the question set forth in Section 2 above.

SECTION 7. Pursuant to Section 10400 et seq. of the Elections Code, the Board of Supervisors of Los Angeles County is requested to consolidate the election on this ballot measure with other elections held on the same day in the County.

SECTION 8. The Board of Supervisors is authorized to canvass the returns of the Election pursuant to Section 10411 of the Elections Code.

SECTION 9. Pursuant to Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the County Clerk to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the City agrees to reimburse the County, in accordance with current County pro-rations and allocation procedures.

SECTION 10. In all respects not expressly set forth in this Resolution, the election shall be held and conducted as set forth in all applicable laws pertaining to the holding of general municipal elections. The City Clerk is authorized and directed to perform all acts required by law to implement the provisions of this Resolution.

SECTION 11. The adoption of this Resolution constitutes notice of the time and place of the holding of this election, and the City Clerk is authorized and directed to give such further or additional notice of this election, and the Measure, in time, form, and manner as required by law.

SECTION 12. The adoption of this Resolution is exempt from the California Environmental Quality Act (California Public Resources Code, section 21000, et seq.), and the CEQA Guidelines (14 California Code of Regulations, section 15000, et seq.). This Resolution does not constitute a "project" as defined therein. The Measure, if adopted, will raise general funds to be appropriated by subsequent actions of the City Council, and it does not constitute a commitment to any particular project which may have a physical impact on the environment.

the Measure. The City Clerk shall consider other arguments and rebuttal arguments filed by bona fide associations or individual residents who are eligible to vote in accordance with applicable provisions of law. Arguments submitted for or against the Measure shall not exceed 300 words, and shall be accompanied by the printed names and signatures of the authors submitting the argument, or, if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. Arguments for or against the Measure shall be filed not later than 5:30 p.m. on December 10, 2019, during normal office hours. When the City Clerk has selected the primary arguments for and against the Measure which will be printed and distributed to the voters, the City Clerk shall send copies of the primary argument in favor to the authors of the primary argument against, and copies of the primary argument against to the authors of the primary argument in favor. The authors, or persons designated by them, may file rebuttal arguments not to exceed 250 words, which rebuttal arguments shall be filed not later than 5:00 p.m. on December 20, 2019, during normal office hours. All arguments may be changed or withdrawn until the applicable filing deadline. All arguments shall be filed in the Office of the City Clerk, City Hall, 1700 West 162<sup>nd</sup> Street, Gardena, CA 90247. The City Clerk shall follow California Elections Code, sections 9281 through 9287, with respect to ballot arguments.

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SECTION 12. The adoption of this Resolution is exempt from the California Environmental Quality Act (California Public Resources Code, section 21000, et seq.), and the CEQA Guidelines (14 California Code of Regulations, section 15000, et seq.). This Resolution does not constitute a "project" as defined therein. The Measure, if adopted, will raise general funds to be appropriated by subsequent actions of the City Council, and it does not constitute a commitment to any particular project which may have a physical impact on the environment.

SECTION 13. If any section, subsection, sentence, clause, phrase or portion of this Resolution or its application to any person or circumstance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution or its application to other persons and circumstances. The City Council of the City of Gardena hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are hereby declared to be severable.

SECTION 14. That this Resolution shall be effective immediately upon its passage and adoption.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.

Passed, approved, and adopted this 26<sup>th</sup> day of November, 2019.

  
TASHA CERDA, Mayor

ATTEST:

  
MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

  
PETER L. WALLIN, City Attorney

Attachment:

Exhibit A – Ordinance No. 1811

STATE OF CALIFORNIA                    )  
COUNTY OF LOS ANGELES            ) SS:  
CITY OF GARDENA                        )

I, **MINA SEMENZA**, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being **Resolution No. 6417** duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the **26th day of November , 2019**, and that the same was so passed and adopted by the following roll call vote:

AYES:     MAYOR CERDA, COUNCIL MEMBER MEDINA, MAYOR PRO TEM  
            KASKANIAN, AND COUNCIL MEMBERS HENDERSON AND TANAKA

NOES:     NONE

ABSENT:   NONE

*Becky Romero*  
*for* \_\_\_\_\_  
City Clerk of the City of Gardena, California

(SEAL)

**EXHIBIT A**

**ORDINANCE NO. 1811**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDENA,  
CALIFORNIA, ENACTING A TRANSACTIONS AND USE TAX (SALES TAX)  
TO BE ADMINISTERED BY THE DEPARTMENT OF TAX AND FEE  
ADMINISTRATION, SUBJECT TO ADOPTION BY THE ELECTORATE**

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA,  
CALIFORNIA, DOES HEREBY ORDAIN, AS FOLLOWS:

SECTION 1. ADOPTION OF NEW CHAPTER. Chapter 3.14 [Transactions and Use Tax]  
is hereby added to the Gardena Municipal Code to read as follows:

**Chapter 3.14  
TRANSACTIONS AND USE TAX**

**3.14.010 Title.**

This Ordinance shall be known as the City of Gardena Neighborhood Safety and Community Services Transactions and Use Tax Ordinance of 2020. The City of Gardena hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

**3.14.020 Operative Date.**

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the approval of the tax set forth herein by the voters pursuant to Section 7 of this ordinance.

**3.14.030 Purpose.**

This Ordinance 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 therefore that can be administered and collected by the California Department of Tax and Fee Administration 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 California Department of Tax and Fee

Administration 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 Ordinance.

E. To provide transactions and use tax revenue to the City to be used for general purposes.

**3.14.040 Contract with State.**

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration 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 California Department of Tax and Fee Administration 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 3/4 of a cent per dollar (0.75%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

**3.14.060 Place of Sale.**

For the purposes of this Ordinance, 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 California Department of Tax and Fee Administration.

**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 this Ordinance for storage, use or other consumption in said territory at the rate of 3/4 of a cent per dollar (0.75%) 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 the Provisions of State Law.**

Except as otherwise provided in this Ordinance 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 Ordinance as though fully set forth herein.

**3.14.090 Limitations on Adoption of State Law and Collection of Use Tax**

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 of this City 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 Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this ordinance.

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.

1. "A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

**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 ordinance.

**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 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 this ordinance.

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 this ordinance.

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 ordinance, 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 this ordinance.

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 this ordinance.

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 Ordinance shall be entitled to credit against that tax any transactions tax, or to reimbursement for a transactions tax, paid to a district or retailer in a district imposing a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code.

#### **3.14.120 Amendments to State Law.**

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code (commencing with Section 6001) 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 Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance. The City Council or the City's voters may amend this Ordinance to comply with applicable law or as may be otherwise necessary to further the Ordinance's stated purposes. However, as required by Article XIII C of the California Constitution, no amendment to this Ordinance may increase the rate of the taxes authorized by this chapter unless such amendment is submitted to an approved by the voters.

**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 ordinance, 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.

**3.14.140 Use of Proceeds**

The proceeds of the tax imposed by this ordinance shall be deposited in the general fund of the City and may be used for any lawful municipal purpose. The tax does not meet the criteria established by Section 1(d) of Article XIII C of the California Constitution for special taxes, and is a general tax imposed for general government purposes

**3.14.150 Annual Audit**

The proceeds of this tax shall be subject to annual audit by an independent certified public accountant and the results of the audit shall be reported to the City Council in a document posted on the City's website and available for public inspection. Such audit may be done at the same time (and as a part of) the City's annual audit, and such reporting may be done as a part of the City's Consolidated Annual Financial Report.

**3.14.160 Severability.**

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**3.14.170 Effective Date.**

This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

**3.14.180 Termination Date.**

The authority to levy the tax imposed by this ordinance shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law."

SECTION 2. SEVERABILITY. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this ordinance 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 section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

SECTION 3. CEQA. The adoption of this ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code

Section§§ 21000 et seq.). CEQA Guideline§ 15378(b)(4) provides that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA.

SECTION 4. CERTIFICATION. The City Clerk of the City of Gardena shall certify that this ordinance was passed, approved and adopted by the People of the City of Gardena, California, voting on the 3<sup>rd</sup> day of March, 2020.

SECTION 5. EFFECTIVE DATE. AND SUBMISSION TO VOTERS. This ordinance relates to the levying and collecting of City transactions and use tax and shall take effect immediately. However, no tax imposed by this ordinance shall be effective unless that tax has been approved by the voters of the City as required by Section 2(b) of Article XIII C of the California Constitution and applicable law. Furthermore, the tax shall become operative only as set forth in Section 3.14.020 (Operative Date) of Chapter 3.14 [Transactions and Use Tax] which is codified by the adoption of this Ordinance.

Passed, approved, and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
TASHA CERDA, Mayor

ATTEST:

\_\_\_\_\_  
MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
PETER L. WALLIN, City Attorney