

RESOLUTION 6718

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ORDERING THAT THE CITY OF GARDENA SERVICES MEASURE BE SUBMITTED TO THE VOTERS AT THE JUNE 2, 2026 GENERAL MUNICIPAL ELECTION; REQUESTING THE ASSISTANCE OF THE COUNTY OF LOS ANGELES IN CONNECTION WITH THAT ELECTION AND REQUESTING THAT THE ELECTION BE CONSOLIDATED WITH THE STATEWIDE PRIMARY ELECTION BEING HELD ON THAT DATE

WHEREAS the City relies on its general fund to provide municipal services such as fire, paramedic, and police services; 911 response; maintenance of streets, parks and other public areas; and afterschool and senior programs; and

WHEREAS in order for the City to maintain fire, paramedic and police services; maintain 911 response times; hire and retain well-trained police to help prevent property crimes; keep public areas and parks safe and clean; address homelessness; repair streets and potholes and maintain afterschool programs and senior services it is critically important that the City have a new, long-term, source of funds for its general fund; and

WHEREAS a 0.25% transactions and use tax for general purposes would provide such a source of funds; and

WHEREAS such transactions and use taxes are commonly referred to as "local sales taxes" and are separate taxes from the basic 1% Bradley-Burns sales and use tax that is levied by every city in California; and

WHEREAS a 0.25% transactions and use tax is commonly referred to as a quarter-cent local sales tax because the tax on each dollar of taxable activity is one-quarter of one cent; and

WHEREAS California Revenue and Taxation Code Sections 7285.9 authorizes the City to levy a transactions and use tax for general purposes if the Ordinance imposing the tax is approved by a two-thirds vote of the City Council and the tax is approved by a majority vote of the electorate; and

WHEREAS by prior resolution the City Council called a General Municipal Election for June 2, 2026; and

WHEREAS the General Municipal Election will be consolidated with the Statewide Direct Primary election and conducted by the County of Los Angeles; and

WHEREAS the City Council now desires to submit to the voters of the City, at the General Municipal Election to be held on June 2, 2026, an ordinance imposing a 0.25% transaction and use tax; and

WHEREAS the City Council desires to take certain related actions regarding the election on this City of Gardena Services Measure.

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

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

SECTION 2. Pursuant to Elections Code Section 9222, the City Council, by a two- thirds vote of its members, hereby submits the Ordinance attached hereto as Exhibit "A", and incorporated herein by reference, to the voters at the June 2, 2026, General Municipal Election.

SECTION 3. The question submitted to the voters shall appear on the ballot as follows:

City of Gardena Services Measure. Shall the measure providing long-term funding for City of Gardena’s general services, such as maintaining fire, paramedic, police, 911 response; hiring and retaining well-trained police helping prevent property crimes; keeping public areas/parks safe/clean; addressing homelessness; repairing streets and potholes; maintaining afterschool programs and senior services; by establishing a ¼¢ sales tax, providing approximately \$3,900,000 annually until ended by voters, requiring audits, public spending disclosure, all funds controlled locally, be adopted?	YES
	NO

That, at the election, the vote requirement for the measure to pass is a majority of the votes cast.

SECTION 4. 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 on this question with the Statewide Direct Primary Election on Tuesday, June 2, 2026.

SECTION 5. Notice of the time and place of the election is hereby given. Pursuant to the provisions of Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is hereby requested to permit the County Election Department to provide all services necessary or appropriate in connection with the consolidated election.

SECTION 6. The City will reimburse the County for services performed when the work is completed and upon presentation to the City of a properly approved bill. 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 7. The ballots to be used at the election shall be in form and content as required by law, and the election shall be held and conducted in the manner prescribed by law for municipal elections.

SECTION 8. Pursuant to Section 12111 of the Elections Code, the City Clerk's Office shall publish the required notice in a newspaper of general circulation for the City of Gardena and in all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections. Additionally, the City Clerk is authorized, instructed, and directed 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 9. Pursuant to Section 9280 of the California Elections Code, 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 February 10, 2026. The impartial analysis shall include a statement indicating that the Measure was placed on the ballot by the Gardena City Council.

SECTION 10. 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 February 10, 2026, 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 4:30 p.m. on February 20, 2026, 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 162nd Street, Gardena, CA 90247. The City Clerk shall follow California Elections Code, sections 9281 through 9287, with respect to ballot arguments.

SECTION 11. This Resolution is exempt from CEQA pursuant to CEQA Guidelines §15378(b)(4), which 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 12. 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 13. This Resolution shall be effective immediately upon its passage and adoption.

SECTION 14. The City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered in the book of 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 27th day of January, 2026


TASHA CERDA, Mayor

ATTEST:


MINA SEMENZA, City Clerk



APPROVED AS TO FORM:



CARMEN VASQUEZ, City Attorney

Exhibit "A"

ORDINANCE NO. 1886

AN ORDINANCE OF THE PEOPLE AND CITY COUNCIL OF THE CITY OF GARDENA ADDING CHAPTER 3.46 TO THE MUNICIPAL CODE TO IMPOSE A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS the City relies on its general fund to provide municipal services such as fire, paramedic, and police services; 911 response; maintenance of streets, parks and other public areas; afterschool and senior programs; and

WHEREAS in order for the City to maintain fire, paramedic and police services; maintain 911 response times; hire and retain well-trained police to help prevent property crimes; keep public areas and parks safe and clean; address homelessness; repair streets and potholes and maintain afterschool programs and senior services it is critically important that the City have a new, long-term, source of funds for its general fund; and

WHEREAS a transactions and use tax for general purposes would provide such a source of funds; and

WHEREAS such transactions and use taxes are commonly referred to as "local sales taxes" and are separate taxes from the basic 1% Bradley-Burns sales and use tax that is levied by every city in California.

NOW, THEREFORE, THE PEOPLE AND THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Amendment. Chapter 3.46 (2026 Transactions and Use Tax) is added to Title 3 (Revenue and Finance) of the Municipal Code to read as follows:

3.46.010 Title and Scope.

This chapter shall be known as the City of Gardena Service Ordinance. The City of Gardena hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

3.46.020 Operative Date.

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this chapter. For purposes of Revenue and Taxation Code section 7265, this ordinance shall be considered adopted on the date of the election in which it is approved by the qualified voters of the City.

3.46.030 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 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.

3.46.040 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 this chapter; 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.

3.46.050 Imposition of 0.25% Transactions Tax.

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 0.25% 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 Chapter.

3.46.060 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 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.

3.46.070 Imposition of 0.25% Use Tax.

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 chapter for storage, use or other consumption in said territory at the rate of 0.25% 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.

3.46.080 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.

3.46.090 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 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 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.

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.

3.46.100 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.

3.46.110 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 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 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 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 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.

3.46.120 Amendments.

All amendments subsequent to the effective date of 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.

3.46.130 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.

3.46.140 Use of Tax Proceeds.

The proceeds of the tax imposed by this chapter 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.

3.46.150 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.

3.46.160 Severability.

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

3.46.170 Termination Date.

The tax imposed by this chapter shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law.

SECTION 2. Adoption. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately. This Ordinance shall take effect only if it is both (i) approved by a two-thirds vote of all members of the City Council and (ii) approved by a majority vote of the qualified voters of the city voting in an election on the issue. The tax imposed by this ordinance shall take effect as set forth in Section 3.46.020 of the Municipal Code as set forth in Section 1 of this Ordinance.

SECTION 3. Interaction With Existing Transactions and Use Tax. The transactions and use tax imposed by this Ordinance is separate from and in addition to the City's existing 0.75% transactions and use tax imposed by Chapter 3.14 of the Municipal Code. Nothing in this Ordinance is intended to amend Chapter 3.14 or to affect the existing tax, which will continue to apply, on its terms, regardless of whether this Ordinance is adopted.

SECTION 5. CEQA. This Ordinance is exempt from CEQA pursuant to CEQA Guidelines §15378(b)(4) which 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 6. 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 7. Certification. The City Clerk shall certify the passage of this ordinance by the City Council and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a publication of general circulation.

Passed, approved, and adopted this 10th day of February, 2026.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

Adopted by the voters of the City at the election held on the ____ day of _____, 2026.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

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. 6718** 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 **27th day of January 2026**, and that the same was so passed and adopted by the following roll call vote:

AYES: COUNCIL MEMBERS LOVE AND FRANCIS, MAYOR CERDA, MAYOR PRO TEM HENDERSON, AND COUNCIL MEMBER TANAKA

NOES: NONE

ABSENT: NONE

for Becky Romero
City Clerk of the City of Gardena, California



ORDINANCE NO. 1886

AN ORDINANCE OF THE PEOPLE AND CITY COUNCIL OF THE CITY OF GARDENA ADDING CHAPTER 3.46 TO THE MUNICIPAL CODE TO IMPOSE A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS the City relies on its general fund to provide municipal services such as fire, paramedic, and police services; 911 response; maintenance of streets, parks and other public areas; afterschool and senior programs; and

WHEREAS in order for the City to maintain fire, paramedic and police services; maintain 911 response times; hire and retain well-trained police to help prevent property crimes; keep public areas and parks safe and clean; address homelessness; repair streets and potholes and maintain afterschool programs and senior services it is critically important that the City have a new, long-term, source of funds for its general fund; and

WHEREAS a transactions and use tax for general purposes would provide such a source of funds; and

WHEREAS such transactions and use taxes are commonly referred to as "local sales taxes" and are separate taxes from the basic 1% Bradley-Burns sales and use tax that is levied by every city in California.

NOW, THEREFORE, THE PEOPLE AND THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Amendment. Chapter 3.46 (2026 Transactions and Use Tax) is added to Title 3 (Revenue and Finance) of the Municipal Code to read as follows:

“3.46.010 Title and Scope.

This chapter shall be known as the City of Gardena Service Ordinance. The City of Gardena hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

3.46.020 Operative Date.

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this chapter. For purposes of Revenue and Taxation Code section 7265, this ordinance shall be considered adopted on the date of the election in which it is approved by the qualified voters of the City.

3.46.030 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 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.

3.46.040 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 this chapter; 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.

3.46.050 Imposition of 0.25% Transactions Tax.

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 0.25% 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 Chapter.

3.46.060 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 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.

3.46.070 Imposition of 0.25% Use Tax.

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 chapter for storage, use or other consumption in said territory at the rate of 0.25% 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.

3.46.080 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.

3.46.090 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 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 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.

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

3.46.100 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.

3.46.110 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 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 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 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 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.

3.46.120 Amendments.

All amendments subsequent to the effective date of 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.

3.46.130 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.

3.46.140 Use of Tax Proceeds.

The proceeds of the tax imposed by this chapter 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.

3.46.150 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.

3.46.160 Severability.

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

3.46.170 Termination Date.

The tax imposed by this chapter shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law.

SECTION 2. Adoption. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately. This Ordinance shall take effect only if it is both (i) approved by a two-thirds vote of all members of the City Council and (ii) approved by a majority vote of the qualified voters of the city voting in an election on the issue. The tax imposed by this ordinance shall take effect as set forth in Section 3.46.020 of the Municipal Code as set forth in Section 1 of this Ordinance.

SECTION 3. Interaction With Existing Transactions and Use Tax. The transactions and use tax imposed by this Ordinance is separate from and in addition to the City's existing 0.75% transactions and use tax imposed by Chapter 3.14 of the Municipal Code. Nothing in this Ordinance is intended to amend Chapter 3.14 or to affect the existing tax, which will continue to apply, on its terms, regardless of whether this Ordinance is adopted.

SECTION 5. CEQA. This Ordinance is exempt from CEQA pursuant to CEQA Guidelines §15378(b)(4) which 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 6. 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 7. Certification. The City Clerk shall certify the passage of this ordinance by the City Council and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a publication of general circulation.

Passed, approved, and adopted this 10th day of February, 2026.



TASHA CERDA, Mayor

ATTEST:



for MINA SEMENZA, City Clerk

APPROVED AS TO FORM:



CARMEN VASQUEZ, City Attorney

Adopted by the voters of the City at the election held on the ____ day of _____,
2026.

TASHA CERDA, Mayor

ATTEST:

MINA SEMENZA, City Clerk

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 Ordinance, being **Ordinance No. 1886** 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 **10th day of February 2026**, and that the same was so passed and adopted by the following roll call vote:

AYES: COUNCIL MEMBERS FRANCIS AND LOVE, MAYOR CERDA, MAYOR PRO TEM HENDERSON, AND COUNCIL MEMBER TANAKA

NOES: NONE

ABSENT: NONE

Becky Romero
for _____
City Clerk of the City of Gardena, California

(SEAL)