RESOLUTION 2022-093

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED VOTERS OF THE CITY AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2022, A MEASURE TO ESTABLISH A ONE-CENT GENERAL PURPOSE TRANSACTIONS AND USE (SALES) TAX; AUTHORIZING THE SUBMITTAL OF BALLOT ARGUMENTS IN FAVOR OF THE MEASURE; PROVIDING FOR REBUTTAL ARGUMENTS; AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS

WHEREAS, over 95% of residents highly value the quality of life here in Solana Beach; and

WHEREAS, over the past decade, the City of Solana Beach’s revenues have not kept pace with the growing costs associated with providing municipal services and facilities. Although the City has been proactive in responding to this challenge by reducing its costs, deferring maintenance projects, cutting back on basic services where feasible, and through effective financial management practices, the practical reality is that existing revenues will not support the high quality services that residents have come to expect on an ongoing basis; and

WHEREAS, in order to continue to provide the level of service residents expect and deserve, as part of this year’s budget process, the City conducted extensive community engagement efforts to make sure to reflect the City services and priorities that residents rely on the most; and

WHEREAS, the City of Solana Beach should have local control over local funding to ensure residents receive the services they expect and deserve; and

WHEREAS, if local road and infrastructure maintenance needs are not met now, they will be a lot more expensive to repair in the future; and

WHEREAS, the City maintains over 46 miles of roads within Solana Beach, locally controlled funding would allow the City to keep up with basic repairs and maintenance to streets as well as sidewalks, storm drains and public facilities; and

WHEREAS, residents recently prioritized City services including maintaining local streets and repairing potholes, storm drains, and other infrastructure, providing quick responses to 911 emergencies, fire protection and paramedic services, keeping trash and pollution out of local waterways and off our beaches, keeping neighborhoods, parks, and other public areas safe and clean, managing traffic congestion, reducing property related crimes and theft; and
WHEREAS, survey results also indicate that Solana Beach voters have a high opinion of the quality of life in Solana Beach, the City's performance in providing municipal services, and are interested in supporting a locally-controlled sales tax measure to help maintain and improve the quality of City services on an ongoing basis; and

WHEREAS, Revenue & Taxation Code section 7285.9 authorizes the City Council for the City of Solana Beach to levy, increase or extend a general transactions and use tax if the ordinance proposing the tax is approved by a two-thirds vote of all members of the City Council, and the tax is approved by a simple majority (50%+1) vote of the qualified voters of the City voting in an election on the issue; and

WHEREAS, by a two-thirds vote, the City Council has approved Ordinance 526 attached hereto as Exhibit “A” adding Chapter 3.30 to the Solana Beach Municipal Code (the “Sales Tax Ordinance”) for general purposes subject to the approval of the majority of voters in the City; and

WHEREAS, a General Municipal Election for Tuesday, November 8, 2022, has been called by Resolution No. 2022-076, adopted on June 22, 2022 and Resolution No. 2022-077, adopted on June 22, 2022, requested that the Board of Supervisors of the County of San Diego to Consolidate a General Municipal Election to be held on Tuesday, November 8, 2022, with the Statewide General Election to be held on that date; and

WHEREAS, pursuant to Revenue and Taxation Code Section 7285.9 and California Elections Code Section 9222, the City Council desires to submit this Sales Tax Ordinance to the electorate at the General Municipal Election that was previously called; and

WHEREAS, the City Council desires to authorize the City Clerk to carry-out all actions necessary to ensure placement of the Sales Tax Ordinance on the General Municipal Election ballot that has been consolidated with the Statewide General Election Ballot; and

WHEREAS, Elections Code section 9282 authorizes the filing of written arguments for and against measures placed on the ballot, with priority determined according to state law.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct and incorporated herein as findings.
2. That the City Council finds and determines that this activity is not a “Project” as defined under Section 15378(b)(4) of the California Environmental Quality Act (CEQA) Guidelines because it is a financing decision without commitment to a specific project that may result in a potentially significant physical impact on the
environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the actions proposed are not subject to CEQA.

3. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, there has been called and ordered to be held in the City of Solana Beach, California, on Tuesday, November 8, 2022, a General Municipal Election.

4. That the City Council orders submitted to the voters at said General Municipal Election, the following question:

<table>
<thead>
<tr>
<th>SOLANA BEACH STREETS/PARKS/BEACHES/SERVICES MEASURE</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>To maintain and prevent cuts to City of Solana Beach services, such as: maintaining streets, parks, beaches, infrastructure, and storm drains; fire protection, paramedic and 911 emergency response; police patrols, crime prevention, traffic management, graffiti/ trash removal; addressing homelessness; and other city services, shall an ordinance establishing a 1¢ sales tax be adopted, providing approximately $3,000,000 annually for general city services until ended by voters, with independent audits and all money locally controlled?</td>
<td></td>
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5. That the Ordinance to be placed before the voters is attached as Exhibit "A" hereto and incorporated into this resolution by reference. The City does not request the Registrar of Voters to print the entire text of the Ordinance in the voter information materials. That the ballots to be used at the election shall be in the form and content as required by law.

6. That the vote requirement for the Ordinance to pass is a majority (50% +1) of the votes cast.

7. That by adopting this resolution, the City Council hereby approves the form of the attached Ordinance 526, and the submission of said ordinance to the voters of the City at the November 8, 2022, General Municipal Election, such ordinance to become effective in accordance with state law upon the approval of a majority (50%+1) of the voters voting on the measure in the election.

8. That the City Clerk is authorized, instructed, and directed to coordinate with the Registrar of Voters of the County of San Diego 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.

9. That the polls for the election shall be open as provided in Resolution No. 2022-076 and applicable law.

10. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

11. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form, and manner as required by law.

12. That the City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

13. That the City Clerk shall certify to the passage and adoption of this resolution by a two-thirds vote of all members of the City Council and enter it into the book of original resolutions.

14. That the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Registrar of Voters of the County of San Diego and to issue instructions to the Registrar of Voters to take any and all steps necessary to hold the election and propose this measure.

15. That the City requests for this measure to be treated by the County of San Diego pursuant to Resolution No. 2022-077, wherein the City: requested that the County agree to consolidate the General Municipal Election with the Statewide General election; requested that the County permit the Registrar of Voters to perform and render all services and proceedings, and to procure and furnish any and all official ballots, notices, printed matter and all supplies and equipment and paraphernalia incidental to and connected with the conduct of the subject election; requested that the Registrar of Voters canvass the returns and hold the election as if it were only one election with one form of ballot; requested that the County Board of Supervisors issue instructions to the Registrar of Voters to take any and all steps for the holding of the consolidated election and canvas the returns; agreed to reimburse the County in full for the services performed by the San Diego County Registrar of Voters by the City of Solana Beach upon presentation of a proper invoice, including reimbursement for any additional costs to consolidate the election; and agreed to indemnify and save free and harmless the County, its officers, agents and employees from expense or liability, including reasonable attorneys’ fees, as a result of an election contest arising after conduct of this election so long as the basis for
any such claim arises from the conduct of the City or as a result of the reasonable reliance by County upon information provided by City.

16. Ballot arguments shall be accepted for and against this measure in the manner required by law. An argument shall not exceed 300 words in length. The arguments may be changed or withdrawn until and including the date fixed by the City Clerk, in accordance with Elections Code section 9286(b), after which no arguments for or against the measure may be submitted to the City Clerk. The arguments shall be accompanied by the Form of Statement to Be Filed by Author(s) of Argument as supplied by the City Clerk.

17. Due to the community interest in this issue, the City Council authorizes a process permitting a community submittal of the argument. Under Elections Code Section 9282, a ballot argument on this measure may only be submitted by an individual voter eligible to vote on the measure, a bona fide association of citizens, or any combination of voters or associations.

18. Pursuant to section 9285 of the Elections Code of the State of California, when the City Clerk has selected the arguments for and against a measure that will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the measure to the authors of any argument against, and copies of the argument against to the authors of any argument in favor. The author or a majority of the authors of an argument may prepare and submit rebuttal arguments not exceeding 250 words or may authorize, in writing, any other person or persons to prepare, submit, or sign the rebuttal argument. These provisions for rebuttal arguments are only applicable to the November 8, 2022 general election and after that election shall expire.
19. That the City Clerk is directed to transmit a copy of the proposed Ordinance in Exhibit “A” to the City Attorney. That the City Attorney is directed to prepare an impartial analysis of the proposed Ordinance pursuant to Elections Code Section 9280. That the impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

PASSED AND ADOPTED this 13th day of July, 2022, at a regularly scheduled meeting of the by the City council of the City of Solana Beach by the following vote:

AYES: Councilmembers – Heebner, Harless, Zito, Edson, Becker
NOES: Councilmembers – None
ABSENT: Councilmembers – None
ABSTAIN: Councilmembers – None

LESA HEEBNER, Mayor

APPROVED AS TO FORM:

JOHANNA N. CANLAS, City Attorney

ATTEST:

ANGELA IVEY, City Clerk
ORDINANCE 526

AN ORDINANCE OF THE CITY OF SOLANA BEACH, CALIFORNIA, ADDING A NEW CHAPTER 3.30 TO THE SOLANA BEACH MUNICIPAL CODE ESTABLISHING AND IMPOSING A ONE CENT GENERAL TRANSACTIONS AND USE (SALES) TAX FOR LOCAL STREET AND INFRASTRUCTURE MAINTENANCE, CRIME PREVENTION, EMERGENCY RESPONSE, TRAFFIC MANAGEMENT AND TO MAINTAIN AND HELP IMPROVE THE QUALITY OF OTHER MUNICIPAL SERVICES TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, over 95% of residents highly value the quality of life here in Solana Beach; and

WHEREAS, over the past decade, the City of Solana Beach’s revenues have not kept pace with the growing costs associated with providing municipal services and facilities. Although the City has been proactive in responding to this challenge by reducing its costs, deferring maintenance projects, cutting back on basic services where feasible, and through effective financial management practices, the practical reality is that existing revenues will not support the high quality services that residents have come to expect on an ongoing basis; and

WHEREAS, in order to continue to provide the level of service residents expect and deserve, as part of this year’s budget process, the City conducted extensive community engagement efforts to make sure to reflect the City services and priorities that residents rely on the most; and

WHEREAS, City of Solana Beach should have local control over local funding to ensure residents receive the services they expect and deserve; and

WHEREAS, if local road and infrastructure maintenance needs are not met now, they will be a lot more expensive to repair in the future; and

WHEREAS, the City maintains over 46 miles of roads within Solana Beach, locally controlled funding would allow the City to keep up with basic repairs and maintenance to streets as well as sidewalks, storm drains and public facilities; and
WHEREAS, residents recently prioritized City services including maintaining local streets and repairing potholes, storm drains, and other infrastructure, providing quick responses to 911 emergencies, fire protection and paramedic services, keeping trash and pollution out of local waterways and off our beaches, keeping neighborhoods, parks, and other public areas safe and clean, managing traffic congestion, reducing property related crimes and theft; and

WHEREAS, survey results also indicate that Solana Beach voters have a high opinion of the quality of life in Solana Beach, the City’s performance in providing municipal services, and are interested in supporting a locally-controlled sales tax measure to help maintain and improve the quality of City services on an ongoing basis; and

WHEREAS, Revenue and Taxation Code Section 7285.9 authorizes the City Council for the City of Solana Beach to levy, increase or extend a general transactions and use tax if the ordinance proposing the tax is approved by a two-thirds vote of all members of the City Council, and the tax is approved by a simple majority (50%+1) vote of the qualified voters of the City voting in an election on the issue; and

WHEREAS, the proposed Chapter 3.30 of the Solana Beach Municipal Code, set forth below, establishes a transactions and use tax to be administered by the California Department of Tax and Fee Administration consistent with City Council direction and state law.

NOW THEREFORE, subject to approval by an affirmative, simple majority vote of the people as required by law, the People of the City of Solana Beach do ordain as follows:

SECTION 1. FINDINGS

The facts set forth in the recitals are true and correct and incorporated herein by this reference. The recitals constitute findings in this matter and, together with the staff report, other written reports, public testimony and other information contained in the record, are an adequate and appropriate evidentiary basis for the actions taken in this Ordinance.

SECTION 2. ADDITION OF CHAPTER 3.30

The Solana Beach Municipal Code is hereby amended to add Chapter 3.30 as set forth below, thereby enacting a one-cent general local transactions and use tax within the City of Solana Beach, to be administered by the California Department of Tax and Fee Administration:

CHAPTER 3.30: SOLANA LOCAL STREETS, INFRASTRUCTURE, EMERGENCY RESPONSE AND MUNICIPAL SERVICES GENERAL TRANSACTIONS AND USE TAX

Sections:
3.30.010 Title.

3.30.020 Operative date.

3.30.030 Purpose.

3.30.040 Contract with state.

3.30.050 Transactions tax rate.

3.30.060 Place of sale.

3.30.070 Use tax rate.

3.30.080 Adoption of provisions of state law.

3.30.090 Limitations on adoption of state law and collection of use taxes.

3.30.100 Permit not required.

3.30.110 Exemptions and Exclusions.

3.30.120 Amendments of Revenue and Taxation Code.

3.30.130 Enjoining collection forbidden.

3.30.140 Amendments by City Council.

3.30.150 Use of proceeds.

3.30.160 Independent Annual Audit.

3.30.170 Severability.

3.30.010 Title.

The Ordinance codified in this chapter shall be known as the “Solana Beach Local Streets, Infrastructure, Emergency Response and Municipal Services General Transactions and Use Tax.” The City of Solana Beach hereinafter shall be called “City.” This Ordinance shall be applicable in the incorporated territory of the City.

3.30.020 Operative Date.

“Operative Date” means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance, the date of adoption being set forth below.

3.30.030. 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 general 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 vote 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 general 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 general 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 general 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.

3.30.040 Contract with State.
Prior to the Operative Date, 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 effective date of such a contract.

3.30.050 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 one percent 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.

3.30.060 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 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 for the purpose of a transactions tax proposed by this Ordinance shall be determined under rules and regulations prescribed and adopted or to be prescribed and adopted by the California Department of Tax and Fee Administration or under the Revenue and Taxation Code.

3.30.070 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 one percent 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.
3.30.080 Adoption of 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.

3.30.090 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 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 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 that would not otherwise be exempt from this tax while such sales, storage, use or other consumption remains 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 (except in relation to the Code of Civil Procedure and the Civil Code), 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 of the Revenue and Taxation Code.
C. The word "City" shall be substituted for the word "state" in Revenue and Taxation Code Sections 6041 and 6044.

3.30.100 Permit/Registration Not Required.
A. 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.

B. If a marketplace facilitator is registered or required to register with the California Department of Tax and Fee Administration under Chapter 2 (commencing with Section 6051), Chapter 3 (commencing with Section 6201), or under any other law that imposes a fee administered pursuant to Part 30 (commencing with Section 55001) of the Revenue and Taxation Code, no additional registration is required by this Ordinance.

3.30.110 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 Chapter 2 of 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 subsections (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 subsections (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 subsection (7) of this section, 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 may credit against that tax any transactions tax or reimbursement for transactions tax paid to a City 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 consumptions of which is subject to the use tax.

3.30.120 Amendments of Revenue and Taxation Code.
All amendments subsequent to the effective date of this Ordinance 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 Ordinance as codified in this chapter; provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

3.30.130 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.

3.30.140 Amendments by City Council.
The following amendments to this Ordinance as codified in this chapter must be approved by the voters of the City: increasing the tax rate; revising the methodology for calculating the tax, such that a tax increase would result; imposing the tax on transactions and uses
not previously subject to the tax (unless such amendment occurs automatically by operation of law); or terminating the tax. The City Council may otherwise amend this Ordinance as codified in this chapter without submitting the amendment to the voters for approval in any manner that does not constitute a tax “increase” as that term is defined in Government Code section 53750(h).

3.30.150 Use of Proceeds.
The proceeds from the tax imposed by this Ordinance shall be for unrestricted general revenue purposes of the City and shall be received into the general fund of the City. Nothing in this Ordinance shall constitute the tax imposed under this Ordinance as a special tax, or bind the City to use the proceeds for any specific purpose or function; the City Council shall retain discretion to expend the proceeds of the tax for any lawful purpose of the City.

3.30.160 Independent Annual Audit.
The proceeds resulting from this transactions and use tax shall be become subject to the same independent annual audit requirements as other general fund revenue. The independent auditor's report, which shall include an accounting of the revenues received and expenditures made from the transactions and use tax, will be presented annually to the City Council and made available for public review.

3.30.170 Severability.
If any provision of this Ordinance as codified in this chapter 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. Such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Solana Beach hereby declare that they would have adopted this Ordinance as codified in this chapter irrespective of the invalidity of any particular portion thereof and intend that the invalid portions should be severed, and the balance of the Ordinance be enforced.

SECTION 3. ENVIRONMENTAL REVIEW

The adoption of this Ordinance is not a “project” subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Sections 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. IMPLEMENTATION

This Ordinance authorizes City of Solana Beach officers and employees to take all steps necessary to implement this Ordinance in the manner required by law, including any applicable amendments to the laws of the State of California.
SECTION 5. ADOPTION

Pursuant to Elections Code Section 9217, this Ordinance shall be considered as adopted upon the date that the vote by the electorate of the City of Solana Beach is declared by the City Council, and shall become effective ten (10) days after that date.

SECTION 6. CERTIFICATION

The City Clerk shall certify to the adoption of this Ordinance by the voters, cause it to be published as required by law, and forward a copy of the adopted Ordinance to the California Department of Tax and Fee Administration.

It is hereby certified that this Ordinance was duly adopted by the voters at the November 8, 2022 election and took effect 10 days following adoption of a resolution declaring the results of the election at a meeting of the City Council of the City of Solana Beach held on [INSERT DATE]: by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

LESA HEEBNER, Mayor

APPROVED AS TO FORM: ATTEST:

______________________________
JOHANNA N. CANLAS, City Attorney ANGELA IVEY, City Clerk
STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF SOLANA BEACH
SS.

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution 2022-093 approving a measure to establish a one-cent general purpose transactions and use (sales) tax to the qualified voters of the City at the General Municipal election to be held on November 08, 2022 as duly passed and adopted at a Regular Solana Beach City Council meeting held on the 13th day of July, 2022 and is the original on file in the City Clerk's Office.

ANGELA IVEY, CITY CLERK

CERTIFICATION DATE: July 20, 2022