

ORDINANCE NO. 23-807

AN ORDINANCE OF THE CITY OF CALIFORNIA CITY, CALIFORNIA AMENDING THE CALIFORNIA CITY MUNICIPAL CODE BY AMENDING DIVISION 5 OF ARTICLE 1 OF CHAPTER 2 OF TITLE 3 (ORIGINALLY ENACTED AS MEASURE C) BY RESTRICTING THE USE OF THE SPECIAL PARCEL TAX FUNDS FOR ESSENTIAL PUBLIC SERVICES ONLY, REDUCING THE MAXIMUM RATE TO \$146 ANNUALLY, EXTENDING THE SPECIAL PARCEL TAX FOR A PERIOD OF FIVE YEARS, ADDING ADDITIONAL ACCOUNTABILITY REQUIREMENTS THERETO, AND ESTABLISHING AN APPROPRIATIONS LIMIT

The people of the City of California City do ordain as follows:

SECTION 1. Title 3, Chapter 2, Article 1, Division 5, Special Parcel Tax, of the California City Municipal Code is hereby amended as follows:

Section 3-2.1.501, "Short Title" is amended to read as follows:

"This Division may be referenced to as the California City Essential Public Services Special Parcel Tax Ordinance of 2024."

Section 3-2.1.503, "Maximum Rate" is amended to read as follows:

"The rate of the tax against each lot and parcel in any tax year shall not exceed one hundred forty-six dollars (\$146.00), less the daily per parcel rate reduction for that tax year calculated pursuant to Section 3-2.1.504."

Subdivision (b) of Section 3-2.1.504, "Rate Reduction" is amended to read as follows:

"(b) The daily per parcel rate reduction shall be the amount, calculated on a per parcel per day basis, that would be necessary to raise an amount of revenue equal to ninety percent of "new revenue."

Section 3-2.1.507, "Use of Funds" is amended to read as follows:

"(a) The taxes imposed under this Ordinance are solely for the purpose of raising revenue necessary to support and fund essential public services (including law enforcement, fire protection, personnel services, City operations and maintenance, and capital outlays). Revenues raised by the special tax shall not be used for any municipal function funded through an enterprise fund or the housing fund. Because the proceeds of the parcel tax will be deposited into a special fund restricted for the services and programs specified in this Ordinance, the tax is a special tax. The tax imposed by this Ordinance is enacted pursuant to Article XIII A of the California Constitution and Article 3.5 of Chapter 1 of Part 1 of Division 1 of Title 5 of the California Government Code, commencing with Section 50075.

(b) All tax proceeds received shall be deposited into an account that shall be named the “Essential Public Services Special Tax Fund.” Special Tax revenues deposited in the Essential Public Services Special Tax Fund, and earnings thereon, shall be used only for city administrative expenses, personnel services, operations and maintenance, equipment, vehicles, supplies, capital outlays, law enforcement, fire protection, emergency medical services, and code enforcement.”

Section 3-2.1.508, “Accountability” is amended to read as follows:

“(a) For so long as proceeds of the tax remain unexpended, the Finance Director of the City shall file an annual report with the City Council stating the amount of taxes collected, the amount expended, and the purpose of the expenditures. Such annual report shall relate to the Fiscal Year most recently ended and may be incorporated into or filed with the annual budget, audit or other appropriate routine report to the City Council.

(b) The City Council shall hold Town Hall meetings on a quarterly basis commencing in July 2024 and in each calendar quarter thereafter for the purpose of soliciting input from the residents, business owners, and property owners on the special parcel tax and related matters.

(c) The City Council shall cause to be prepared, within nine (9) months of the effective date hereof, an impartial and professional budget stabilization plan to identify potential solutions for resolving the City’s structural deficit, including but not limited to, a review of organizational structure, service delivery methodology, revenues, personnel costs, and constraints.

Section 3-2.1.509, “Duration” is amended to read as follows:

“The levy of tax shall commence with tax year 2024-25. The final levy of the tax shall be for tax year 2028-2029, unless the tax is extended by a vote of the people.”

Section 3-2.1.511, “Appropriations Limit,” is added to read as follows:

“Pursuant to the California Constitution, article XIIB, the appropriation limit for the City of California City will be increased by the maximum projected aggregate collection authorized by the levy of this special parcel tax, as indicated in section 3-2.1.503 of this division, in each of the years covered by this article plus the amount, if any, by which the appropriations limit is decreased by law as a result of the assessment of the special parcel tax set forth in this article.”

SECTION 2. If any section or portion of this Ordinance is found to be invalid by a court of competent jurisdiction, such finding shall not affect the validity of the remainder of the Ordinance, which shall continue in full force and effect, and to that extent, the provisions of this Ordinance are severable.

SECTION 3. The City hereby determines that this Ordinance is not in-and-of-itself a "project" pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq., including without limitation CEQA Guidelines 15378(b)(4) and 15061(b)(3), as it

can be seen with certainty that there is no possibility that the adoption of the ordinance itself may have a significant effect on the environment.

SECTION 4. This Ordinance, and all the provisions thereof, shall become effective only upon affirmative passage of two-thirds of the voters voting on the Ordinance. This Ordinance shall be considered adopted on the date that the City declares the results of the election at which it was voted upon and shall be effective ten (10) days thereafter.

ADOPTED ON November 14, 2023 AND EFFECTIVE ON November 24, 2023 by the following vote:

AYES: Councilmember Creighton, Councilmember Kulikoff, Mayor Pro Tem Smith, Mayor Kulikoff

NOES: None

ABSENT: Councilmember Macedonio

ABSTAIN: None

DocuSigned by:

Kelly Kulikoff

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Kelly Kulikoff, Mayor

ATTEST:

DocuSigned by:

Socorro Chavez

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Socorro Chavez, City Clerk

APPROVED AS TO FORM:

Victor Ponto, City Attorney