



# CITY of BRISBANE

## City Council Special Meeting Agenda

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Thursday, June 23, 2022 at 7:30 PM • Virtual Meeting

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This meeting is compliant with the Ralph M. Brown act as amended by California Assembly Bill No. 361 effective September 16, 2021 providing for a public health emergency exception to the standard teleconference rules required by the Brown Act. The purpose of this is to provide a safe environment for the public, staff and Councilmembers, while allowing for public participation. The public may address the Council using exclusively remote public comment options. The Council may take action on any item listed in the agenda.

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### **TO ADDRESS THE COUNCIL**

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### **Remote Public Comments:**

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**Email:** [ipadilla@brisbaneca.org](mailto:ipadilla@brisbaneca.org)

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Webinar ID: 991 9362 8666

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### **SPECIAL ASSISTANCE**

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### **WRITINGS THAT ARE RECEIVED AFTER THE AGENDA HAS BEEN POSTED**

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## **7:30 P.M. CALL TO ORDER – PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

### **ADOPTION OF AGENDA**

### **ORAL COMMUNICATIONS NO. 1**

### **NEW BUSINESS**

- A. Consider Approval of a Resolution Proposed Ballot Measure to Impose a Business License Tax on Hotels
  - 1. Adopt the attached resolution calling a special election to submit to the voters a ballot measure concerning a proposed ordinance to impose a business license tax on hotels as that term is defined.
  - 2. Determine whether the Council will submit an Argument For (and a Rebuttal To if an Argument Against has been submitted) the measure to impose the tax and, if so, who will draft the argument/rebuttal and who will sign.
- B. Consider Approval of Proposed Ballot Measure Relating to a Local, City of Brisbane General Transactions and Use (Sales) Tax
  - 1. Adopt Resolution calling for and giving notice of the holding of a Special Municipal Election on Tuesday, November 8, 2022, and for the submission to the voters of a ballot measure relating to a local, City of Brisbane General Transactions and Use Tax; authorize arguments in Favor or Against Measure and Rebuttals; and authorize City Attorney Impartial Analysis;
  - 2. Determine whether the Council will submit an Argument For (and a Rebuttal To if an Argument Against has been submitted) the measure to impose the tax and, if so, who will draft the Argument/Rebuttal and who will sign the Argument/Rebuttal; and
  - 3. Waive first reading, and introduce by 2/3 vote of the City Council an Ordinance adding a new Chapter 3.22 to the Brisbane Municipal Code imposing a Transactions and Use Tax to be administered by the California Department of Tax and Fee Administration

### **ORAL COMMUNICATIONS NO. 2**

### **ADJOURNMENT**

**File Attachments for Item:**

A. Consider Approval of a Resolution Proposed Ballot Measure to Impose a Business License Tax on Hotels

1. Adopt the attached resolution calling a special election to submit to the voters a ballot measure concerning a proposed ordinance to impose a business license tax on hotels as that term is defined.

2. Determine whether the Council will submit an Argument For (and a Rebuttal To if an Argument Against has been submitted) the measure to impose the tax and, if so, who will draft the argument/rebuttal and who will sign.



## CITY COUNCIL AGENDA REPORT

**Meeting Date:** June 23, 2022

**From:** Clay Holstine, City Manager

**Subject:** Proposed Ballot Measure to Impose a Business License Tax

on Hotels

### RECOMMENDATION:

1. Adopt the attached resolution calling a special election to submit to the voters a ballot measure concerning a proposed ordinance to impose a business license tax on hotels as that term is defined.
2. Determine whether the Council will submit an Argument For (and a Rebuttal To if an Argument Against has been submitted) the measure to impose the tax and, if so, who will draft the argument/rebuttal and who will sign.

### BACKGROUND

The City has established a business license tax, as set forth in Chapter 5.20 of the Brisbane Municipal Code, that imposes a gross receipts business license tax on any person within the City engaged in conducting business in the City, including the operation of hotels and other places designed for occupancy by “transients”, generally guests who are entitled upon the payment of money to occupy a room in, for example, a hotel. Accordingly, hotels in Brisbane pay the City their business license tax based on the hotel’s gross receipts that for the most part reflect the payment the hotels receive from paying guests.

In 2019, the City received \$2,819 in business license taxes from hotels based on gross receipts; in 2020, \$1,300, and in 2021 \$1,300. The gross receipts in 2020 and 2021 were smaller than in 2019 largely because the pandemic resulted in fewer persons staying in the local hotels and in part because at least one hotel has not yet reported its gross receipts for 2020 and 2021. (Staff is following up on this.) A hotel’s gross receipts tax is different than the transient occupancy tax (TOT) that hotels remit to the City quarterly because the guests, not the hotels, pay the TOT, currently at a rate of 14%.

The City’s business license tax is a general tax and any tax or increase thereof is subject to approval of a majority of the voters voting upon the proposed tax/increase at a regularly scheduled election at which members of the Brisbane City Council will be elected. The November 8, 2022 is the next regularly scheduled election at which members of the Brisbane City Council will be elected.

Before City Council tonight is a resolution to place a ballot measure before the voters at the November 8, 2022 election to impose a business license tax specifically on hotels and other places designed for occupancy by transients in order to provide additional revenue for general municipal expenses. In the past, the voters have approved business license taxes on specific types of businesses, for example, liquid storage facilities and recycling establishments.. This business license tax on hotels would be no different conceptually.

## DISCUSSION

The ordinance proposes that hotels—broadly defined to include not just hotels but motels, inns, short term rentals, etc.—would pay a daily business license tax of \$2.50 for every room that is rented to a paying guest. For example, if a hotel has 150 rooms but on a given night only 100 are rented to paying guest, the hotels’ business license tax for that day would be \$250. (\$2.50 x 100 = \$250.) Hotels would pay this tax, based on the daily rentals for the past three months, quarterly to the City. Based on a 70% occupancy level, staff estimates that the City will receive \$250,000 annually from this tax.

The resolution also sets forth the ballot question that would be put to the voters. It reads:

To pay for general municipal expenses, shall the City impose on hotels and other places designed for overnight stays by guests a business license tax of \$2.50 per room for each day such room is rented?	YES	
	NO	

If a majority of the voters voting upon the ballot measure vote in its favor, the proposed ordinance shall become a valid and binding ordinance of the City of Brisbane.

### Ballot Arguments and Impartial Analysis

The resolution authorizes the City Council to submit arguments and rebuttal concerning the measure. Arguments and rebuttals must be submitted in accordance with the Elections Code, Sections 9280-9287. The City Clerk, as the City’s Election Official, has set the deadline for submitting direct arguments, i.e., arguments for and against, as 12:00 p.m. on August 19, 2022 and rebuttals are due 12:00 p.m. on August 29, 2022. Arguments for or against shall not exceed 300 words; rebuttals, not more than 200 words.

If the City Council elects to prepare arguments, the options are: 1, draft an argument/rebuttal as a whole body in open session and decide at that time who will sign; 2, authorize no more than two Councilmembers to meet as a committee to draft the argument/rebuttal and have the entire Council sign; 3, authorize no more than two Councilmembers to meet as a committee to draft an argument/rebuttal and have a combination of Councilmembers and other signers, i.e., Brisbane voters or representatives of bona fide associations, sign the argument/rebuttal; 4, decide not to have the Council submit an argument/rebuttal which would allow others to submit arguments/rebuttal.

In addition, the City Attorney will prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure. The analysis shall be printed preceding the arguments For and Against the measure.

**Fiscal Impact**

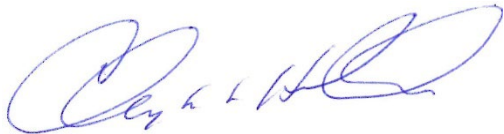
There is a minimal, direct fiscal impact of approximately \$8,000 paid to San Mateo County in placing a measure on the November 2022 ballot since it will be consolidated with the general municipal election. The City Manager's proposed operating and capital budget for FY2022-23 reviewed by the City Council includes funding for the election.

The measure, if approved by the voters, would impose a business license tax on hotels and staff estimates that the City will receive \$250,000 annually from such tax.

**Environmental Review**

Adoption of the attached resolution placing the measure on the ballot is not subject to environmental review under the California Environmental Quality Act (CEQA). Imposing the business license tax on hotels is exempt from CEQA under CEQA Guidelines, Section 15378 as it does not constitute a project within the meaning of CEQA because it does not have a potential for resulting in a direct physical change in the environment nor a reasonably foreseeable indirect physical change in the environment. As a separate and independent basis, this action is also exempt under CEQA Guidelines Section 15061 (b)(3) (no significant environmental impact).

Attachment: 1. Resolution Calling for a Special Election



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Clay Holstine, City Manager

**RESOLUTION NO. 2022-XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BRISBANE, CALIFORNIA CALLING A SPECIAL  
MUNICIPAL ELECTION TO BE CONSOLIDATED WITH  
THE GENERAL ELECTION ON NOVEMBER 8, 2022, FOR  
SUBMISSION TO THE VOTERS A BALLOT MEASURE  
CONCERNING A PROPOSED ORDINANCE TO  
IMPOSE/INCREASE A BUSINESS LICENSE TAX ON  
HOTELS AND OTHER PLACES DESIGNED FOR  
OCCUPANCY BY TRANSIENTS**

WHEREAS, the City has established a business license tax, as set forth in Chapter 5.20 of the Brisbane Municipal Code, that imposes a gross receipts business license tax on any person within the City engaged in conducting business in the City, including the operation of hotels and other places designed for occupancy by transients; and

WHEREAS, the City Council desires to place a ballot measure before the voters at the November 8, 2022 election to impose/increase a business license tax specifically on hotels and other places designed for occupancy by transients in order to provide additional revenue for general municipal expenses; and

WHEREAS, the City's business license tax is a general tax and any increase thereof is subject to approval of a majority of the voters voting upon the proposed tax or tax increase at a regularly-scheduled election at which members of the Brisbane City Council will be elected; and

WHEREAS, November 8, 2022 is the next regularly scheduled election at which members of the Brisbane City Council will be elected and it is desirable to consolidate this special election with that general election.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRISBANE, CALIFORNIA, AS FOLLOWS:

**SECTION 1. ELECTION CALLED**

The City Council of the City of Brisbane hereby calls a special municipal election, to be consolidated with the general election on Tuesday, November 8, 2022, at which there shall be submitted for approval by the voters of the City of Brisbane a proposed ordinance amending Chapter 5.20 of the Brisbane Municipal Code by adding Section 5.20.035 to the Brisbane Municipal Code to impose and/or increase a business license tax on hotels and other places designed for occupancy by transients.

## SECTION 2. FULL TEXT OF PROPOSED ORDINANCE

The complete text of the propose ordinance shall read as follows:

“AN ORDINANCE OF THE CITY OF BRISBANE TO ADD SECTION 5.20.035 TO THE BRISBANE MUNICIPAL CODE TO IMPOSE A BUSINESS LICENSE TAX ON HOTELS AND OTHER PLACES DESIGNED FOR OCCUPANCY BY TRANSIENTS”

The People of the City of Brisbane hereby ordain as follows:

Section 1. Section 5.20.035 is added to the Brisbane Municipal Code to read as follows:

### **“Section 5.20.035 Hotels and Other Places Designed for Occupancy by Transients**

- A. Definitions. The definitions used in this Section 5.20.035 shall be the same as the definitions in Section 3.24.020 of the Brisbane Municipal Code, as said Section may be amended from time to time.
- B. Every Operator shall pay a daily business license tax of two dollars and fifty cents (\$2.50) for every room in a Hotel for which a Transient has paid Rent.
- C. The business license tax under this Section 5.20.035 shall be paid in four installments, due no later than January 1, April 1, July 1 and October 1 of each year.
- D. Beginning January 1, 2024 and on January 1 of each subsequent year (“the adjustment date”), the two dollars and fifty cents (\$2.50) referred to in subsection B of this section may be increased by multiplying the two dollars and fifty cents (\$2.50) by a fraction, the numerator of which shall be the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics, for Urban Wage Earners and Clerical Workers, All Items, for the San Francisco-Oakland-Hayward Statistical Area (“CPI”) published nearest to the adjustment date and denominator of which shall be the CPI published nearest to the date the business license tax was set at two dollars and fifty cents (\$2.50).

## SECTION 3. TEXT OF BALLOT MEASURE

The proposed ordinance to impose and/or increase the business license tax charged to hotels shall be presented for approval by the voters as the following ballot measure:

To pay for general municipal expenses, shall the City impose on hotels and other places designed for overnight stays by guests a business license tax of \$2.50 per room for each day such room is rented?	YES	
	NO	

The ballot measure shall be designated on the ballot by a letter printed on the left margin of the square containing the description of the measure, as provided in California Election Code Section 13116.

#### SECTION 4. REQUEST TO CONSOLIDATE, CONDUCT ELECTION AND CANVASS RETURNS

The Board of Supervisors of the County of San Mateo is hereby requested to authorize the County Clerk;/Registrar of Voters to render all services necessary and proper for the conduct of the special municipal election called by the Resolution. Pursuant to California Elections Code Section 10403, the City Council hereby requests that the San Mateo County Board of Supervisors consolidate that election with the election to be held on November 8, 2022, and order the special municipal election to be conducted by the Registrar of Voters. The San Mateo County Elections Department is authorized to canvass the returns of the special election.

The City Clerk's Office shall submit a certified copy of this Resolution to County Elections Division and the City Clerk's Office is authorized, instructed and directed to work with the County Elections Division as needed in order to properly and lawfully conduct the election. The ballots to be used in the election shall be in the form and content as required by law. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

#### SECTION 5: PUBLICATION OF MEASURE

The City Clerk's Office is directed to cause notice of the measure to be published once in accordance with Section 12111 of the State Elections Code.

#### SECTION 6: REQUIRED VOTER APPROVAL AND EFFECTIVE DATE

If a majority of the voters voting upon the ballot measure vote in its favor, the proposed ordinance shall become a valid and binding ordinance of the City of Brisbane. The ordinance shall be considered as adopted on the date that the vote is declared by the City Council and shall go into effect on that date or such other date as may be specified by the City Council.

#### SECTION 7. PROCEDURES FOR ARGUMENTS AND REBUTTALS

The City Council authorizes the following members to draft and then file written arguments not exceeding 300 words in length for or against the measure described above:

Argument In Favor and Rebuttal: \_\_\_\_\_

Argument Against and Rebuttal: \_\_\_\_\_

If not all of the members of the City Council have been authorized to draft the written arguments for or against the measure, or the rebuttal, other Council members may sign such argument/rebuttal. If not all City Councilmembers have signed the argument/rebuttal, those Councilmembers that have drafted the argument/rebuttal may choose any individual voter who is eligible to vote on the measure or bona fide association of citizens or combination of voters and associations to sign the argument/rebuttal. Any individual voter who is eligible to vote on the measure or bona fide association of citizens or combination of voters and associations may also submit a written argument for or against the measure.

Such argument, whether For or Against, shall not exceed 300 words and be accompanied by the printed name(s) and signature(s) of the person(s) submitting it, 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, in accordance with Article 4, Chapter 3, Division 9 of the Election Code of the State of California.

Primary arguments For or Against the measure must be submitted to the City Clerk by 12:00 p.m. on August 19, 2022 and shall not exceed 300 words. The Rebuttal arguments must be submitted to the City Clerk by 12:00 p.m. on August 29, 2022 and shall not exceed 250 words.

## SECTION 8: IMPARTIAL ANALYSIS

Pursuant to Elections Code Section 9280, the City Council directs the City Clerk to transmit a copy of the measure to the City Attorney, and directs the City Attorney to prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure. The analysis shall be printed preceding the arguments For and Against the measure. The analysis shall not exceed 500 words in length. The impartial analysis shall be filed by the date set by this resolution for the filing of primary arguments.

## SECTION 9: FULL TEXT OF ORDINANCE

The full text of the Ordinance shall be printed in the Voter Information Pamphlet.

## SECTION 10: CONDUCT OF ELECTION

The election on said ballot measure shall be consolidated with the general municipal election to be held on November 8, 2022.

## SECTION 11. CEQA

The approval of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code Sections 21000 et seq., "CEQA," and 14 Cal Code Reg. Sections 15000 et seq., "CEQA Guidelines"). The tax to submitted to the voters is

a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action or actions. As such, under CEQA Guidelines Section 15378(b)(4) the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant impact on the environment. If revenue from the tax were used for a purpose that would have such effect, the City would undertake the required CEQA review for that particular project. Therefore, Guidelines Section 15060 review under CEQA is not required.

## SECTION 12: PASSAGE OF THIS RESOLUTION

This business license tax is a general tax requiring the approval of a majority of qualified electors casting votes. This Resolution must be approved by a two-thirds vote of the Council.

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Coleen Mackin, Mayor

I hereby certify that the foregoing Resolution No. 2022-XX was duly and regularly adopted at the meeting of the Brisbane City Council on July 14, 2022 by the following vote:

AYES: Councilmembers

NOES:

ABSENT:

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Ingrid Padilla, City Clerk

**File Attachments for Item:**

B. Consider Approval of Proposed Ballot Measure Relating to a Local, City of Brisbane General Transactions and Use (Sales) Tax

Adopt Resolution calling for and giving notice of the holding of a Special Municipal Election on Tuesday, November 8, 2022, and for the submission to the voters of a ballot measure relating to a local, City of Brisbane General Transactions and Use Tax; authorize arguments in Favor or Against Measure and Rebuttals; and authorize City Attorney Impartial Analysis;

Determine whether the Council will submit an Argument For (and a Rebuttal To if an Argument Against has been submitted) the measure to impose the tax and, if so, who will draft the Argument/Rebuttal and who will sign the Argument/Rebuttal; and

Waive first reading, and introduce by 2/3 vote of the City Council an Ordinance adding a new Chapter 3.22 to the Brisbane Municipal Code imposing a Transactions and Use Tax to be administered by the California Department of Tax and Fee Administration



## CITY COUNCIL AGENDA REPORT

**Meeting Date:** June 23, 2022

**From:** Clay Holstine, City Manager

**Subject:** Resolution Calling For and Giving Notice of The Holding of a Special Municipal Election on Tuesday, November 8, 2022 for the Submission to the Voters of a Ballot Measure Relating to a Local, City of Brisbane General Transactions and Use Tax; Authorize Arguments in Favor or Against Measure; Authorize Rebuttal Arguments; and Direct the City Attorney to prepare an Impartial Analysis; and

Introduce an Ordinance Repealing Adding a new Chapter 3.22 to the Brisbane Municipal Code Imposing a ½ cent Transactions and Use Tax to be Administered by The California Department of Tax and Fee Administration

### RECOMMENDATION:

Adopt Resolution calling for and giving notice of the holding of a Special Municipal Election on Tuesday, November 8, 2022, and for the submission to the voters of a ballot measure relating to a local, City of Brisbane General Transactions and Use Tax; authorize arguments in Favor or Against Measure and Rebuttals; and authorize City Attorney Impartial Analysis; and

Determine whether the Council will submit an Argument For (and a Rebuttal To if an Argument Against has been submitted) the measure to impose the tax and, if so, who will draft the Argument/Rebuttal and who will sign the Argument/Rebuttal;

Waive first reading, and introduce by 2/3 vote of the City Council an Ordinance adding a new Chapter 3.22 to the Brisbane Municipal Code imposing a Transactions and Use Tax to be administered by the California Department of Tax and Fee Administration

### BACKGROUND:

On June 9, 2022, the City Council received a presentation from the City Manager and Finance Director about the need for additional local revenue to continue to provide the wide variety of essential services to the public in light of substantial unfunded and underfunded programs and projects, many of which have been identified as needs by residents and business leaders. The City Council directed staff to present an item for the Council to place on the November 2022 ballot a measure asking voters to consider approving a ½ cent sales tax on taxable items in Brisbane. Currently, such sales tax is only .01 cent. However, 0.005 cents goes to the State for administering the tax so the City receives only 0.0095 cents per dollar.

A sales tax revenue measure with voter-approved funding measure would not be subject to funds being seized by the County, State or other public jurisdictions, and all funds generated would remain entirely in Brisbane for local use. It is projected that a half-cent sales tax measure would result in approximately \$ 2,000,000 of additional locally controlled revenue to the City of Brisbane on an annual basis, which could not be taken by the State. Although the City receives approximately \$5,400,000 from local sales tax, \$4,000,000 is generated by businesses located in Brisbane and the remaining \$1,400,000 is generated by the County and State Pool.

Consistent with the direction from the City Council, staff has prepared documents to submit a general-purpose one-half cent sales tax measure on the November 2022 ballot for voter approval as part of the regular municipal election. A locally approved sales tax is referred to in the State law and related regulations as a transactions and use tax which is explained below.

The proposed tax in this ordinance is a “transactions and use tax” which most people would refer to as a “sales” tax. Technically, it is a “district” tax according to the California Department of Tax and Fee Administration (CDTFA). Transactions and use taxes have similarities and differences when compared to sales tax regulations in California.

The combined district rate cannot exceed 9.75%. This limits the combined sales, transactions and use tax rate to 0.5%. A local agency may form more than one district but the total tax levy, including the rate of any countywide districts, must not exceed the 0.5% limit unless special legislation has been enacted to allow a higher limit.

Generally, the transactions and use tax is imposed on the same goods and merchandise as the local sales and use tax. However, where the sales tax is generally allocated to the jurisdiction where the sale is negotiated, or where the order is taken, the transactions and use tax is allocated to the district where the goods are delivered or placed into use.

Brisbane can expect to receive transactions and use tax revenue from normal sales tax generating businesses like retail stores and restaurants. Both residents and visitors alike will pay the transactions tax on purchases that they consume or take possession of at the place of business within the City. In addition, any purchases shipped or delivered into Brisbane from other places (business, medical and industrial supplies, construction materials, catalog and internet purchases, furniture, appliances, etc.) will generate additional transactions and use tax revenue.

Unlike a special tax, which is imposed for specific, restricted purposes, the revenues from a general tax must support general governmental purposes, which can include increased street maintenance, pothole and street hazard repair, maintaining neighborhood police patrols, supporting local businesses, maintaining parks, and playground equipment for children and youth, among other purposes. A general tax measure is an appropriate revenue measure to capture the broad purposes in which the electorate expressed interest and support in the recent voter survey.

Two actions are required to implement a general transactions and use tax as a new revenue source:

- 1) approval of an implementing ordinance by two-thirds vote of the City Council and

- 2) majority voter approval at a regularly scheduled general election for members of the city council. (*Rev. & Tax Code § 7258.9*)

In order to meet the deadlines for submission inclusion in the November 2022 general municipal election, the City Council needs to call for the election and call for the measure to be placed on the ballot (see attached Resolution) and pass an implementing ordinance (also attached).

The first reading of the ordinance and related resolution are occurring at City Council's meeting on June 23, 2022, and the second ordinance reading is scheduled to occur at the City Council meeting scheduled for July 7, 2022. If the Council votes to adopt the ordinance and resolution, the City Clerk will submit the ballot question and required documents to the San Mateo County Office of Assessor-County, Clerk-Recorder and Elections for inclusion in the November 8, 2022 election. If a majority of voters approve the sales tax measure, the new tax rate would take effect on April 1, 2023, approximately 6 months following the election.

## **DISCUSSION:**

### Overview of the City's Fiscal Condition

The City has recently been impacted by a number of challenging financial issues. First, the impact of the COVID-19 pandemic. Prior to the pandemic, the tourist and business trade industry in the Bay Area was strong. Hotels located in Brisbane serve two main clientele; first, business travelers who have a need to be in San Francisco or on the Peninsula, i.e., the City's close proximity to San Francisco and the airport is a benefit for these types of travelers. Second, the City's location is beneficial for people who had flights leaving from the San Francisco Airport. Again, the City's close proximity allowed local hotels to accommodate tour groups who were flying from the airport. The hotels located in Brisbane generated approximately \$3,000,000 in annual transient occupancy taxes (TOT) prior to the reduction in travel. During the first year of the pandemic, the City received only \$800,000 from TOT taxes. Staff anticipates this will recover somewhat in FY 2022/23 to approximately \$1,700,000. This is, however, a reduction of more than \$1,300,000 compared to pre-pandemic fiscal years.

The City has also seen a decrease in sales taxes when compared to pre-pandemic revenues. In FY 2018/19 the City received \$5,570,000 in sales tax revenue. With normal inflationary increases of 3% per year the City would anticipate receiving approximately \$6,270,000 in FY 2022/23. The City anticipates receiving \$5,500,000 in FY 2022/23, a decrease of approximately \$770,000.

Between these two revenue sources alone—TOT and sales tax--the City is anticipating receiving about \$2,000,000 less in revenues due to the slow recovery from the pandemic.

As stated previously, if Council approves the proposed Ordinance (by a 2/3 vote) and placing a ballot measure on the November election that is approved by voters, the City would anticipate receiving approximately \$2,000,000 a year. In FY 2022/23 the City would only receive about \$1,000,000 since the increased sales tax cannot be implemented until April 1, 2023 which is three quarters -way through the fiscal year.

The impact on the average Brisbane resident would be based on the amount of taxable transactions the resident makes within Brisbane. For instance, if a person were to eat at a local restaurant and spend \$60 for dinner (not including tax or tip) the person would pay an additional \$0.30 in sales tax.

Additionally, people who have goods delivered into Brisbane would pay a use tax on those goods. For instance, if a person orders \$100 worth of goods from an online retailer, then the person would pay an additional \$0.50 in use tax on the item.

### Ballot Question

If the City Council votes to proceed with a sales tax at the June 23 City Council meeting, the City Council does so by means of a proposition phrased as a yes or no question to the voters in 75 words or less stating the nature of the implementing ordinance. The proposed tax is a general tax which means that the revenues must support general governmental purposes and the revenues cannot be restricted to certain prescribed purposes. If the revenues were restricted, the tax would be a special tax requiring a 2/3 favorable vote of the electorate as opposed to the majority vote required for a general tax.

The ballot question is being proposed as follows:

Shall the City of Brisbane's measure to fund city services/ facilities, such as neighborhood police patrols, fire prevention services, urban wildfire protection, crime suppression/investigation, pothole/street repair, increasing parking supply, upgrading parks/other city services/facilities, and expanding services to support local businesses, by levying a ½¢ sales tax until ended by voters, be adopted?	YES	
	NO	

### Ballot Arguments and Impartial Analysis

The resolution authorizes the City Council to submit arguments and rebuttal concerning the measure. Arguments and rebuttals must be submitted in accordance with the Elections Code, Sections 9280-9287. The City Clerk, as the City's Election Official, has set the deadline for submitting direct arguments, i.e., arguments for and against, as 12:00 p.m. on August 19, 2022 and rebuttals are due 12:00 p.m. on August 29, 2022. Arguments for or against shall not exceed 300 words; rebuttals, not more than 200 words.

If the City Council elects to prepare arguments, the options are: 1, draft an argument/rebuttal as a whole body in open session and decide at that time who will sign; 2, authorize no more than two Councilmembers to meet as a committee to draft the argument/rebuttal and have the entire Council sign; 3, authorize no more than two Councilmembers to meet as a committee to draft an argument/rebuttal and have a combination of Councilmembers and other signers, e.g., Brisbane voters or representatives of bona fide associations, sign the argument/rebuttal; 4, decide not to

have the Council submit an argument/rebuttal which would allow others to submit arguments/rebuttal.

In addition, the City Attorney is directed to prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure.

#### Implementing Ordinance and Ordinance Summary

The CDTFA will administer this tax if approved by the City Council and by the electorate. And for this reason, the CDTFA insists on vetting a city's proposed sales tax to ensure it meets the legal requirements articulated in the Revenue and Taxation Code. Staff has submitted the ordinance to the CDTFA for its review, and the CDTFA has approved of the language in the ordinance. If the tax is approved by the electorate, the City must contract with the CDTFA to perform all functions incident to the preparation, administration and operation of the ordinance.

The City Council adopted a resolution authorizing the examination of sales, use and transaction tax records to the Finance Director and further authorized Avenu Insights & Analytics (MuniServices) the City's sales tax consultant, to examine these records. If the tax is approved by the electorate, staff will request that the City Council adopt a similar resolution authorizing the examination of sales and use tax records to the Finance Director and MuniServices for the local tax.

The following summarizes key features of the proposed ordinance:

1. ***Adopts a local transaction and use (sales) tax of one-half cent.*** The current sales and use tax rate in the City is 9.375%. The electorates in many other cities in San Mateo County have voted to adopt a local sales and use tax, so the current tax rate in many other cities exceeds 9.5%.
2. ***Allocates the proceeds for general purposes.*** The tax is for general municipal purposes such as neighborhood police patrols, fire prevention services, urban wildfire protection, crime suppression and investigation; pothole and street repair; increasing parking supply; upgrading parks and other city facilities; and expanding services to support local businesses; and other city needs as designated by the City Council.
3. ***Retail based tax.*** The tax is not based on property ownership and instead is based on sales transactions that occur within the City.
4. ***Administered by California Department of Tax and Fee Administration (CDTFA).*** The CDTFA is responsible for the allocation and distribution of all local taxes and requires that the City follow state law and procedure on a number of issues including those sales exempted from the ordinance.

#### **FISCAL IMPACT:**

There is a minimal, direct fiscal impact of approximately \$8,000 paid to San Mateo County in placing a measure on the November 2022 ballot since it will be consolidated with the general

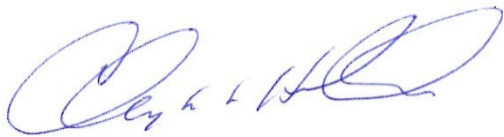
municipal election. The City Manager's proposed operating and capital budget for FY2022-23 reviewed by the City Council includes funding for the election.

The outcome of the election will have a significant impact on the City's ability to provide essential services in the future. Staff estimates that a general purpose one-half cent transactions and use tax approved by the voters in November 2022 would result in approximately \$2,000,000 of additional annual revenue to the City beginning April 2023, based on current sales tax data. The City's General Fund would recognize approximately \$1,000,000 of additional revenue in FY2022-23.

The CDTFA will administer the local tax for the City if the electorate votes to approve of the tax. The City will need to enter into two agreements with the CDTFA. The first contract will be a preparation agreement to institute the new tax. It is unknown at this time of the cost to the City as CDTFA costs for supporting local agencies with their tax measures will be shared equally among all agencies where tax measures are approved. Such fees amount to a small percentage of the total revenue and the fees will be deducted from future sales and use tax moneys remitted to the City.

The second contract will be an administration agreement for the tax outlining the transmittal of money, various rules security and records transmitted to the City. Similar to the preparation agreement, the fees will be deducted from future sales and use tax moneys remitted to the City. The costs of local imposed transactions tax levies are charged quarterly but calculated individually and based on the individual jurisdictions actual audit activity and state workload factors. The fees are capped at 5% of gross collections for tax rates of less than 0.25%, 3% for tax rates of less than 0.5% and 1.5% for tax rates of 0.5% or more.

Attachment: 1. Resolution  
2. Ordinance



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Clay Holstine, City Manager

**RESOLUTION NO. 2022-XX****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE SUBMITTING A  
TRANSACTIONS AND USE TAX MEASURE TO THE VOTERS AT THE NOVEMBER 8, 2022  
GENERAL MUNICIPAL ELECTION AND TAKING CERTAIN RELATED ACTIONS**

**WHEREAS**, a local, Brisbane-approved funding measure would provide local control over local funds, for local needs; and

**WHEREAS**, voter-approved local funding will help to address priorities such as increasing street repair and maintenance, pothole, and hazard repair programs, maintaining neighborhood police patrols, maintaining and attracting local businesses, upgrading San Bruno's parks, playgrounds, and play structures for children and youth; and

**WHEREAS**, voter-approved funding will provide funds for Brisbane that by law cannot be taken by Sacramento; and

**WHEREAS**, the City Council has, by separate resolution, called a general municipal election for Tuesday, November 8, 2022 (the "Election"); and

**WHEREAS**, the City Council has requested that the Election be consolidated with the statewide election held on that date, and the City Council has requested the assistance of San Mateo County in the conduct of the Election; and

**WHEREAS**, Revenue & Taxation Code Section 7285.9 authorizes the City Council to levy a transactions and use tax for general purposes if the ordinance proposing that tax is approved by a two-thirds vote of all members of the City Council and the tax is approved by a majority vote of the qualified voters of the city voting in an election on the issue; and

**WHEREAS**, the City Council has introduced an Ordinance, entitled, "An Ordinance of the City of Brisbane Adding a new Chapter 3.22 to the San Bruno Municipal Code Imposing a Transactions and Use Tax To Be Administered by the California Department of Tax and Fee Administration" (the "Tax Ordinance"); and

**WHEREAS**, the City Council desires to submit the Tax Ordinance to electorate at the Election; and

**WHEREAS**, arguments for and against said measure, as well as rebuttals, may be filed in accordance with applicable provisions of the law pursuant to Elections Code and the text of the measure shall be printed on the ballot in the voter information portion of the sample ballot.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of San Bruno as follows:

1. The City Council hereby orders, pursuant to Section 9222 of the Elections Code, that the Tax Ordinance, which is attached hereto as Exhibit "A" and incorporated herein by reference, be submitted to the voters at the Election. Adoption of the ordinance requires a majority vote of those voting on the matter.
2. The question submitted shall appear on the ballot as follows:

Shall the City of Brisbane's measure to fund city services/facilities, such as neighborhood police patrols, fire prevention services, urban wildfire protection, crime suppression/investigation, pothole/street repair, increasing parking supply, upgrading parks/other city services/facilities, and expanding services supporting local businesses, by levying a ½¢ sales tax until ended by voters, be adopted?	YES	
	NO	

3. The City Clerk is instructed to transmit the Tax Ordinance to the City Attorney along with a request that an impartial analysis be prepared for inclusion in the Voters' Pamphlet materials. Pursuant to Elections Code section 9280, the City Attorney shall prepare an impartial analysis, which shall be filed with the City Clerk's office no later than August 29, 2022 by 12:00 P.M.
4. Arguments for and against the Measure may be submitted to the City Clerk's office, until 12 p.m. on August 19, 2022. Rebuttal arguments will be permitted and must be received in the City Clerk's office by 12:00 pm on August 29, 2022.
5. That in all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.
6. Notice of the time and place of holding of the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election in the time, form, and manner as required by law.
7. Pursuant to Section 10400 et seq. of the Elections Code, the Board of Supervisors of San Mateo County is requested to consolidate the election on this ballot measure with other elections held on the same day in the County.
8. The Board of Supervisors is authorized to canvass the returns of the Election pursuant to Section 10411 of the Elections Code.
9. Pursuant to Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the County Clerk to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the City agrees to reimburse the County, in accordance with current County pro-rations and allocation procedures.
10. The City Clerk shall file a certified copy of this Resolution with the County Clerk.
11. The City Clerk is hereby authorized to do all things necessary and proper to implement the provisions of this Resolution, including certifying the passage and adoption of this Resolution and entering it into the book of original Resolutions.

Coleen Mackin, Mayor

I hereby certify that foregoing Resolution No. 2022-XX was adopted by the Brisbane City Council at a special meeting on , 2022 by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

\_\_\_\_\_  
Ingrid Padilla  
City Clerk

Approved as to form:



Thomas R. McMorrow, City Attorney

**ORDINANCE NO. \_\_\_\_\_****AN ORDINANCE OF THE CITY OF BRISBANE ADDING A NEW CHAPTER 3.22 TO THE BRISBANE MUNICIPAL CODE IMPOSING A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION**

**Section 1.** The City Council of the City of Brisbane hereby makes the following findings in connection with the adoption of this ordinance:

**WHEREAS**, a local, Brisbane-approved funding measure would provide local control over local funds, for local needs; and

**WHEREAS**, voter-approved local funding will help to address priorities in the City such as increasing street repair and maintenance, pothole, and hazard repair programs, maintaining neighborhood police patrols, maintaining and attracting local businesses, upgrading the City's parks, playgrounds, and play structures for children and youth; and

**WHEREAS**, additional locally-controlled funding will help maintain streets and repair potholes in the streets in the City of Brisbane, many of which have not had major repair in over 30 years; and

**WHEREAS**, voter-approved funding will provide funds for Brisbane that by law cannot be taken by Sacramento.

**Section 2.** The City Council of the City of Brisbane ordains that a new Chapter 3.22 shall be added to Title 3, Revenue and Finance, subject to voter approval as set forth herein, as follows:

**Chapter 3.22 Transactions and Use Tax****Section 3.22.010 Title**

This ordinance shall be known as the City of Brisbane Transactions and Use Tax Ordinance. The City of Brisbane hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

**Section 3.22.020 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 such adoption being as set forth below.

**Section 3.22.030 Purpose**

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those

provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

#### **Section 3.22.040 Contract with State**

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

#### **Section 3.22.050 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 half of one percent (0.50%) 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.

#### **Section 3.22.060 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 the retailer's 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.

#### **Section 3.22.070 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 half of one percent (0.50%) 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.

#### **Section 3.22.080 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.

**Section 3.22.090 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 Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

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

**Section 3.22.100 Permit not required**

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

**Section 3.22.110 Exemptions and Exclusions**

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance 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.

#### **Section 3.22.120 Amendment**

A. 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, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

B. The City Council may amend this chapter without voter approval only to make minor technical adjustments consistent with the purposes set forth in this ordinance and applicable laws or as necessary to comply with the law.

#### **Section 3.22.130 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.

#### **Section 3.22.140 Severability**

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

**Section 3.22.150 Use of Proceeds**

The proceeds from the transactions and use tax imposed by this ordinance shall be deposited in the general fund of the City and available for any lawful governmental purpose.

**Section 3.22.160 Fiscal Accountability Provisions**

The amount generated by this new general purpose revenue source shall be included in the annual audit of the City's financial operations by an independent certified public accountant.

**Section 3.22.170 Termination**

The authority to levy the tax imposed by this Ordinance shall continue until ended by the voters.

**Section 3.** This Ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately, but it shall not become operative until approved by a majority of the voters voting at the general municipal election to be held November 8, 2022.

**Section 4.** The City Clerk shall publish this Ordinance according to law.

\_\_\_\_\_  
Coleen Mackin, Mayor

**ATTEST:**

\_\_\_\_\_  
Ingrid Padilla, City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
Thomas R. McMorrow, City Attorney

--oOo--

I hereby certify that foregoing Ordinance No. \_\_\_\_\_ was introduced at a special meeting of the Brisbane City Council on \_\_\_\_\_, 2022, and adopted by the Brisbane City Council at a regular meeting on \_\_\_\_\_, 2022 by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers: