

RESOLUTION NO. 24-107, SERIES 2024

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DAVIS APPROVING AN ORDINANCE AND ORDERING THAT A MEASURE BE SUBMITTED TO THE VOTERS OF THE CITY AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, AMENDING ARTICLE 15.19 OF THE DAVIS MUNICIPAL CODE TO INCREASE THE LOCAL TRANSACTIONS AND USE TAX RATE FROM 1% TO 2%, WITH THE TAX TO CONTINUE TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, the City intends to maintain excellent general municipal services for Davis residents, businesses, and visitors at the levels they expect and deserve; and

WHEREAS, the City Council has been informed by staff that the City needs additional local revenue to fund essential City programs and services such as public safety and emergency response; crime prevention; pothole repair; parks, road, sidewalk, and bike path maintenance; homelessness services and affordable housing support, and greenhouse gas reductions; and

WHEREAS, additional sources of local revenue will help the City maintain local control over its revenue and promote fiscal sustainability; and

WHEREAS, if approved by the voters, the revenue from this measure will be subject to transparency and accountability provisions such as annual financial audits, public disclosure of all spending, and public budgeting processes to ensure that all funds will remain in the City of Davis for the local general services on which local residents and businesses rely, and none of the new funding can be taken by the Federal or State governments; and

WHEREAS, the City Council proposes to submit to the voters of the City an Ordinance to amend the Davis Municipal Code and increase the rate of the City's local transactions and use tax.

NOW, THEREFORE, the City Council of the City of Davis does hereby find, determine, order, and resolve as follows:

Section 1. The facts set forth in the recitals of this Resolution are true and correct, and establish the factual basis for the City Council's adoption of this Resolution.

Section 2. Section 7285.9 of the California Revenue and Taxation Code authorizes any city to levy, increase, or extend a transactions and use tax for general purposes at a rate of 0.125 percent, or a multiple thereof, subject to approval by a two-thirds vote of all of the members of the City Council and by a majority of the qualified voters of the City voting in an election on the issue.

Section 3. By Resolution No. 24-094, Series 2024, adopted on June 4, 2024, the City Council has previously called and given notice of the General Municipal Election to be held in the City on November 5, 2024, and to be consolidated with the statewide general election conducted on the same date. Pursuant to California Elections Code Sections 9222 and 10201, the City Council hereby orders that at the said election, a Transactions and Use Tax Ordinance be submitted to the voters for consideration. The full text of the City of Davis Transactions and Use Tax Ordinance is attached to this Resolution as Exhibit A and incorporated herein by reference. The measure to be submitted to the voters shall appear and be printed on the ballot as follows:

City of Davis Essential Services Measure	
To support essential City services, such as public safety and emergency response; crime prevention; pothole repair; parks, road, sidewalk, and bike path maintenance; and addressing homelessness, affordable housing, and climate change, shall the City of Davis's Ordinance be adopted establishing an additional 1¢ sales tax providing approximately \$11,000,000 annually for general government use until repealed by the voters, subject to annual audits, public disclosure of all spending and with all funds staying local?	YES
	NO

Section 4. The City Council, by at least 2/3 vote, hereby approves the proposed Ordinance, attached to this Resolution as Exhibit A, to be submitted to the voters. The proposed measure is a general tax, as defined in Article XIIC of the California Constitution, to increase the local tax rate on transactions and uses in the City as defined in Article 15.19 of the Davis Municipal Code from 1% to 2%, to be collected by the California Department of Tax and Fee Administration until reduced or repealed by the voters. This Ordinance shall not take effect unless and until approved by a vote of at least a majority of voters voting on the question at the election.

Section 5. The City Attorney is hereby directed to prepare an impartial analysis of the measure pursuant to Elections Code Section 9280.

Section 6. The City Council directs that arguments for and against the measure may be filed in accordance with applicable law, and Councilmember(s) are authorized to file an argument in favor of the measure. Rebuttal arguments may be submitted as provided for in the California Elections Code.

Section 7. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections. All persons qualified and registered to vote in the City of Davis as of the date of such election shall be entitled to vote.

Section 8. Notice of the time and place of holding the General Municipal Election is hereby 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, and to publish a synopsis of the measure as required by law.

Section 9. The City Clerk is hereby directed to submit a complete certified copy of this Resolution to the Yolo County Registrar of Voters Office and to the Yolo County Board of Supervisors.

Section 10. The Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Davis on this 18th day of June, 2024, by the following vote:

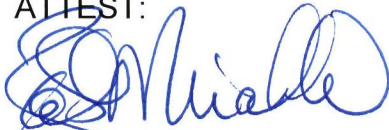
AYES: Arnold, Neville, Partida, Vaitla, Chapman

NOES: None



Josh Chapman
Mayor

ATTEST:



Zoe S. Mirabile, CMC
City Clerk

ORDINANCE NO. 2660

AN ORDINANCE ADOPTED BY THE VOTERS OF THE CITY OF DAVIS AMENDING SPECIFIED SECTIONS OF ARTICLE 15.19 OF THE DAVIS MUNICIPAL CODE TO INCREASE THE RATE OF THE EXISTING CITY OF DAVIS TRANSACTIONS AND USE TAX FROM 1% to 2%, TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

THE VOTERS OF THE CITY OF DAVIS DO HEREBY ORDAIN AS FOLLOWS:

Section 1. Section 15.19.030 (c) of Article 15.19 of the Davis Municipal Code is hereby amended to read as follows (additional text underlined, deleted text struck through):

“**15.19.030 (c). PURPOSE.** To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the ~~State Board of Equalization~~ 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 ~~State Board of Equalization~~ California Department of Tax and Fee Administration in administering and collecting the California State sales and use taxes.”

Section 2. Section 15.19.050 of Article 15.19 of the Davis Municipal Code is hereby amended to read as follows (additional text underlined, deleted text struck through):

“**15.19.050. 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 12% 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 the ordinance codified in this article.”

Section 3. Section 15.19.070 of Article 15.19 of the Davis Municipal Code is hereby amended to read as follows (additional text underlined, deleted text struck through):

“**15.19.070. 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 the ordinance codified in this article for storage, use or other consumption in said City at the rate of one percent 2% 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 4. Section 15.19.090 (2) of Article 15.19 of the Davis Municipal Code is hereby amended to read as follows (additional text underlined, deleted text struck through):

“**15.19.090 (2).** Limitations on adoption of state law and collection of use taxes. 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 ~~State Board of~~

Equalization California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this article.”

Section 5. Intended Amendment. It is the intent of the voters to amend Article 15.19 only as specified in this ordinance to increase the rate of the existing Davis transactions and use tax in Article 15.19 of the Davis Municipal Code pursuant to California Constitution Article XIII C, Section 2(b), and Elections Code Section 9217, and notwithstanding Davis Municipal Code Section 15.19.120. Except as specifically amended in this ordinance, the remaining provisions of Article 15.19 shall remain in full force and effect.

Section 6. SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance, the remainder of Article 15.19, and the application of such provision to other persons or circumstances shall not be affected thereby.

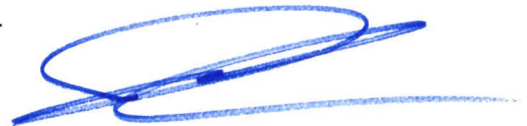
Section 7. EFFECTIVE DATE AND TERMINATION. This ordinance shall take effect ten days following approval by the voters and shall remain in effect until repealed or amended by the voters of the City of Davis.

APPROVED by the City Council of the City of Davis on this 18th day of June, 2024, by the following vote:

AYES: Arnold, Neville, Partida, Vaitla, Chapman

NOES: None

PASSED AND ADOPTED by the voters of the City of Davis, State of California, at the General Municipal Election held on November 5, 2024.



Josh Chapman
Mayor

ATTEST:



Zoe S. Mirabile, CMC
City Clerk