RESOLUTION NO. 2019-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON, CALIFORNIA, CALLING AND GIVING NOTICE OF AN ALL-MAIL BALLOT GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 14, 2020, FOR THE ELECTION OF A CITY COUNCIL MEMBER AS REQUIRED BY THE PROVISIONS OF THE CHARTER OF THE CITY OF VERNON AND SUBMITTING A BALLOT MEASURE TO AMEND CHAPTERS 3.5 AND 3.6 OF ARTICLE III OF THE CITY CHARTER RELATED TO THE SELECTION OF MAYOR AND MAYOR PRO TEM TO THE VOTERS AND A BALLOT MEASURE LEVYING A TRANSACTION AND USE TAX TO THE VOTERS AT SAID ELECTION

WHEREAS, in April 2020, the term of one Vernon City Council Member will expire; and

WHEREAS, under the provisions of the Charter of the City of Vernon, a General Municipal Election shall be held on April 14, 2020, for the election of one Municipal Officer; and

WHEREAS, the City Council also desires to submit to the voters of the City, a ballot measure to amend Chapters 3.5 and 3.6 of Article III of the City Charter; and

WHEREAS, Revenue and 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, therefore, the City Council also desires to submit to the voters of the City, a ballot measure implementing a transaction and use tax.

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

SECTION 1: The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.
SECTION 2: The City Council of the City of Vernon finds that adoption of this resolution is exempt under the California Environmental Quality Act (CEQA), because it is an administrative activity of government that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a "project" as defined by CEQA Guidelines Section 15378.

SECTION 3: Pursuant to the requirements of the State of California, and the Vernon Charter and Municipal Code, there is called and ordered to be held in the City of Vernon, California, on Tuesday, April 14, 2020, a General Municipal Election conducted by all-mail ballot for the purpose of electing one (1) Member of the City Council for the full term of five (5) years and submitting two ballot measures to the voters.

SECTION 4: The City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question:

<table>
<thead>
<tr>
<th>Shall Chapters 3.5 and 3.6 of Article III of the Vernon City Charter be amended to change the process for selecting the Mayor and Mayor Pro Tempore from one by which the other Council Members vote to one by which Council Members are appointed according to an automatic rotation schedule based on year of election?</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
</tr>
<tr>
<td>NO</td>
</tr>
</tbody>
</table>

SECTION 5: The proposed complete text of the measure is as follows:
The People of the City of Vernon do hereby amend the Charter of the City of Vernon as follows:

Chapter 3.5 of Article III of the Charter of the City of Vernon is amended to read as follows:

At the Council meeting at which any Council member is installed following a regular municipal election, and at any time when there is a vacancy in the office of Mayor, the position of Mayor shall be filled by the Council Member whose election immediately followed the election of the prior Mayor. For the first year after passage of the Charter Amendment establishing this automatic rotation appointment process, the position of Mayor shall be filled by the Council Member who has served on the City Council for the longest period of time within their respective current terms. In the event any Council Member scheduled to be Mayor is unable or desires not to be Mayor, the position of Mayor shall be filled by the Council Member who was elected to the City Council in the year immediately following that person.

The Mayor shall be the presiding officer of the City Council. The Mayor shall be a member of the City Council for all purposes and shall have all the rights, powers and duties of a member of the City Council in addition to those powers and duties conferred upon the Mayor by virtue of his or her office.

The Mayor shall be the official head of the City for all ceremonial purposes. The Mayor shall perform such other duties consistent with the office of mayor as may be prescribed by this Charter or as may be provided by the City Council. The Mayor shall serve in his or her capacity at the pleasure of the City Council and may be removed by a majority vote of the members of the City Council.

Chapter 3.6 of Article III of the Charter of the City of Vernon is amended in its entirety to read as follows:

At the time that a mayor is appointed, the position of Mayor Pro Tempore shall be filled by the Council Member whose election immediately followed that of the newly appointed Mayor. For the first year after passage of the Charter Amendment establishing this automatic rotation appointment process, the position of Mayor Pro Tempore shall be filled by the Council Member who has served on the City Council for the next-to-longest period of time within their respective current terms. In the event any Council Member scheduled to be Mayor Pro Tempore is unable or desires not to be Mayor Pro Tempore, the position of Mayor Pro Tempore...
**Tempore shall be filled by the Council Member who was elected to the City Council in the year immediately following that person.**

The Mayor Pro Tempore shall serve in such capacity at the pleasure of the City Council and may be removed by a majority vote of the members of the Council. The Mayor Pro Tempore shall perform the duties of the Mayor during the Mayor's absence or disability.

**SECTION 6:** The vote requirement for the Charter Amendment measure to pass is a majority (50%+1) of the votes cast.

**SECTION 7:** The City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question:

<table>
<thead>
<tr>
<th>To maintain and improve city services including safety, infrastructure, streets and housing, shall the ordinance to increase the sales tax by three-quarter of one percent, providing up to $6 million annually, be adopted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
</tr>
<tr>
<td>NO</td>
</tr>
</tbody>
</table>

**SECTION 8:** The full text of the ordinance authorizing the transactions and use tax to be approved by the voters, entitled "The City of Vernon Transactions and Use Tax Ordinance" is attached as Exhibit A to this resolution. The full text of the ordinance shall be printed in the Voter Information Pamphlet.

**SECTION 9:** The vote requirement for the measure to pass is a majority (50%+1) of the votes cast.

**SECTION 10:** The ballots to be used at the election shall be in form and content as required by law.

**SECTION 11:** The City Clerk is authorized, instructed and
directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election by all mail ballot.

SECTION 12: Pursuant to the City of Vernon Municipal Code, and other applicable provisions of the Charter of the City of Vernon and Ordinances of the City of Vernon, the Election shall be conducted by all-mail ballot, and shall be conducted pursuant to Chapter 2 of Division 4 (commencing with Section 4100) of the California Elections Code only insofar as required by law, and only where not inconsistent with the Charter and Ordinances of the City of Vernon. Notwithstanding Elections Code Section 4103, ballots cast in this Election shall be returned to the Office of the City Clerk no later than 8:00 p.m. on election day in order to be counted. Ballots that are postmarked on election day and received no later than three (3) days following the day of the election will also be counted.

SECTION 13: In the event of a tie vote (if any two or more persons receive an equal and the highest number of votes for an office) as certified by the Election Official, the City Council, in accordance with Election Code Section 15651(b), shall conduct a special runoff election to resolve the tie vote and such special runoff election is to be held on a Tuesday not less than 40 days nor more than 125 days after the administrative or judicial certification of the election which resulted in a tie vote.

SECTION 14: In all particulars not recited in this resolution, the Election shall be held and conducted as provided by law for holding municipal elections.

SECTION 15: 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.

SECTION 16: The City Council of the City of Vernon 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.

SECTION 17: The City Clerk of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk of the City of Vernon shall cause this resolution and the City Clerk's certification to be entered in the File of Resolutions of the Council of this City.

APPROVED AND ADOPTED this 3rd day of December, 2019.

[Signature]
Name: Melissa A. Ybarra
Title: Mayor / Mayor Pro-Tem

ATTEST:
[Signature]
Lisa Pope, City Clerk

APPROVED AS TO FORM:
[Signature]
Zaynah Moussa, Senior Deputy City Attorney
I, Lisa Pope, City Clerk of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. 2019-53, was duly passed, approved and adopted by the City Council of the City of Vernon at a regular meeting of the City Council duly held on Tuesday, December 3, 2019, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this 9th day of December, 2019 at Vernon, California.

Lisa Pope, City Clerk

(SEAL)
ORDINANCE NO.

AN ORDINANCE OF THE CITY OF VERNON ADDING CHAPTER 20A OF THE VERNON MUNICIPAL CODE TO ENACT A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION, UPON ADOPTION BY THE VOTERS

THE PEOPLE OF THE CITY OF VERNON DO HEREBY ORDAIN:

SECTION 1: Chapter 20A, which shall be titled “TRANSACTIONS AND USE TAX,” is hereby added to the Vernon Municipal Code, as follows:

CHAPTER 20A

TRANSACTIONS AND USE TAX

Section 20A.1. Transactions and Use Tax.

(a) Purpose.

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

(1) To impose a retail transactions and use tax to be applied throughout the entire territory of the City to the fullest extent permitted by law and in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2, which authorizes the City to adopt this ordinance 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.

(2) 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.

(3) 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.
(4) 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.

(5) To provide transactions and use tax revenue to the City to be used for general purposes.

(b) 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.

(c) 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 three-quarters of one percent (0.75%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Chapter.

(d) Place of Sale.

For the purposes of this Chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.
(e) **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 Chapter for storage, use or other consumption in said territory at the rate of three-quarters of one percent (0.75%) 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.

(f) **Adoption of Provisions of State Law.**

Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Chapter as though fully set forth herein.

(g) **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:

1. 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:

   (A) The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, California Department of Tax and Fee Administration, State Treasury, or the Constitution of the State of California.

   (B) The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Chapter.

   (C) 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:

   (i) 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;

(ii) 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.

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

(2) 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.

(h) Permit not required.

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

(i) Exemptions and Exclusions.

(1) 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.

(2) There are exempted from the computation of the amount of transactions tax the gross receipts from:

(A) 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.

(B) 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:
(i) 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

(ii) 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.

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

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

(E) 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.

(3) There are exempted from the use tax imposed by this Chapter, the storage, use or other consumption in this City of tangible personal property:

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

(B) 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.
(C) If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Chapter.

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

(E) 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.

(F) 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.

(G) "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.

(4) Any person subject to use tax under this Chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

(j) Amendment or Repeal.
(1) All amendments subsequent to the effective date of this Chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Chapter.

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

(k) **Enjoining Collection Forbidden.**

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this Chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

(l) **Severability.**

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

(m) **Use of Proceeds.**

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

(n) **Annual Audit.**

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 2:** Any ordinance or parts of ordinances in conflict with this Ordinance are hereby repealed.
SECTION 3: Severability. If any chapter, article, section, subsection, subdivision, paragraph, sentence, clause, phrase, or word in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each chapter, article, section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more chapters, articles, sections, subsections, subdivisions, paragraphs, sentences, clauses, phrases or words be declared unconstitutional, or invalid, or ineffective.

SECTION 4: Book of Ordinances. The City Clerk shall attest and certify to the adoption of this Ordinance and shall cause this Ordinance and the City Clerk's certification to be entered in the Book of Ordinances of the Council of this City. The City Clerk shall cause this ordinance to be published or posted as required by law.
SECTION 5: Effective Date. This Ordinance shall go into effect if approved by a majority of the voters of the City of Vernon at the general municipal election to be held on April 14, 2020, and shall be executed by the Mayor upon certification by the City Council of the results of the election approving this ordinance.

APPROVED AND ADOPTED this ___ day of _______ 20___.

Name: ____________________________

Title: Mayor / Mayor Pro-Tem

ATTEST:

Lisa Pope, City Clerk

APPROVED AS TO FORM:

Brian Byun,
Senior Deputy City Attorney
STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  

I, Lisa Pope, City Clerk of the City of Vernon, do hereby certify that the foregoing Ordinance, being Ordinance No. _____ was approved by the voters of the City of Vernon, at the general municipal election held in the City of Vernon on Tuesday, April 14, 2020, and thereafter adopted at a meeting of said City Council held on Tuesday, ________, by the following vote:

AYES:  ___________ Councilmembers:  
NOES:  ___________ Councilmembers:  
ABSENT:  ___________ Councilmembers:  

And thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this ___ day of _________, 20___, at Vernon, California.

Lisa Pope, City Clerk
(SEAL)
TRANSMITTAL COMMUNICATION
December 9, 2019

Dean C. Logan
Registrar-Recorder/County Clerk Los Angeles County
Election Coordination Unit, 2nd Floor, Rm. 2003
12400 E. Imperial Highway
Norwalk, CA 90650
Email: ecu@rrcc.lacounty.gov

Re: RESOLUTION NO. 2019-53 – A Resolution of the City Council of the City of Vernon, California, Calling and Giving Notice of an All-Mail Ballot General Municipal Election to be Held on Tuesday, April 14, 2020, for the Election of a City Council Member as Required by the Provisions of the Charter of the City of Vernon and Submitting a Ballot Measure to Amend Chapters 3.5 and 3.6 of Article III of the City Charter Related to the Selection of Mayor and Mayor Pro Tem to the Voters and a Ballot Measure Levying a Transaction and Use Tax to the Voters at Said Election

Dear Mr. Logan:

Transmitted herewith is a certified copy of Resolution No. 2019-53 that was approved by City Council on December 3, 2019.

If you have any questions regarding this matter, please contact Lisa Pope at (323) 583-8811 ext. 546.

Very truly yours,

Deborah R. Juarez
Records Management Assistant

Enclosure

c: City Clerk
Resolution No. 2019-53

Exclusively Industrial
December 9, 2019

Celia Zavala, Executive Officer
Board of Supervisors, County of Los Angeles
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 383
Los Angeles, CA 90012

Re: Resolution No. 2019-54 – Requesting County Services
    Resolution No. 2019-53 – Calling and Giving Notice of an All-Mail Ballot Election

Dear Ms. Zavala:

Transmitted herewith is a copy of Resolution Nos. 2019-53 and 2019-54 that were approved by City Council on December 3, 2019.

If you have any questions regarding this matter, please contact Lisa Pope at (323) 583-8811 ext. 546.

Very truly yours,

Deborah R. Juarez
Records Management Assistant

Enclosure

c: City Clerk
    Resolution Nos. 2019-53, 2019-54
STAFF REPORT
AGENDA APPROVED 12/03/19 - DJ

City Council Agenda Item Report

Agenda Item No. COV-522-2019
Submitted by: Lisa Pope
Submitting Department: City Clerk
Meeting Date: December 3, 2019

SUBJECT
April 14, 2020 General Municipal Election

Recommendation:
A. Find that this action is exempt from the California Environmental Quality Act (CEQA) review, because it is an administrative activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a "project" as defined by CEQA Guidelines Section 15378;
B. Adopt a Resolution calling and giving notice of an all-mail ballot General Municipal Election to be held on Tuesday, April 14, 2020 for the election of a City Council Member as required by the provisions of the Charter of the City of Vernon and submitting a ballot measure to amend the Charter related to Mayoral rotation and a ballot measure levying a transactions and use tax to the voters at said election;
C. Determine authors of arguments and rebuttals;
D. Adopt a Resolution requesting the Board of Supervisors of the County of Los Angeles to render specified services to the City relating the conduct of the General Municipal Election to be held on Tuesday, April 14, 2020; and
E. Direct the City Clerk to transmit a copy of the measures to the city attorney for preparation of impartial analyses.

Background:
Pursuant to Vernon Charter Section 5.1 and Municipal Code Section 2.118, the City of Vernon conducts all-mail ballot General Municipal Elections on the second Tuesday of April each year. The City Council is required to adopt various resolutions to begin the election process.

Resolution Calling the Election
The first resolution (Attachment 1) calls the election on Tuesday, April 14, 2020, for the election of one member of the City Council for a full five (5) year term and submits two ballot measures to the voters.

Charter Amendment Ballot Measure
Currently, the Charter dictates that the Mayor and Mayor Pro Tem are selected from the City Council following a regular municipal election. Charter Chapters 3.5 and 3.6 read as follows:

Chapter 3.5 - At the Council meeting at which any Council Member is installed following a regular municipal election, and at any time when there is a vacancy in the office of the Mayor, the City Council shall meet and shall elect one of its members as Mayor."

Chapter 3.6 - At the time that a Mayor is selected, the City Council shall also designate one of its members as Mayor Pro Tempore." 

The proposed ballot measure would establish rotation of the Mayor and Mayor Pro Tem positions, rather than having the Council Members vote to elect these positions. A rotational process as prescribed by the proposed ballot measure
affords equal opportunities for each Council Member to serve as the City's Mayor and Mayor Pro Tem at some point in their tenure on the City Council. Similar ballot measures were on the April 2019 ballot but were withdrawn due to a technical error on the ballot.

Transaction and Use Tax Ballot Measure
The City has historically operated with a deficit in its General Fund that was partially alleviated via a transfer of funds from the electric utility each fiscal year, in order to provide essential services to its residents and businesses. While this is common practice among public agencies with their own utilities, it is not viewed as a best practice by rating agencies and regulatory bodies.

The City continues to be confronted with its traditional challenges to provide the core services to its residents and businesses of public safety and infrastructure, and to address deferred maintenance projects throughout the City, as well as two additional obstacles in recent years: unfunded pension and Other Post-Employment Benefits (OPEB) liabilities. Although the City adopted a 6% utility users' tax (Measure R) on April 10, 2018, and entered into an agreement with the Fire Protection District of Los Angeles County for fire protection on August 6, 2019, the City still faces financial challenges.

The City of Vernon, like municipal jurisdictions throughout the state, receives a 1% Sales and Use Tax pursuant to the Bradley-Burns Uniform Local Sales Tax and Use Law. California state law sets a cap for sales and use tax at 10.25% with a few exceptions as allowed by state legislation. The total sales tax assessed in the City is currently 9.5%, comprised of the following:

6.25% California State Rate  
1% County Transportation  
1% County Metro Transportation  
1% City of Vernon  
.25% County of Los Angeles Rate (County Homeless Services)

The City remains committed to its Good Governance reforms, including fiscal accountability and transparency, financial stability, as well as securing additional sources of revenue that are necessary to retain the City's current levels of service. One option to address budget deficits and build future reserves is the consideration of three-quarter cent (0.75%) local sales tax (technically, a "Transactions and Use Tax"). Proceeds from the tax would be locally protected funds that could be used for maintaining and improving City services including safety, infrastructure, streets and housing. An increase to the City's sales tax would increase the City's revenue by approximately $6 million per year.

Arguments and Rebuttals
Elections Code Sections 9282 and 9285 allow for submittal of written arguments and rebuttal arguments. At its December 18, 2018 meeting, the Council authorized the Mayor to prepare and file arguments in favor of the proposed ballot measure related to Mayoral rotation. The Council may wish to do the same for these ballot measures. Elections Code Section 9286 requires the elections official to fix the date 14 days from the calling of the election as the deadline for submittal of arguments and Elections Code Section 9285 indicates rebuttal arguments shall be submitted no later than 10 days after the final filing date for primary arguments. Therefore, arguments would be due no later than December 17, 2019, and rebuttals must be submitted by December 30, 2019, since City Hall is closed on Friday, December 27, 2019.

Impartial Analysis
Elections Code Section 9280 provides for preparation of impartial analyses, showing the effect of the measures, by the City Attorney. The impartial analyses are due at the same as the initial arguments.

Candidate Statement Regulations
Elections Code Section 13307 allows candidates to prepare a candidate statement for inclusion in the voter's pamphlet. On October 21, 2014, the Council adopted Resolution No. 2014-64 (Attachment 2) adopting regulations regarding candidate statements submitted to voters in a general municipal or special municipal election. This resolution applies to the April 2020 election.

Resolution Requesting County Services
The second resolution (Attachment 3) requests the services of the Los Angeles County Election Department to provide appropriate forms, and signature verification services, and prepare, print and mail official ballots and ballot materials.

Ballot Drop-Off Locations
In prior elections, the City has offered an additional ballot drop-off location on election day. No ballots were dropped off at the Vernon Fire Station in the October 2019 Special Municipal Election and only one was dropped off in April 2019 because the resident "was interested in seeing the process". Staff will consider options for providing the best value for voters and will inform voters of such.

Nomination Period
The nomination period for the April 14, 2020 Election begins December 23, 2019, at which time candidates may obtain nomination papers and required filing materials from the City Clerk Department. The last day to file nomination papers is January 21, 2020 (since City Hall is closed January 17 and 20, 2020). If an incumbent fails to file, the period is extended to January 27, 2020.

Fiscal Impact:
The proposed Transaction and Use Tax ballot measure is anticipated to generate approximately $6 million annually. Account No. 011.1003.596300 has $21,346 which is expected to be sufficient to cover the cost of the election.

ATTACHMENTS
- 1. Resolution Calling Election
- 2. Resolution No. 2014-64 regarding Candidate Statements
- 3. Resolution Requesting County Services