Gloria Olmos, Mayor
Rudy Bojorquez, Mayor Pro Tem
Manuel Acosta, Councilmember
Richard Angel, Councilmember
Hector Delgado, Councilmember

Rene Salas, City Manager
Anthony R. Taylor, City Attorney
Sabrina Muhne, Interim City Clerk
Masami Higa, Finance Director

CITY OF SOUTH EL MONTE

CALL AND NOTICE OF SPECIAL MEETING

CALLED BY CITY COUNCIL

AGENDA

August 7, 2024, 7:00 PM
1415 Santa Anita Avenue, South El Monte, CA 91733

NOTICE IS HEREBY GIVEN that a Special Meeting of the City Council of the City of South El Monte will be held on August 7, 2024, at City Hall in the Council Chambers, 1415 Santa Anita Avenue, South El Monte, CA 91733

PUBLIC COMMENT

To participate during public comment via teleconference, see below:

Link: https://us02web.zoom.us/j/86581711880
Webinar ID: 865 8171 1880
Or call in: 1 669 900 6833, when prompted, enter 86581711880#

For both open and closed sessions, each speaker will be limited to five minutes. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another. This is the only opportunity for public input except for scheduled public hearing items. All comments or queries shall be addressed to the Council as a body and not to any specific member thereof. Pursuant to Government Code Section 54954.2(a)(2), the Ralph M. Brown Act, no action or discussion by the City Council shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

LIVE STREAMING OF MEETINGS

The City of South El Monte live streams the City Council Meetings over the Internet at https://www.cityofsouthelmonte.org/129/City-Council-Agendas-Minutes after the meetings, recordings are immediately posted. NOTE: Your attendance at this public meeting may result in the streaming and recording of your image and/or voice.

AMERICANS WITH DISABILITIES ACT

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's office at (626) 579-6540 at least 72 hours prior to the meeting.

GENERAL COMMENT

Members of the public wishing to submit a general comment or a comment on an agenda item, can email smuhne@soelmonte.org or call (626) 579-6540 to leave a voicemail message. All comments received an hour before the scheduled meeting will be read during public comment and made part of the record.

MEETINGS

The City Council holds regular meetings on the second and fourth Tuesday of every month. Regular meetings start at 6 p.m. in the Council Chambers at City Hall, 1415 Santa Anita Avenue, South El Monte, California. Special and Adjourned Regular meetings start times are to be determined.

POSTING LOCATIONS OF AGENDA AND/OR CANCELLATION NOTICES

Regular meeting agendas will be posted at least 72 hours before the meeting (GC 54954(a)(1)).

Agenda and Cancellation Notices can be viewed online and are also posted at the following three (3) locations: City Hall located at 1415 Santa Anita Avenue, Senior Center located at 1556 Central Avenue and the Community Center located at 1530 Central Avenue, South El Monte, California.

VIEWING OF AGENDA PACKETS

Full agenda packet can be viewed either at www.cityofsouthelmonte.org/129/City-Council-Agendas-Minutes or in the City Clerk's Office during normal business hours Monday through Thursday 7:00 a.m. to 5:30 p.m. Closed on Fridays and major holidays.

ISSUES RELATED TO AGENDA

For issues related to the agenda, including a disability-related accommodation necessary to participate in this meeting, please contact:

Sabrina Muhne, Interim City Clerk
Ph (626) 579-6540
Cell (626) 374-1998

Robert Molina, Interim Deputy City Clerk
Ph (626) 579-6540
Cell (626) 816-2907

AGENDA BEGINS ON THE FOLLOWING PAGE

1. ROLL CALL

Councilmembers: Acosta, Angel, Delgado, Mayor Pro Tem Bojorquez, and Mayor Olmos

2. APPROVAL OF THE AGENDA AND WAIVER OF FULL READING OF ORDINANCES

By motion of the City Council, this is the time to notify the public of any changes to the agenda, remove items from the consent calendar for individual consideration and/or rearrange the order of the agenda.

3. PUBLIC COMMENT

Speakers may provide public comments on any matter within the subject matter jurisdiction of the City Council, including items on the agenda. Each speaker will be limited to five minutes. Unless a majority of the Council objects, the Mayor may provide speakers more or less time to speak. All comments or queries shall be addressed to the Council as a body and not to any specific member thereof. Pursuant to Government Code Section 54954.2(a)(2), the Ralph M. Brown Act, no action or discussion by the City Council shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

4. GENERAL BUSINESS

4.a. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 24-209, SUBMITTING A LOCALLY-CONTROLLED SERVICES (TRANSACTIONS AND USE TAX) MEASURE TO THE VOTERS AT THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION AND INTRODUCTION OF ORDINANCE NO. 1275 RELATING TO A TRANSACTIONS AND USE TAX

Staff requests City Council take actions to submit a transactions and use tax ("local sales tax") measure to the voters at the November 5, 2024 election and to introduce an ordinance imposing that tax.

RECOMMENDED ACTION: Staff recommends City Council:

1. Find that the adoption of the ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4);
2. Adopt Resolution No. 24-209 Submitting the South El Monte Locally-Controlled Services Measure to the Voters at the November 5, 2024, General Municipal Election, Reiterating the City's Request that the Election be Consolidated with Other Elections Held on that Date and Taking Certain Related Actions; and
3. Introduce and Waive First Reading of Ordinance No. 1275 Adding Chapter 3.05 to Title 3 of the Municipal Code to Impose a Transactions and Use Tax to be Administered by the California Department of Tax and Fee Administration

4.b. CONTINUED FROM THE ADJOURNED REGULAR CITY COUNCIL MEETING OF JULY 30, 2024 - CONSIDERATION AND APPROVAL OF RESOLUTION NO. 24-206, SUBMITTING A BUSINESS LICENSE TAX MEASURE TO THE VOTERS AT THE NOVEMBER 5, 2024, GENERAL MUNICIPAL ELECTION AND INTRODUCTION OF ORDINANCE NO. 1273 RELATING TO BUSINESS LICENSING PROCEDURES

Staff requests City Council take actions to submit a business license tax measure to the voters at the November 5, 2024, election and to introduce an ordinance regarding business licenses.

RECOMMENDED ACTION: Staff recommends City Council:

1. Find that the adoption of the ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4).
2. Adopt Resolution No. 24-206 Submitting a Business License Tax Measure to the Voters at the November 5, 2024, General Municipal Election, Reiterating the City's Request that the Election be Consolidated with Other Elections Held on that Date and Taking Certain Related Actions.
3. Introduce and Waive First Reading of Ordinance No. 1273 Adding Chapter 5.02 to Title 5 of the Municipal Code, Relating to Business Licensing Procedures

5. CLOSED SESSION - NONE

6. ADJOURNMENT

Tuesday, September 10, 2024, at 6:00 p.m.

I, Sabrina Muhne, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted not less than 72 hours at the following locations: City of South El Monte City Hall, Senior Center and Community Center and made available at www.cityofsouthelmonte.org on this DATE.

Sabrina Muhne

City Council Agenda Report
Agenda Item No. 4.a.

DATE: August 7, 2024

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Masami Higa, Director of Finance

SUBJECT: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 24-209, SUBMITTING A LOCALLY-CONTROLLED SERVICES (TRANSACTIONS AND USE TAX) MEASURE TO THE VOTERS AT THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION AND INTRODUCTION OF ORDINANCE NO. 1275 RELATING TO A TRANSACTIONS AND USE TAX

SUMMARY: Staff requests City Council take actions to submit a transactions and use tax ("local sales tax") measure to the voters at the November 5, 2024 election and to introduce an ordinance imposing that tax.

RECOMMENDED ACTION: Staff recommends City Council:

1. Find that the adoption of the ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4);
2. Adopt Resolution No. 24-209 Submitting the South El Monte Locally-Controlled Services Measure to the Voters at the November 5, 2024, General Municipal Election, Reiterating the City's Request that the Election be Consolidated with Other Elections Held on that Date and Taking Certain Related Actions; and
3. Introduce and Waive First Reading of Ordinance No. 1275 Adding Chapter 3.05 to Title 3 of the Municipal Code to Impose a Transactions and Use Tax to be Administered by the California Department of Tax and Fee Administration

FISCAL/FINANCIAL IMPACT: The cost to the City for the County's services in connection with adding a ballot measure to the ballot and conducting the election for that measure will be approximately $60,000. If the voters approve the ballot measure, the locally-controlled services (transactions and use tax) measure would raise approximately $1.6 million per year for the City. The new tax would begin on 10/1/27, or earlier if the County's existing Measure H tax is ended earlier.

DISCUSSION: The effective combined sales tax rate in South El Monte is currently 10.25%. Of that 10.25%, 1.75% goes to the City of South El Monte. The remainder go to state, county, and regional governments.

1% of the City's 1.75% share is the "Bradley-Burns" tax that goes to every City in the state. The other 0.75% comes from voter-approved "transactions and use taxes" that were approved by the City's voters in 2010 (Measure R) and in 2020 (Measure ES).

As a general rule, under state law the combined rate of all transactions and use taxes imposed by the city and by county and regional agencies cannot exceed 2%. Los Angeles County currently imposes 2.25% in transactions and use taxes in the City, and 1.25% of these county against the 2% cap. Thus, so long as the County has 1.25% in taxes that count against the cap, the City cannot have more than 0.75% in active transactions and use taxes.

In 2017, County voters approved Measure H, a 0.25% transactions and use tax. The Measure H tax has a 10-year sunset, so the tax expires on September 30, 2027.

The County has placed Measure A on the November 5, 2024 ballot. Measure A would (i) create a new 0.5% countywide transactions and use tax that would not count against the 2% cap and (ii) terminate the Measure H tax when the Measure A tax goes into effect. If Measure A passes, the Measure H tax would thus end on March 31, 2025.

The attached resolution would place a 0.25% municipal transactions and use tax on the November 5, 2024 ballot to use the part of the 2% cap that is freed up when the Measure H tax ends. The tax would go into effect on October 1, 2027, but would start earlier if the Measure H tax ends earlier.

Like the City's existing transactions and use taxes, the new tax would be administered by the California Department of Tax and Fee Administration. It would apply and be collected in the same way as the City's existing transactions and use taxes, meaning that (i) food, medicine and other purchases that are exempt from the state sales tax would generally be exempt from the new transactions and use tax and (ii) the tax on auto purchases would apply based on the location at which the car is to be registered, not at the location of the dealership selling the car. The City has essentially no flexibility as to how the tax is applied—this is all governed by state law. The City can only set the rate and term of the new tax. The new tax is proposed to continue without sunset until repealed.

In order for the transactions and use tax to be effective, (i) the City Council must place it on the ballot by a two-thirds vote (four votes); (ii) the voters must approve it at the election by a majority vote; and (iii) the City Council must itself adopt the ordinance by a two-thirds vote (four votes). The deadline for delivering a ballot measure to the County for the November 5, 2024 election is Friday, August 9, 2024. Therefore, if this matter is to move forward, staff recommends that the Council adopt the attached resolution placing the tax on the ballot and conduct a first reading of the attached tax ordinance. If the Council does so, the ordinance will return to the Council for adoption at a subsequent meeting.

The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this ballot measure and the actions recommended for this item are exempt under CEQA.

PREPARED BY: Mark E. Mandell, Special Council, Mandell Municipal Counseling.

ATTACHMENT(S):

A. Resolution No. 24-209 Placing Measure on Ballot Resolution (includes Ordinance No. 1275, approving the tax, as its Exhibit A)

RESOLUTION NO. 24-209

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL SUBMITTING THE SOUTH EL MONTE LOCALLY-CONTROLLED SERVICES MEASURE TO THE VOTERS AT THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION, REITERATING THE CITY'S REQUEST THAT THE ELECTION BE CONSOLIDATED WITH OTHER ELECTIONS HELD ON THAT DATE AND TAKING CERTAIN RELATED ACTIONS

WHEREAS, the City relies on its general fund to provide municipal services such as public safety, housing programs, parks/recreation, homelessness prevention, and road repairs; and

WHEREAS, Section 7285.9 of the Revenue & Taxation Code authorizes the qualified voters of the City to approve a transactions and use tax for general purposes by a majority vote of those casting ballots on the tax at an election; and

WHEREAS, such transactions and use taxes are commonly referred to as "local sales taxes" and are separate taxes from the basic one-cent (1%) Bradley-Burns sales and use tax that is levied by every city in California; and

WHEREAS, the City currently levies transactions and use taxes at a combined rate of three-quarters of a cent (0.75%); and

WHEREAS, state law generally caps the combined rate of transactions and use taxes that can be effective within a city at two cents (2.0%); and

WHEREAS, Los Angeles County currently levies transactions and use taxes within the City of South El Monte at a combined rate of two and a quarter cents (2.25%)

WHEREAS, because one and a quarter cents (1.25%) of the combined rate of the County's transactions and use taxes levied within the City count against the two cent cap, the County effectively has blocked the City from adopting additional transactions and use taxes that the City would otherwise be entitled to adopt under state law; and

WHEREAS, revenues from County-imposed transactions and use taxes are controlled by the Los Angeles County Board of Supervisors and spent throughout the County; and

WHEREAS, the County currently imposes a quarter-cent (0.25%) transactions and use tax that was approved in 2017 by the adoption of Measure H; and

WHEREAS, since 2017, approximately $9.1 million in Measure H taxes have originated in the City of South El Monte, but only $158,466 of that of that was allocated by the County to the City; and

WHEREAS, the Measure H tax will be expiring by its own terms on September 30, 2027; and

WHEREAS, the County has placed a measure on the November 5, 2024 ballot that would terminate the Measure H tax in 2025; and

WHEREAS, the expiration of the Measure H tax frees up room under the two-cent cap; and

WHEREAS, if the City uses this room under the cap to create a new one-quarter cent (0.25%) transactions and use tax to fund general fund services, the revenue generated by that tax will be locally controlled, available for the priorities important to South El Monte residents, and spent for the benefit of those residents; and

WHEREAS, if the City does not adopt the new tax, then the County could adopt an additional new quarter-cent (0.25%) transactions and tax that would (i) be paid by South El Monte residents but controlled by the County and (ii) block the City's future ability to use the revenue capacity that will be opening under the cap; and

WHEREAS, it is vitally important that, for purposes of the state-imposed rate cap, when the Measure H tax ends, the Measure H tax is replaced by a quarter-cent (0.25%) tax that is locally controlled rather than yet another new quarter-cent (0.25%) tax that will be controlled by the County; and

WHEREAS, on June 11, 2024, by its Resolution No. 24-189, this Council called a general municipal election to be held on November 5, 2024 (the "Election") for the purpose of electing municipal officers; and

WHEREAS, on June 11, 2024, by its Resolution No. 24-190, this Council requested that the Election be consolidated with the Statewide General Election; and

WHEREAS, in order to order to ensure that tax revenues are available for locally-controlled services, this Council desires to submit a measure to the voters at the Election and take certain related actions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Pursuant to Section 9222 of the Elections Code, the ordinance attached hereto as Exhibit "A" and incorporated herein by reference, (the "Ordinance") shall be submitted to the voters at the Election. Adoption of the Ordinance requires a majority vote of those voting on the matter. Therefore, adoption of the measure submitted to the voters requires a majority vote of those casting ballots on the measure. The type of tax, rate of tax, and manner of collection are set forth in the ordinance.

SECTION 2. The question submitted shall appear on the ballot as follows:

SOUTH EL MONTE LOCALLY-CONTROLLED SERVICES MEASURE. Shall the measure that replaces the county-controlled "Measure H" 0.25% sales tax with a locally-controlled, independently audited, City of South El Monte revenue source generating approximately $1.6 million annually for South El Monte general services such as public safety, housing programs, parks/recreation, homelessness prevention, and road repairs, by creating a one-quarter cent (0.25%) sales tax that starts when the "Measure H" tax ends and continues until repealed by voters be adopted?	YES	
	NO	

SECTION 3. The City Clerk is instructed to transmit the Ordinance to the City Attorney along with a request that an impartial analysis be prepared pursuant to Elections Code Section 9280.

SECTION 4. The City Council reiterates its prior call and order of the Election to be held in the City of South El Monte, California, on Tuesday, November 5, 2024.

SECTION 5. The ballots to be used at the election shall be in form and content as required by law.

SECTION 6. The City Clerk is authorized, instructed, and directed to coordinate with the County of Los Angeles Registrar-Recorder/County Clerk 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.

SECTION 7. The vote center for the Election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code § 10242, except as provided in § 14401 of the Elections Code of the State of California.

SECTION 8. In all particulars not recited in this resolution, the Election shall be held and conducted as provided by law for holding municipal elections.

SECTION 9. 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 10. The City Council authorizes the City Clerk to take any necessary actions to administer the Election. All reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 11. The City Council reiterates its request, pursuant to the requirements of § 10403 of the Elections Code, that the Board of Supervisors of the County of Los Angeles consent and agree to the consolidation of the Election with the Statewide elections on Tuesday, November 5, 2024.

SECTION 12. The County Election Department is authorized to canvass the returns of the Election. The Election shall be held in all respects as if there were only one election, and only one form of ballot shall be used. The Election will be held and conducted in accordance with the provisions of law regulating the statewide election, including, without limitation Elections Code Section 10418.

SECTION 13. The Board of Supervisors is requested to issue instructions to the county election department to take any and all steps necessary for the holding of the consolidated election.

SECTION 14. The City of South El Monte recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for all costs.

SECTION 15. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the county election department of the County of Los Angeles.

SECTION 16. Pursuant to Section 9282 of the Elections Code of the State of California, the City Council, or any member or members of the legislative body authorized by the body, or any individual voter who is eligible to vote on the measure or bona fide association of citizens, or any combination of voters and associations, may file a written argument, not to exceed 300 words in length, 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, for or against the measure. In the event that more than one argument for or against the foregoing measure is timely submitted, the City Council's duly appointed elections official shall give preference and priority first, to arguments submitted by member(s) of the City Council, as authorized by this Resolution, and second, to individual voters, bona fide associations, or a combination thereof, in the order set forth in Section 9287 of the Elections Code. Arguments for and against the shall be filed with the City Clerk no later than 3:00 PM on August 15, 2024, and shall be accepted and printed as required by law.

SECTION 17. Members of the City Council are authorized to submit a written argument in support of the measure submitted to the voters by this resolution.

SECTION 18. The City Council elects to authorize rebuttal arguments pursuant to Elections Code Section 9285. When the City's elections official has selected the arguments for and against the measure will be printed and distributed to the voters, the elections official shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The author or a majority of the authors of an argument relating to the foregoing city measure may prepare and submit a rebuttal argument not to exceed 250 words in length. A rebuttal argument may not be signed by more than five authors. The rebuttal arguments shall be filed with the City Clerk no later than 3:00 PM on August 26, 2024. Rebuttal arguments shall be printed in the same manner as direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 19. The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this resolution is exempt under CEQA.

SECTION 20. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 7th day of August 2024.

____
Gloria Olmos, Mayor

ATTEST:

____
Sabrina Muhne, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Sabrina Muhne, Interim City Clerk of the City of South El Monte, hereby certify that the foregoing Resolution, being Resolution No. 24-209 was duly passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 7th day of August 2024, and that said Resolution was adopted by the following vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

____
Sabrina Muhne, Interim City Clerk

Attachment "A"
Tax Ordinance

ORDINANCE NO. 1275

AN ORDINANCE OF THE CITY OF SOUTH EL MONTE ADDING CHAPTER 3.05 TO TITLE 3 OF THE MUNICIPAL CODE TO IMPOSE A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

THE PEOPLE AND CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1: **Declarations**. The People and the City Council find and declare as follows:

A Section 7285.9 of the Revenue & Taxation Code (the "Code") authorizes the City to levy transactions and use taxes for general purposes that conform with the requirements of the Transactions and Use Tax Law (Section 7251 *et seq*. of the Code) (the "TUT Law").

B. Section 7251.1 of the TUT Law provides that the combined rate of all transactions and use in any county may not exceed two percent.

C. Section 7285.92 of the Code provides that the authority of the City to impose a transaction and use tax is subject to this combined rate limitation.

D. Within the City of South El Monte, the County of Los Angeles currently levies transactions and use taxes at a combined rate of 1.25% that are subject to this combined rate limit.

E. The City currently levies transactions and use taxes at only 0.75% in combined rates.

F. Thus, under current law, until a County transactions and use tax that counts against the combined rate limit expires, the City is prevented from having an additional transactions and use tax come into effect.

G. In 2017, the voters of Los Angeles County approved Measure H, which imposed a 0.25% transactions and use tax within the City.

H. The Measure H tax will terminate by its own terms on September 30, 2027.

I. The County Board of Supervisors has placed on the November 5, 2024 ballot a measure, known as Measure A, that will terminate the Measure H tax in 2025.

J. This means that, no later than October 1, 2027, there will be room within the 2% combined rate limitation for a new 0.25% South El Monte transactions and use tax.

K. If a new 0.25% South El Monte transactions and use tax become effective, then the City and the County will each, within South El Monte, have taxes at a combined rate of 1% that are subject to the combined 2% limit.

L. By equalizing, within the City of South El Monte, the share of the 2% combined limit that is used by City taxes and the share that is used by County taxes, the new 0.25% tax would effectively be replacing the Measure H tax for purposes of the combined limit.

SECTION 2: **Amendment.** Chapter 3.05 is hereby added to Title 3 of the South El Monte Municipal Code to read as follows:

"**Chapter 3.05 Locally-Controlled Services Transactions & Use Tax**

3.05.010 Short Title

This chapter shall be known as the City of South El Monte Locally-Controlled Services Transactions and Use Tax Ordinance of 2024. The City of South El Monte hereinafter shall be called "City." This chapter shall be applicable in the incorporated territory of the City.

3.05.020 Operative Date

A. Except as provided by subsection B of this section, "Operative Date" means October 1, 2027.

B. If, as the result of the adoption by Los Angeles County Voters of an ordinance authorized by Section 7286.01 of the Revenue & Taxation Code, or for any other reason, the Measure H Tax terminates prior to September 30, 2027, "Operative Date" shall mean the later of :

(i) the first day of the first calendar quarter commencing after the termination date of the Measure H Tax or

(ii) the first day of the first calendar quarter commencing more than 110 days after the adoption of this chapter, the date of such adoption being as set forth at the bottom of the voter-approved ordinance adding this chapter to this code.

C. For purposes of this section, "Measure H Tax" means the Los Angeles County 0.25% transactions and use tax, first operative on October 1, 2017, that was approved at the March 7, 2017 Election by the voters the County of Los Angeles by their adoption of Measure H.

3.05.030 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.

3.05.040 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 the transactions and use tax imposed by this chapter; 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.

3.05.050 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 0.25% 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.

3.05.060 Place of Sale

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

3.05.070 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 chapter for storage, use or other consumption in said territory at the rate of 0.25% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.05.080 Adoption of Provisions of State Law

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

3.05.090 Limitation 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.

3.05.100 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.

3.05.110 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.

3.05.120 Amendments

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.

3.05.130 Enjoining Collection Prohibited

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

3.05.140 Accountability and Use of Tax Proceeds

Proceeds of the tax imposed by this chapter shall be deposited in the general fund of the City and shall be available for any lawful purpose. Once deposited, such proceeds shall be audited as part of City’s annual independent audit of the general fund and shall be accounted for in the City’s Consolidated Annual Financial Report.

SECTION 3: INTENT. The intent of this Ordinance is (i) to cause the tax imposed by this ordinance to go into effect on the first day that is legally permissible pursuant to Section 7251.1 of the Revenue & Taxation Code, but no later than October 1, 2027 and (ii) to impose a tax that, once operative, continues without sunset until repealed.

SECTION 4: 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 5: ELECTION REQUIRED. This Ordinance shall not become operative unless and until it is approved both (i) by the voters by the City Council by a vote of two thirds of all of its members and (ii) by a majority vote at the November 5, 2024 General Municipal Election.

SECTION 6: AMENDMENT. This Ordinance may be amended by the City Council. However, no such amendment can increase the rate of the tax imposed by this Ordinance or make a change that is inconsistent with the laws of the State that govern transactions and use taxes.

SECTION 7: EFFECTIVE DATE. This Ordinance relates to the levying and collecting of a transactions and use tax and shall take effect immediately. However, the operative date for the tax imposed by this Ordinance shall be as set forth in this Ordinance.

SECTION 8: CEQA. The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this Ordinance is exempt under CEQA.

SECTION 9: CERTIFICATION. The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of El Monte this ____ day of ____, 2024.

____
Gloria Olmos, Mayor

ATTEST:

____
Sabrina Muhne, Interim City Clerk

APPROVED AS TO FORM:

____
Anthony R. Taylor, City Attorney

PASSED, APPROVED AND ADOPTED by the People of the City of South El Monte at the Municipal Election held on November, 5, 2024, the results of which election were declared by the City Council by the adoption of its Resolution No. ______ on ________, 202_.

____

Gloria Olmos, Mayor

ATTEST:

____

Sabrina Muhne, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Sabrina Muhne, Interim City Clerk of the City of South El Monte, do hereby certify that the foregoing Ordinance, being Ordinance No. 1275, was introduced by the City Council at its meeting held on the ___ day of ____, 2024 and was duly passed, approved and adopted by the City Council of the City of South El Monte at a regular meeting of said Council held on the __day of _____ 2024, by the following vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT:Councilmember(s):
ABSTAIN: Councilmember(s):

____
Sabrina Muhne, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Sabrina Muhne, Interim City Clerk of the City of South El Monte, do hereby certify that the foregoing Ordinance, being Ordinance No. 1275, was adopted by the People of the City of South El Monte at the General Municipal Election held on November 5, 2024

____
Sabrina Muhne, Interim City Clerk

City Council Agenda Report
Agenda Item No. 4.b.

DATE: August 7, 2024

TO: Honorable Mayor and Members of the City Council

APPROVED BY: Rene Salas, City Manager

SUBMITTED BY: Masami Higa, Director of Finance

SUBJECT: CONTINUED FROM THE ADJOURNED REGULAR CITY COUNCIL MEETING OF JULY 30, 2024 - CONSIDERATION AND APPROVAL OF RESOLUTION NO. 24-206, SUBMITTING A BUSINESS LICENSE TAX MEASURE TO THE VOTERS AT THE NOVEMBER 5, 2024, GENERAL MUNICIPAL ELECTION AND INTRODUCTION OF ORDINANCE NO. 1273 RELATING TO BUSINESS LICENSING PROCEDURES

SUMMARY: Staff requests City Council take actions to submit a business license tax measure to the voters at the November 5, 2024, election and to introduce an ordinance regarding business licenses.

RECOMMENDED ACTION: Staff recommends City Council:

1. Find that the adoption of the ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4).
2. Adopt Resolution No. 24-206 Submitting a Business License Tax Measure to the Voters at the November 5, 2024, General Municipal Election, Reiterating the City's Request that the Election be Consolidated with Other Elections Held on that Date and Taking Certain Related Actions.
3. Introduce and Waive First Reading of Ordinance No. 1273 Adding Chapter 5.02 to Title 5 of the Municipal Code, Relating to Business Licensing Procedures

FISCAL/FINANCIAL IMPACT: The cost to the City for the County's services in connection with adding a ballot measure to the ballot and conducting the election for that measure will be approximately $60,000. If the voters approve the ballot measure, the new business license tax would raise approximately $342,000 per year for the City. Because the new tax will replace existing revenues at approximately the same rate, the effect of the proposed switch will be roughly revenue neutral (or slightly negative) in the initial year, but in future years revenues will be higher due to the inflation adjustment.

DISCUSSION: The City currently requires that businesses operating in the City register with the City, or obtain a permit or license. The provisions of the Title 5 of the Municipal Code govern which sorts of businesses must obtain a permit or license, and which must only register. The types of businesses that are specified in Title 5 as requiring a permit or license are generally business types that, at least at some point, the City believed required additional regulation and scrutiny in order to reduce undesirable impacts on the community. Generally, Title 5 contains special rules that govern the conduct of these businesses.

Under current law, registration, permitting or licensure generally is required annually, though for some categories of businesses, the period is quarterly or semi-annually. A fee is required annually for registration, permitting or licensure. For most businesses, this annual fee cannot exceed $600, and is calculated as $100.00 plus $10 per employee. For rentals of homes, apartments or other housing the fee is $25 per rented dwelling unit. For certain businesses, mostly contractors and other businesses that have no fixed place of business in the City, the fee is $50 per quarter. A few types of businesses have other fee rates. A list of the current rates is attached.

The attached resolution would submit to the voters at the November 5, 2024, election an ordinance that replaces the existing fees with an annual business license tax at the following rates:

> $25 per dwelling unit for each apartment unit, single family home, or other residential dwelling unit located in the City that is rented to a tenant.
>
> $100 for any business that operates in the City but does not have a fixed place of business in the City. Such businesses would have the option of paying a $50 per quarter tax instead.
>
> $100 plus $10 per employee for all other businesses, with a maximum of 50 employees being counted at each business location.

The new business license tax would be subject to an annual adjustment based on the CPI.

Placing the business license tax on the ballot requires four affirmative votes of the City Council. In order for the voters to pass the tax measure at the election, a majority (50%+1) of the votes on the measure would need to be votes in support.

The new business license tax would not replace one-time fees for businesses (such as the application fee based on square footage that needs to be paid by new businesses in order to receive their initial business license) and the City Council could, in the future, adopt new fees to recover the costs of special regulations for specific types of businesses.

If the Council adopts the resolution placing the measure on the ballot, then the City Clerk will accept 300-word arguments for and against the measure and will accept 250-word rebuttals to those arguments. The arguments and rebuttals will be printed in the voter information materials distributed by the County. Due to a change in state law, the names of the signers of the arguments will also be printed on the ballots under the ballot question presented to the voters. If the City Clerk receives more than one argument for the measure (or more than one argument against the measure) the City Clerk would select amongst those arguments in the following order:

(1) Arguments submitted by the City Council or a member or members of the legislative body authorized by the City Council.
(2) Arguments submitted by bona fide associations of citizens.
(3) Arguments submitted by individual voters who are eligible to vote on the measure.

The resolution authorizes members of the City Council to submit a ballot argument in favor of the measure. This ensures that if a member of the City Council submit an argument (or multiple members sign one argument) that argument will be given priority in the event an argument is also submitted on the same side by associations or individual voters. As an alternative, the City Council could instead authorize specific members to sign an argument or the City Council could itself, as a body, submit an argument. This last option is not commonly chosen, largely because of the logistics of having the Council, which is a Brown Act body, prepare an argument.

Note that, under a relatively new state law, the names of the signers of the arguments for and against a ballot measure now will be printed on the ballot under the ballot question. The deadline to submit direct arguments in favor or in opposition to the measure will be August 15, 2024. The deadline to submit rebuttal arguments will be August 26, 2024.

The attached ordinance would create a new business license that would be required of all businesses operating in the City. This new business license would be in addition to any special license or permit currently required by the City, and would effectively replace the notion of "registration." The new license, which would generally have a term of one year, would not be issued to a business unless it has both paid the required business license tax and has obtained any other required permit or license.

The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this ballot measure and the actions recommended for this item are exempt under CEQA.

Staff intends to return later this year with proposed revisions to the regulatory requirements for specific types of businesses. As noted earlier, the attached ordinances are focused on the registration process and the amounts charged in connection with annual registration, licensure or permitting. The provisions of these ordinances "wrap around," but do not replace, the regulatory aspects of Title 5.

ATTACHMENT(S):

A. Resolution No. 24-206 Placing Business License Tax Ordinance on Ballot (includes Ordinance Regarding Business License Tax as Exhibit A to Resolution)
B. Ordinance 1273 Regarding Business Licensing Procedures
C. Current Fees

ATTACHMENT A

RESOLUTION NO. 24-206

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL SUBMITTING A BUSINESS LICENSE TAX MEASURE TO THE VOTERS AT THE NOVEMBER 5, 2024, GENERAL MUNICIPAL ELECTION, REITERATING THE CITY'S REQUEST THAT THE ELECTION BE CONSOLIDATED WITH OTHER ELECTIONS HELD ON THAT DATE AND TAKING CERTAIN RELATED ACTIONS

WHEREAS, the City Council desires to modernize the City's business registration procedures, and

WHEREAS, most of the rates for business registration have not been modified or increased since 1995, and

WHEREAS, wishes to replace those rates with a business license tax that will incorporate an inflation adjustment and have a simpler rate table; and

WHEREAS, on June 11, 2024, by its Resolution No. 24-185, this Council called a general municipal election to be held on November 5, 2024 (the "Election") for the purpose of electing municipal officers; and

WHEREAS, on June 11, 2024, by its Resolution No. 24-186, this Council requested that the Election be consolidated with the Statewide General Election; and

WHEREAS, this Council desires to submit the question of the business license tax to the voters at the Election and take certain related actions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Pursuant to Section 9222 of the Elections Code, the ordinance attached hereto as Exhibit "A" and incorporated herein by reference, (the "Ordinance") shall be submitted to the voters at the Election. Adoption of the Ordinance requires a majority vote of those voting on the matter. Therefore, adoption of the measure submitted to the voters requires a majority vote of those casting ballots on the measure. The type of tax, rate of tax, and manner of collection are set forth in the ordinance.

SECTION 2. The question submitted shall appear on the ballot as follows:

City of South El Monte Business Licensing. Shall the measure replacing the annual/quarterly payments required for business registration with an annual business license tax of not more than $25 per unit for housing rentals and not more than $100 plus $10 per employee for other businesses, adjusted annually for inflation, generating approximately $342,000 to fund general city services annually until repealed be adopted?	YES	
	NO	

SECTION 3. The City Clerk is instructed to transmit the Ordinance to the City Attorney along with a request that an impartial analysis be prepared pursuant to Elections Code Section 9280.

SECTION 4. The City Council reiterates its prior call and order of the Election to be held in the City of South El Monte, California, on Tuesday, November 5, 2024.

SECTION 5. The ballots to be used at the election shall be in form and content as required by law.

SECTION 6. The City Clerk is authorized, instructed, and directed to coordinate with the County of Los Angeles Registrar-Recorder/County Clerk 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.

SECTION 7. The vote center for the Election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code § 10242, except as provided in § 14401 of the Elections Code of the State of California.

SECTION 8. In all particulars not recited in this resolution, the Election shall be held and conducted as provided by law for holding municipal elections.

SECTION 9. 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 10. The City Council authorizes the City Clerk to take any necessary actions to administer the Election. All reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 11. The City Council reiterates its request, pursuant to the requirements of § 10403 of the Elections Code, that the Board of Supervisors of the County of Los Angeles is hereby requested to consent and agree to the consolidation of the Election with the Statewide elections on Tuesday, November 5, 2024.

SECTION 12. The County Election Department is authorized to canvass the returns of the General Municipal Election. The Election shall be held in all respects as if there were only one election, and only one form of ballot shall be used. The Election will be held and conducted in accordance with the provisions of law regulating the statewide election, including, without limitation Elections Code Section 10418.

SECTION 13. The Board of Supervisors is requested to issue instructions to the county election department to take any and all steps necessary for the holding of the consolidated election.

SECTION 14. The City of South El Monte recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for all costs.

SECTION 15. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the county election department of the County of Los Angeles.

SECTION 16. Pursuant to Section 9282 of the Elections Code of the State of California, the City Council, or any member or members of the legislative body authorized by the body, or any individual voter who is eligible to vote on the measure or bona fide association of citizens, or any combination of voters and associations, may file a written argument, not to exceed 300 words in length, 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, for or against the measure. In the event that more than one argument for or against the foregoing measure is timely submitted, the City Council's duly appointed elections official shall give preference and priority first, to arguments submitted by member(s) of the City Council, as authorized by this Resolution, and second, to individual voters, bona fide associations, or a combination thereof, in the order set forth in Section 9287 of the Elections Code. Arguments for and against the shall be filed with the City Clerk no later than 3:00 PM on August 15, 2024, and shall be accepted and printed as required by law.

SECTION 17. Members of the City Council are authorized to submit a written argument in support of the measure submitted to the voters by this resolution.

SECTION 18. The City Council elects to authorize rebuttal arguments pursuant to Elections Code Section 9285. When the City's elections official has selected the arguments for and against the measure will be printed and distributed to the voters, the elections official shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The author or a majority of the authors of an argument relating to the foregoing city measure may prepare and submit a rebuttal argument not to exceed 250 words in length. A rebuttal argument may not be signed by more than five authors. The rebuttal arguments shall be filed with the City Clerk no later than 3:00 PM on August 26, 2024. Rebuttal arguments shall be printed in the same manner as direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 19. The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this resolution is exempt under CEQA.

SECTION 20. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 7th day of August 2024.

____
Gloria Olmos, Mayor

ATTEST:

____
Sabrina Muhne, Interim City Clerk

Attachment(s): Exhibit A – Business License Tax Ordinance

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Sabrina Muhne, Interim City Clerk of the City of South El Monte, hereby certify that the foregoing Resolution, being Resolution No. 24-206 was duly passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 7th day of August 2024, and that said Resolution was adopted by the following vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

____
Sabrina Muhne, Interim City Clerk

EXHIBIT A
TO RESOLUTION NO. 24-206

ORDINANCE NO. 1274

AN ORDINANCE OF THE CITY OF SOUTH EL MONTE ADOPTING A BUSINESS LICENSE TAX AND AMENDING CHAPTER 5.06 TO OF TITLE 5 OF THE MUNICIPAL CODE

THE PEOPLE OF THE CITY OF SOUTH EL MONTE DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1: Chapter 5.06 of Title 5 of the South El Monte Municipal Code is hereby amended to read in its entirety as follows:

"**Chapter 5.06 Business License Tax**

5.06.010 Short Title

This Chapter may be cited as the "Business License Tax Ordinance" of the City of South El Monte.

5.06.020 Purpose

This chapter is enacted solely for the purpose of raising revenue for the City. Taxes collected pursuant to this chapter shall be deposited in the City's general fund and available for any lawful municipal purpose.

5.06.030 Definitions

For purposes of this chapter, the following terms have the meanings set forth in this section:

"Business" means any business, commercial enterprise, trade, calling, vocation, profession, occupation, or means of livelihood, whether or not carried on for gain or profit.

"Employee" means each individual engaged in the operation or conduct of any business, including but not limited to owners, partners, shareholders (and family members of owners, partners and shareholders) who are actively involved in the operation or conduct of the business and are not merely passive investors.

"Person" means (i) any incorporated or unincorporated entity transacting and carrying on any business in the city including, but not limited to domestic or foreign corporations, associations, syndicates, joint stock corporations, partnerships, clubs, common law trusts, and societies and (ii) any individual transacting and carrying on any business in the city other than as an employee of a person who has paid the business license tax for such business activity.

"Taxable Business" means any person engaging within the City in any business, whether or not such business is carried on for gain or profit. "Taxable Business" excludes (i) the federal, state, and county governments, (ii) every department or political subdivision of such governments, (iii) every special district established under California law and (iv) every public utility.

5.06.040 Tax Imposed

For the privilege of conducting business in the City, there is hereby imposed upon each taxable business the business license tax calculated pursuant to this chapter.

5.06.050 Tax Rates

The initial rates of the business license tax shall be:

A. An annual tax of $100 plus $10 per employee for any business not otherwise specified by this section.

B. An annual tax of $25 per dwelling unit for each apartment unit, single family home, or other residential dwelling unit located in the City that is rented to a tenant.

C. An annual tax of $100 for any business that operates in the City but does not have a fixed place of business in the City. In lieu of the tax set forth in the preceding sentence, such a business may opt to pay a quarterly tax of $50.

5.06.060 Automatic Adjustment

Beginning January 1, 2026, and again on each subsequent January 1, each rate set forth in Section 5.06.050 shall be adjusted from the rate effective during the prior tax year by the percentage change over the twelve months leading to the prior August, in the Consumer Price Index for All Urban Consumers, Not Seasonally Adjusted, for Los Angeles-Long Beach-Anaheim (or its successor index) published by the US Department of Labor For example, if the change in that index is three percent between the August, 2024 and August 2025, then the rate effective on January 1, 2026 for businesses subject to the tax described in Section 5.06.050(A) will be $103 plus $10.30 per employee.

5.06.070 Separate Tax for Each Place of Business

A separate business license tax must be paid for each branch establishment or separate place of business in the City.

5.06.080 Employee Count

Where a business employs 50 or more employees at a place of business in the city, the business license tax for that place of business shall be calculated as if the business employed 50 employees at the place of business.

5.06.090 Relationship to Other Provisions of Title 5

Payment of the business license tax required by this chapter for a tax year excuses the person paying the business license tax from paying, for that tax year, any other annual, quarterly, or semi-annual registration fee or business license or permit fee otherwise established by or pursuant to Title 5 of this code prior to July 1, 2024. This section does not excuse any person from paying any one-time fee, such as an application fee, certificate of occupancy fee, or inspection fee required by this code or by ordinance or resolution of the City Council. This section does not excuse any person from paying fees collected by the City on behalf of the State of California, Los Angeles County, any special district or any department of the foregoing, including, but not limited to, the Los Angeles County Fire Department, the Los Angeles County Sheriff Department, the Los Angeles County Health Department, or the South Coast Air Quality Management District.

5.06.100 No Authorization of Illegal Businesses

Except as set forth in Section 5.06.090, the fact that the city has accepted a business license tax payment from a person or a taxable business pursuant to this chapter (i) does not excuse that person or taxable business from complying with any other requirements of this code or of applicable law, and (ii) may not be relied on as evidence that the person or taxable business is in compliance with any such requirement or law.

5.06.110 Impermissible Taxes

Nothing contained in this chapter shall be deemed or construed to require the payment of any business license tax by any person with respect to a business that is exempt from the payment of such taxes under the Constitution or statutes of the State of California or of the United States. Furthermore, nothing contained in this title shall be construed to require the payment of a business license tax in an amount that is impermissible under the Constitution or statutes of the state of California of the United States. In the event a tax would otherwise exceed such permissible amount, it is reduced to the highest legally permissible amount under the Constitution or statutes of the state of California of the United States.

5.06.120 Collection

A. For taxable businesses subject to the tax rate set forth in Section 5.06.050(A), the tax year for the business license tax runs from January 1 through December 31 of each calendar year.

B. For taxable businesses other than those subject to Subsection (A) of this section, the tax year for the business license tax shall be a consecutive period of twelve calendar months. For the initial tax year in which the taxable business conducts business activity in the city, the first month of the tax year for that taxable business shall be the calendar month in which it commences those activities. Subsequent tax years shall begin with the next calendar month following the final month of the previous tax year. For example, if a taxable business first conducts business in the city on April 21, 2026, its initial tax year shall run from April 1, 2026, through March 31, 2027, and the subsequent tax year shall run from April 1, 2027, through March 31, 2028.

C. If a taxable business opts to pay the quarterly tax allowed by Section 5.06.050(C), a separate tax shall be required for each period of three consecutive calendar months and each such three-month period shall be treated as if it were a separate tax year.

D. For the initial tax year in which a person conducts a business activity, the tax shall accrue on the day that the person first conducts the business. For any subsequent tax year, the tax shall accrue on the first day of the tax year.

E. Business licenses taxes shall be due on the date of accrual and shall be considered delinquent on the sixtieth day following such accrual. The city council, by ordinance or resolution, may establish a penalty for the delinquent payment of business license taxes.

F. The business license tax shall be paid at city hall, unless some other method of payment is established by the Finance Director or his or her designee.

SECTION 2: The City Council may amend this Ordinance in any respect, except that the City Council may not, without a vote of the People, amend this Ordinance to increase the rates of the business license tax imposed by this ordinance above the rates authorized by this Ordinance.

SECTION 3: Nothing in this Ordinance shall be interpreted to (i) prohibit the City Council from adopting any levies, charges or exactions that it would otherwise be allowed to adopt in the absence of this Ordinance (including, but not limited to, any levy, charge or exaction to recover the City's costs associated with issuing and enforcing a regulatory license or permit required by the Municipal Code) or (ii) prohibit the City from enforcing any validly adopted permitting requirements or laws or regulations regarding the conduct of business in the City.

SECTION 4: This Ordinance shall be effective January 1, 2025. For taxable businesses already conducting business in the City on December 31, 2024, the initial tax year under this Ordinance shall begin on: (i) January 1, 2025, for businesses subject to the new Section 5.06.120(A) of the Municipal Code or (ii) the first day of the first calendar month following the expiration of an existing permit or license issued pursuant to Title 5 of the Municipal Code for all other businesses. If a business has an existing license or permit issued pursuant to Title 5 of the Municipal Code that covers a period that began in 2024 and ends on some date in 2025, and the tax year for that business under this Ordinance runs from January 1, 2025-December 31, 2025, the (i) the tax under this Ordinance for the 2025 tax year shall be prorated to exclude the portion of the year during which the prior license or permit was valid and (ii) the tax required under this Ordinance for the 2025 tax year shall accrue on the first day of the first month following the expiration of the existing permit or license. Nothing in this Ordinance shall be interpreted to excuse any person from any licensing, registration, or permitting requirement (including the payment of any fee) that was required by the Municipal Code prior to January 1, 2025, with respect to business activities that occurred prior to January 1, 2025. Such activities shall be governed by the Municipal Code as if it were not amended by this Ordinance.

SECTION 5: The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this Ordinance is exempt under CEQA.

<u>SECTION 6:</u> The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

PASSED, APPROVED AND ADOPTED by the People of the City of South El Monte at the Municipal Election held on November 5, 2024.

____
Gloria Olmos, Mayor

ATTEST:

____
Sabrina Muhne, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Sabrina Muhne, Interim City Clerk of the City of South El Monte, do hereby certify that the foregoing Ordinance, being Ordinance No. 1274, was adopted by the People of the City of South El Monte at the General Municipal Election held on November 5, 2024.

____
Sabrina Muhne, Interim City Clerk

ATTACHMENT B

ORDINANCE NO. 1273

AN ORDINANCE OF THE CITY OF SOUTH EL MONTE ADDING CHAPTER 5.02 TO TITLE 5 OF THE MUNICIPAL CODE, RELATING TO BUSINESS LICENSING PROCEDURES

WHEREAS, Title 5 of the Municipal Code requires that business operating in the City be properly registered, permitted, and licensed; and

WHEREAS, the City Council has submitted a business license tax measure to the voters for their consideration on the November 5, 2024, ballot; and

WHEREAS, the business license tax measure, if adopted, would replace most annual amounts paid by businesses for registration, permitting, or licensure pursuant to Title 5 with a business license tax that is generally similar to or lower than the amount currently required; and

WHEREAS, the City Council desires that all businesses be required to obtain a new type of business license that primarily serves to show that the business has (i) paid the annual, quarterly or other periodic amount required for registration, permitting or licensing or (ii) if the business license tax is approved by the voters, paid the business license tax; and

WHEREAS, the City Council desires to adopt procedures governing the application for and issuance of this new type of business license; and

WHEREAS, the City Council does not desire by this Ordinance, to otherwise repeal, amend or supersede any of the requirements of Title 5 governing the operation, permitting or licensure of specific types of businesses.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: The above recitals are true and correct and incorporated herein by reference.

SECTION 2: Chapter 5.02 is hereby added to Title 5 of the Municipal Code to read as follows:

Chapter 5.02. Business License Required

5.02.010 Short Title

This chapter may be cited as the "Business Licensing Procedural Ordinance" of the City of South El Monte.

5.02.020 Purpose

This chapter is enacted to provide a set of procedures to govern the issuance of business licenses.

5.02.030 Definitions

For purposes of this chapter, the following terms have the meanings set forth in this section:

"Administrator" means the Finance Director or his or her designee.

"Appeals Officer" means the City Manager or his or her designee.

"Business" means any business, commercial enterprise, trade, calling, vocation, profession, occupation, or means of livelihood, whether or not carried on for gain or profit.

"Business License" means the license required by Section 5.02.040 of this chapter.

"Employee" means each individual engaged in the operation or conduct of any business, including but not limited to owners, partners, shareholders (and family members of owners partners and shareholders) who are actively involved in the operation or conduct of the business and are not merely passive investors.

"Licensee" means the person to whom a business license has been issued.

"Licensing Year" means a calendar year, except for businesses for which some other provision of this Title 5 other than a provision of this chapter requires that the business obtain a permit or license, or pay a registration fee or business license tax, that covers some other specific period, in which case the licensing year shall be the period of that permit, license, registration fee or business license tax.

"Person" means (i) any incorporated or unincorporated entity, including, but not limited to domestic or foreign corporations, associations, syndicates, joint stock corporations, partnerships, clubs, common law trusts, and societies, transacting and carrying on any business in the city and (ii) any individual transacting and carrying on any business in the city other than as an employee of a person who has paid the business license tax for such business activity. "Person" does not include any federal, state or local government entity or any department or subdivision thereof.

5.02.040 License Required

No person shall, within the city, transact or carry on any business, whether or not such business is carried on for gain or profit, unless that person has obtained from the administrator a valid business license issued pursuant to this chapter.

5.02.050 Term

Business licenses shall generally be issued for a term of a full licensing year, except that the term of a business license issued in connection with a new business shall begin on the date that business operations commences during that licensing year and shall end on the last day of that licensing year. However, where this title (i) requires or allows the payment of a fee or tax that covers a period shorter than a licensing year, (ii) requires that an application, report, tax or fee remission be submitted more often than once per licensing year, or (iii) requires inspections of the business more frequently than once per licensing year, a business license may be issued that covers a shorter period.

5.02.060 Compliance with Laws

The administrator may deny the issuance of a business license for a business that is not permitted under this code or is not operating in compliance with the requirements of this code. The issuance of a business license does not excuse any act of the licensee that is otherwise prohibited by this code and a licensee must comply with all applicable regulations contained in this code. A licensee may not rely on the existence of a business license as evidence that the licensee's business is permitted under this code or that the business is being conducted in compliance with this code. No business license granted or issued pursuant to this chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, activity or act.

5.02.070 Relation to Other Licenses and Permits

The business license required by this chapter is separate from any other license or permit required under this title or this code (such as, but not limited to a license required by Chapter 5.04 of this title). However, for administrative convenience, the administrator may require the use of a single application for both the business license required by this chapter and some other license, permit or registration required by this title. Likewise, the administrator may issue a single document that serves both as the business license required by this chapter and as another license or permit required by this title. The administrator shall not issue a business license pursuant to this chapter if another license or permit is required by this title until the licensee has met the requirements for issuance of that other license or permit. A licensee may not rely on the existence of a business license issued pursuant to this chapter as evidence that the licensee's business has obtained all other required licenses or permits.

5.02.080 Payment of Fees and Taxes

A. The administrator shall not issue a business license unless the licensee has paid any amount required by Chapter 5.06 of this title.

B. The administrator shall not issue a business license to a licensee if the licensee has not paid to the City all required fees, taxes and delinquency penalties in connection with the licensed business, including all fees, taxes and penalties that are delinquent from prior tax years.

C. A licensee may not rely on the issuance of a business license as evidence that the licensee has paid all required fees, taxes, and penalties.

5.02.090 Application

Application for a business license shall be made on a form (which may include an electronic form) designated for such purpose by the administrator.

5.02.100 Branch Establishments

A separate business license must be obtained for each branch establishment or location, and each license shall be issued only with respect to a single business.

5.02.120 Transferability

No business license issued pursuant to this chapter shall be transferable; provided, however, that where a business license is issued authorizing a licensee to conduct a business at a particular place, such licensee may, upon application therefor and paying a fee of six dollars, have the license previously issued amended so as to relate to the conduct of such business instead at some other location.

5.02.130 Posting of License

All business licenses must be kept and posted in the following manner:

A. Any licensee transacting and carrying on a business at a fixed place of business in the city shall keep the business license posted in a conspicuous place upon the premises where such business is carried on.

B. Any licensee transacting and carrying on business in the city, but not operating in a fixed place of business in the city, shall keep the business license (or a copy thereof) upon his or her person at all times while transacting and carrying on the business in the city.

5.02.140 Replacement of License

Duplicate licenses may be issued by the administrator to replace any business license previously issued which has been lost or destroyed, provided the licensee files an affidavit attesting to such fact and, at the time of filing such affidavit, pays a fee of six dollars.

5.02.150 Delinquency Penalty

Unless some other penalty is provided by this title, a penalty of 25% per month up to a maximum aggregate penalty of 100% shall be owed in connection with delinquent payment of a business license tax or other amount due under this title.

5.02.160 Administration

The administrator may issue such administrative interpretations of this chapter as he or she finds necessary or useful

5.02.170 Appeal

If the administrator denies in writing the issuance of a business license or otherwise fails to issue or deny a business license within 60 days of and receiving application for such license, the person applying for that business license may appeal in writing to the appeals officer to request the issuance of the business license. Such appeal must be made within 30 days of the issuance of a written letter denying the issuance of the license or, if no such letter has been issued, within 90 days of the date on which the application has been filed. The appeals officer shall consider all information provided by the appellant, and shall also consider any other information available to the City. The appeals officer may also invite the appellant to present oral arguments to the appeals officer. In the event the appeals officer does not issue a written decision on an appeal within 60 days of receiving it, the appeal shall be deemed denied. Any decision of the appeals officer shall be considered final. If the administrator denied or withheld the business license because the licensee did not have some other valid license or permit required by this title or applicable law, and if a different appeals process applies to the denial, revocation, or nonissuance of such license or permit, then any appeal brought pursuant to this section shall be tolled pending the resolution of that other appeals process.

5.02.180 Audit

No statement of an applicant on an application for a business license shall be deemed conclusive as to the matters set forth thereon nor shall the filing of the same preclude the city from collecting by appropriate action any sums that are actually due and payable under this title. Such statement and each of the several items therein contained shall be subject to audit and verification by the administrator, his or her deputies or authorized employees of the city, who are authorized to examine, audit and inspect such books and records of any licensee or applicant for license as may be necessary in their judgment to verify or ascertain the amount of any sum due. All licensees, applicants for licenses and persons engaged in business in the city are required to permit an examination of such books and records for the purposes aforesaid.

5.02.190 False Statement

Any person making or filing a false statement on any application for a business license or any filing with the City in connection with a business license, on any application under the provisions of this article, knowing the same to be false, is guilty of a misdemeanor punishable in accordance with the provisions of Section 1.16.010 this Code.

5.02.200 Violations

Any person violating any of the provisions of this chapter is guilty of a misdemeanor punishable in accordance with the provisions of Section 1.16.010 this Code

SECTION 5: Effective Date. The ordinance shall be in full force and effect thirty (30) days after its final passage and adoption. However, no person that, prior to the effective date of this ordinance applied for or obtained registration, permitting or licensure pursuant to the provisions of Title 5 of the Municipal Code with respect to the operation of a business during calendar year 2024 shall be required to obtain a business license pursuant to this ordinance for calendar year 2024.

SECTION 6: The California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.) and CEQA Guideline 15378(b)(4) provide that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA. Thus, this Ordinance is exempt under CEQA.

SECTION 7: The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

PASSED, APPROVED AND ADOPTED this ____ day of ____, 2024.

____
Gloria Olmos, Mayor

ATTEST:

____
Sabrina Muhne, Interim City Clerk

APPROVED AS TO FORM:

____
Anthony R. Taylor, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Sabrina Muhne, Interim City Clerk of the City of South El Monte, do hereby certify that the foregoing Ordinance, being Ordinance No. 1273, was introduced by the City Council at its meeting held on the 30th day of July 2024, and was duly passed, approved and adopted by the City Council of the City of South El Monte at a regular meeting of said Council held on the __day of _____ 2024, by the following vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

____
Sabrina Muhne, Interim City Clerk

ADMINISTRATIVE	
BUSINESS LICENSE*	
*Rates adopted December 14, 1995, by Resolution No. 95-64. Please refer to South El Monte Municipal Code Chapter 5 – Business Taxes, Licenses and Regulations.	
One Time Application Fee	
Floor Area	
Less than 1,001 Square Feet	$81.00
1,001 to 2,000 Square Feet	$162.00
2,001 to 3,000 Square Feet	$243.00
3,001 to 4,000 Square Feet	$324.00
4,001 to 5,000 Square Feet	$405.00
5,001 to 10,000 Square Feet	$487.50
10,001 to 100,000 Square Feet	$810.00
Above 100,000 Square Feet	$1,208.50
Annual Registration Fee	
Business Type	
Acupressure Establishment (1)	$1,500
Acupressurist (2)	$300
Advertising Billboard (3)	$200
Advertising Billboard- 2 (75)	$400
Apartments- 5 or More (74)	$25 per unit
Billiard Room (4)	$800
Bingo Game- Charitable (5)	$50
Carnival/Circus/Traveling Show (11)	$1,000 annual or $100 daily
Contractor- Inside Registration (69)	$100 plus $10.00 per employee
Contractors- Outside (65)	$50 per quarter
Fireworks Stand (77)	$50 per quarter
Food Establishment (19)	$250
Gardener- Outside (67)	$50 per quarter
Gun Dealer (22)	$300
Home Occupation (78)	$87 per unit
Import/Export Registration (63)	$100 plus $10.00 per employee
Janitorial- Outside (66)	$50
Kennel (25)	$500
Manufacturing Registration (62)	$100 plus $10.00 per employee
Massage Parlor (26)	$1,500
Massage Technician (27)	$300
Motels (46)	$100 per unit
Other Outside Business (68)	$50 per quarter
Other Registration (64)	$100 plus $10.00 per employee
Peddler- Retail Vehicle- Out (33)	$50 per quarter
Peddler- Whole/ Retail In City (32)	$100

Private Patrol- Business (35)	$100
Private Patrol- Officers (36)	$100
Private School (37)	$600
Professional Registration (71)	$100 plus $10.00 per employee
Public Eating- No Alcohol Sales (38)	$250
Public Eating- No Alcohol Sales/Dance & E (76)	$1,000
Public Eating- With Alcohol Sales (39)	$500
Public Eating- All Other (40)	$1,000
Rentals- Apartments (41)	$25 per unit
Rentals- Boarding Houses (42)	$25 per unit
Rentals- Condominiums (43)	$25 per unit
Rentals- Duplexes (44)	$25 per unit
Rentals- Single Family Dwelling (47)	$25 per unit
Rentals- Triplexes (49)	$25 per unit
Repair Svcs- Registration (70)	$100 plus $10.00 per employee
Retail Registration (60)	$100 plus $10.00 per employee
Salvage Collector- Out of City (51)	$50 per quarter
Sewing/ Garment- Registration (72)	$100 plus $10.00 per employee
Solicitation- Charitable (53)	$25
Solicitation- Commercial (54)	$50
Warehouse Registration (73)	$100 plus $10.00 per employee
Waste Collector (59)	$50
Wholesale Registration (61)	$100 plus $10.00 per employee
Miscellaneous	
Change of Owner	$6
Business Name Change	$6
Re-Issue License	$6
ANIMAL LICENSE**	
** Rates based on SEAACA Recommendation dated October 24, 2022 based on geographical SEAACA neighbors.	
Dog License - Sterilized Dog	$25
Dog License - Un-Altered Dog	$60
Senior Dog License - Sterilized Dog	$15
Senior Dog License - Un-Altered	$40
Dog License Penalty	50% of License Fee
Tag Fee	$5
Cat License	Same as Dog License Fees
ELECTIONS	
Candidate Statement Deposit	$600
MISCELLANEOUS	
Credit Card Payment Convenience Fee	3%