

**RESOLUTION NO. 2024-1912**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, (1) CALLING AN ELECTION FOR NOVEMBER 5, 2024, ON A PROPOSED THREE-QUARTER PERCENT TRANSACTIONS AND USE TAX, AND (2) REQUESTING CONSOLIDATION OF THAT ELECTION WITH THE STATEWIDE GENERAL ELECTION ON THE SAME DATE**

**WHEREAS**, the City of Calabasas prides itself on maintaining a high level of service through fiscal responsibility and efficiency where it recently passed an operationally balanced budget for the next fiscal year that preserves funding for the services that our residents and businesses enjoy; and

**WHEREAS**, the City offers a broad array of services to its residents – public safety, infrastructure, recreation and parks, libraries, arts and culture, dining, and entertainment options – that strengthen the area’s quality of life and makes our community thrive; and

**WHEREAS**, having an operationally balanced budget, challenges remain to fund needed maintenance and enhancements to existing infrastructure and facilities, that over time will become more expensive to address in the future; and

**WHEREAS**, the City’s current General Fund budget outlines \$28.7 million in revenues and \$28.6 million in expenditures for the 2024-2025 fiscal year; and

**WHEREAS**, the City’s FY 2024-2025 budget does not reflect a shortfall of \$18.3 million in unfunded projects and services, much of which is due to needed public safety, capital improvements, and repairs; and

**WHEREAS**, it is estimated that an additional \$4 million annually is required in the General Fund to address these unfunded projects; and

**WHEREAS**, according to the budget projection, Calabasas will deplete its \$20 million in reserves over the next five years in order to maintain essential City services and meet critical needs; and

**WHEREAS**, like many organizations, Calabasas is experiencing the impact of inflation. As each year passes, Calabasas has seen revenue growth; however, that growth is being absorbed by the increased costs of providing services to the community. Increasing operational costs are anticipated to crowd out capital investments, reducing City services and deferred capital improvement projects over the next 5-10 years; and

**WHEREAS**, the City is directly impacted by the escalating challenges associated with crime encroaching on City neighborhoods, the escalating threat of

wildfires, and the protection of the City's open space. Additionally, there has been a noticeable surge in traffic-related issues, while our streets, sidewalks, parks, and public facilities require attention and maintenance; and

**WHEREAS**, the City needs dependable and local sources of revenue to fund and support essential, necessary City services including 911 emergency response, public safety protection, preservation of open space and natural areas, security measures preventing access to neighborhoods and homes from open space, preparing for and responding to wildfires, addressing homelessness, repairing streets and potholes, and maintaining parks; and

**WHEREAS**, the City Council has explored different revenue-generating approaches to protect Calabasas's future, maintain the current standard of service, and ensure a high quality of life for residents and businesses; and

**WHEREAS**, a well-balanced mix of revenue sources, such as, property taxes, sales taxes, utility user taxes, transient occupancy taxes, franchise taxes, building permits, and other revenues, helps stabilize the City's financial base, while enabling the City to provide essential services to its residents; and

**WHEREAS**, more than half of the sales tax revenue last year came from those who reside outside of Calabasas; and

**WHEREAS**, a sales tax measure is a stable revenue source through economic ups and downs and is equitable amongst City residents. With this sales tax measure, the City would receive its fair share from out-of-towners while generating the funding needed to continue providing top-notch City services to residents and businesses; and

**WHEREAS**, securing the City's long-term financial stability is key to maintaining City services for our residents and businesses and critical to the future of the City; and

**WHEREAS**, the City's local sales tax is at 9.5%, however, the City only receives 1% of that total revenue generated; and

**WHEREAS**, of the \$71.2 million in sales tax revenue generated in the City in 2024, \$45 million is expected to be sent to Sacramento and \$18.75 million to Los Angeles County and Districts. Of that \$71.2 million, only about \$7.5 million is returned to Calabasas; and

**WHEREAS**, the City of Calabasas Public Safety/City Services Measure would raise the local sales tax by 3/4¢, and if approved, would generate an estimated \$4

million each year of new and local revenue to protect and maintain City services that directly benefit the residents and businesses of Calabasas; and

**WHEREAS**, a 3/4¢ increase in the City's local sales tax amounts to less than one penny on every \$1 spent and seven-and-a-half pennies on every \$10 spent. A sales tax DOES NOT apply to groceries, prescriptions, medical and dental services, real estate, rent, education, utilities, personal services, or labor; and

**WHEREAS**, surrounding communities currently have higher tax rates compared to Calabasas and that additional revenue generated allows for competitive growth and continued support for programs and services provided to their residents and businesses; and

**WHEREAS**, this measure includes tough accountability provisions, such as public disclosure of all spending and annual independent financial audits, to ensure that the funds generated from this measure will be used efficiently, effectively, and as promised; and

**WHEREAS**, Revenue and Taxation Code section 7285.9 authorizes the City to levy a transactions and use tax by ordinance following approval by two-thirds of the City Council and a majority vote of the qualified electors of the City voting in an election on the issue; and

**WHEREAS**, that transactions and use tax would be levied in addition to, and would be collected at the same time and in the same manner as, the Uniform Local Sales and Use Tax of the City of Calabasas (Calabasas Muni. Code, Ch. 3.08); and

**WHEREAS**, levying a one percent transactions and use tax would not cause the overall transactions and use tax in the City to exceed two percent as required by Revenue and Taxation Code section 7251 *et seq.*; and

**WHEREAS**, Article XIII C, section 2(b) of the California Constitution provides that any general tax imposed, extended, or increased by the City Council shall not take effect until it is submitted to the electorate and approved by a majority of voters in a regularly scheduled general election in which members of the City Council are also up for election or reelection; and

**WHEREAS**, Elections Code section 9222 authorizes the City Council to submit a proposed ordinance to the voters at a regular election held at least 88 days after the date of the order for that election; and

**WHEREAS**, the City needs a reliable, stable source of additional local funding to support vital services to its residents.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Calabasas, California, as follows:

**SECTION 1. Call for General Municipal Election on Transactions and Use Tax**

- A. City Resolution 2024-1899 called and ordered the General Municipal Election to be held in the City of Calabasas, County of Los Angeles, State of California, on November 5, 2024. The City hereby calls for that General Municipal Election to include the measure set forth below in Section 2(A) of this Resolution (the Measure).
- B. The General Municipal Election called and ordered to be held shall be held and conducted, the votes shall be received and canvassed, the returns thereof shall be made, and the result thereof shall be ascertained, determined, and declared (1) as herein provided, or (2) in all particulars not recited herein, according to the laws of the State of California governing Municipal Elections. The polls for such election shall be and remain open during the time required by said laws.
- C. As the interests of efficiency call for the consolidation of local elections with a state election to be held the same date, the City Council hereby declares its intent to consolidate the General Municipal Election with the Statewide General Election to be held on November 5, 2024. This resolution constitutes the request for consolidation required by Elections Code section 10403. The Calabasas City Clerk shall forward a certified copy of this resolution to the Clerk of the Los Angeles County Board of Supervisors and to the Los Angeles County Registrar-Recorder / County Clerk (County Elections Official) at least 88 days prior to November 5, 2024.
- D. All voting places, precincts, and election officials within the boundaries of the City of Calabasas shall be the same as those for the general election. The City Council hereby acknowledges that the consolidated election will be held and conducted in the manner prescribed by Elections Code section 10418.
- E. The Calabasas City Council hereby requests approval from the Los Angeles County Board of Supervisors to authorize the County Elections Official to provide election services to conduct the General Municipal Election.
- F. The Calabasas City Clerk is hereby authorized to utilize the services of the County Elections Official to conduct the General Municipal Election.

The City of Calabasas hereby agrees to pay the costs of those services as outlined by current Los Angeles County policy.

**SECTION 2. Measure To Be Voted On at General Municipal Election**

- A. The Calabasas City Council orders the following question submitted to the voters of the City of Calabasas at the General Municipal Election to be held on November 5, 2024:

<p><b>City of Calabasas Public Safety / City Services Measure.</b> Shall the measure funding City of Calabasas services such as maintaining 911 response/police protection; helping prevent property crimes/thefts/home break-ins; preparing for/responding to wildfires; protecting open space/natural areas; keeping public areas/parks safe/clean; addressing homelessness; repairing streets/potholes; for general government use by establishing a <math>\frac{3}{4}\text{¢}</math> sales tax providing approximately \$4,000,000 annually until ended by voters; requiring audits, public spending disclosure, funds locally controlled, be adopted?</p>	<p>YES</p> <p>NO</p>
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- B. This Measure shall be designated on the ballot by a letter in accordance with Elections Code section 13116.
- C. This Measure shall be submitted to the voters with spaces provided on the ballot where each voter may vote “yes” or “no” on the Measure. The Measure shall be considered approved if a simple majority (50% plus one) of voters vote “yes.”
- D. The full text of the ordinance authorizing the transactions and use tax to be approved by voters is attached hereto as Exhibit A.

**SECTION 3. Arguments For and Against the Measure and Impartial Analysis**

- A. The Calabasas City Clerk shall set the deadline for submission of primary arguments in favor of or against the Measure and provide notice of that deadline. The Clerk may do this in consultation with and with the support of the County Elections Official as necessary.
  - 1. All primary arguments shall comply with Elections Code section 9280 *et seq.* and section 9600 *et seq.*, and shall be accompanied

by the printed name(s) and signature(s) of the author(s) submitting them. An argument may be changed or withdrawn until and including the deadline for submission, after which no argument for the Measure may be submitted. If more than one argument for or against the Measure is received, the Calabasas City Clerk (or the County Elections Official if appropriate) shall select the argument for printing and distribution to voters, giving preference and priority in accordance with Elections Code section 9287.

2. Pursuant to Elections Code section 9282(b), the City Council hereby authorizes Councilmembers [REDACTED] and [REDACTED] to prepare and file the primary written argument on behalf of the City Council in support of the Measure.

B. The Calabasas City Clerk shall set the deadline for submission of rebuttal arguments in favor of or against the Measure set forth above and provide notice of that deadline. The Clerk may do this in consultation with and with the support of the County Elections Official as necessary.

1. Pursuant to Elections Code section 9285(b), the City Council hereby adopts the provisions of Elections Code section 9285(a) only as to arguments for the Measure at the election to be held on November 5, 2024. This subsection shall be void and have no effect after that election.

2. The author or a majority of the authors of an argument relating to the Measure may prepare and submit a rebuttal argument or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument. A rebuttal argument shall not exceed 250 words and shall not be signed by more than five persons. Rebuttal arguments shall otherwise comply with Elections Code section 9600 *et seq.*

C. The City Clerk is directed to transmit copies of the Measure to the City Attorney, who shall prepare an impartial analysis of the Measure that does not exceed 500 words, and that explains the Measure's operation and effect on existing law. The City Attorney shall file this impartial analysis with the City Clerk no later than the deadline for rebuttal arguments under Section 3(B) above.

1. The impartial analysis shall include a statement indicating whether the Measure was placed on the ballot by a petition signed by the requisite number of voters or by the City Council.
  2. In the event the entire text of the Measure is not printed on the ballot or in the voter information portion of the sample ballot, the following shall be printed immediately below the impartial analysis in no smaller than 10-point type: "The above statement is an impartial analysis of Measure. If you desire the measure, please call the election officials office at 818-224-1662 and a copy will be mailed at no cost to you."
- D. If there is any inconsistency between this Resolution and the schedule maintained by the County Elections Official as to filing the impartial analysis and arguments for the measure, the schedule maintained by the County Elections Official shall control.

#### **SECTION 4. CEQA**

The adoption of this Resolution is exempt from the California Environmental Quality Act (CEQA), Public Resources Code section 21000 *et seq.* and California Code of Regulations, title 14, section 15000 *et seq.* (CEQA Guidelines). The calling of a municipal election is not a project within the meaning of CEQA Guidelines section 15378. Further, the general transactions and use tax proposed by this Resolution is a government funding mechanism that does not "involve any commitment to any specific project which may result in a potentially significant physical impact on the environment," and thus adopting this Resolution is not a project under CEQA Guidelines section 15378(b)(4).

#### **SECTION 5. Severability**

If any section, subsection, sentence, clause, phrase or portion of this Resolution or its application to any person or circumstance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution or its application to other persons and circumstances. The Calabasas City Council hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are hereby declared to be severable.

**SECTION 6. Effective Date**

This Resolution shall take effect immediately upon its adoption.

**SECTION 7. Certification and Notice**

The City Clerk shall certify the passage and adoption of this Resolution, and shall give notice of the measure to be voted upon in the manner provided by the Elections Code.

**PASSED, APPROVED AND ADOPTED** this 26th day of June 2024.

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Alicia Weintraub, Mayor

ATTEST:

APPROVED AS TO FORM:

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Analuz Mendoza  
Interim City Clerk

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Matthew T. Summers  
Colantuono, Highsmith & Whatley, PC  
City Attorney



STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) §  
CITY OF CALABASAS )

I, **ANALUZ MENDOZA, CMC**, Interim City Clerk of the City of Calabasas, California, **DO HEREBY CERTIFY** that the foregoing resolution, being **Resolution No. 2024-1912** was duly adopted by the City Council of the City of Calabasas, at their regular meeting held on June 26, 2024, and that it was adopted by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Analuz Mendoza, Interim City Clerk  
*Certified Municipal Clerk*  
City of Calabasas, California