

A. Resolution Referring a Ballot Measure to the Voters for the November 2024 Election

Recommendation: To approve a resolution referring a ballot measure to the voters of Cathedral City during the November 2024 General Election.

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY CALLING AN ELECTION IN THE CITY OF CATHEDRAL CITY TO BE CONSOLIDATED WITH THE CITY'S NEXT GENERAL MUNICIPAL ELECTION ON NOVEMBER 5, 2024 AND SUBMITTING TO THE ELECTORS A BALLOT MEASURE TO ADOPT AN ORDINANCE INCREASING THE CITY'S TRANSACTIONS AND USE TAX BY ONE-HALF CENT, ESTABLISHING THE POLICIES AND PROCEDURES FOR SUCH AN ELECTION, REQUESTING THAT RIVERSIDE COUNTY PROVIDE ELECTION SERVICES; DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS; AND AUTHORIZING THE FILING OF A REBUTTAL ARGUMENT

WHEREAS, previous actions by Sacramento politicians resulted in the loss of \$30 million in local revenue over the past five years, impacting Cathedral City's ability to maintain the basic services on which our community relies; and

WHEREAS, in the last year alone, approximately 77% of calls to Cathedral City Fire Department have been related to medical emergencies; and

WHEREAS, most recent crime data reports for Cathedral City found a five-year high with over 825 reported burglaries and thefts, including more than 250 car thefts; and

WHEREAS, the City does not have the funding needed to provide lifesaving equipment, help maintain 911 emergency response times to continue saving lives, or provide sufficient police patrols in neighborhoods and business areas to keep residents and their property safe; and

WHEREAS, prior to this year's rainy season, independent engineers rated nearly two-thirds of Cathedral City's streets and roads as "fair," "poor," or "very poor"; and the roads have only gotten worse; and

WHEREAS, the City does not have the funding needed to complete street and pothole repairs before the problem gets even worse and more expensive to fix; and

WHEREAS, in 2010 the voters of the City of Cathedral City approved Measure H establishing a one cent transactions and use tax for a period of five years, and in 2014 the voters of the City of Cathedral City approved Measure B removing the sunset date on the tax and allowing it to be levied unless and until it is repealed by the voters; and

WHEREAS, a citizens safety ad-hoc committee that reviewed the city's fiscal condition has recommended a local measure be placed on the ballot for voters to consider to increase the City's transactions and use tax by one-half cent; and

WHEREAS, the measure would provide an additional source of local funding to help maintain basic services, including 911 medical emergency, paramedic, fire protection and police response, addressing homelessness, road and pothole repair, keeping parks safe and secure, and maintaining disaster response services with funding that the state cannot take; and

WHEREAS, the measure includes tough accountability provisions and fiscal safeguards including public disclosure of all spending and annual independent financial audits; and

WHEREAS, Article XIIC, section 2(b) of the California Constitution requires that any general tax must be approved by a majority vote of the voters voting on the issue; and

WHEREAS, Article XIIC, section 2(b) of the California Constitution requires that an election by the voters to approve a general tax must be consolidated with a statewide general election at which members of the City Council will be elected; and

WHEREAS, November 5, 2024 is the date of the statewide general election at which members of the City Council will be elected; and

WHEREAS, the City Council believes that it is in the best interests of the City to submit the proposed increase to the transactions and use tax to the voters of City.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Cathedral City orders as follows:

1. **Call for Election.** Pursuant to Elections Code Section 9222, the City Council hereby calls an election at which it shall submit to the qualified voters of the City of Cathedral City, a measure that, if approved, would increase the City's transactions and use tax (sales tax) by one-half cent. This measure shall be designated by letter by the Riverside County Registrar of Voters.
2. **Ballot Language.** The ballot language for the proposed measure shall be as follows:

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| Cathedral City Services Measure. Shall the measure providing funding for Cathedral City's general services such as maintaining 911 medical emergency/ambulance/fire/police response and gang prevention programs; recruiting/retaining well-trained paramedics/firefighters; repairing streets/potholes; preparing for/responding to and recovering from rainstorms/natural disasters; keeping public areas/parks safe/clean; addressing homelessness; by increasing sales tax by ½¢ providing \$5,000,000 annually until ended by voters; requiring audits, spending disclosure, funds locally controlled, be adopted? | YES | |
| | NO | |

3. **Text of Measure.** The proposed measure submitted to the voters is as attached in Exhibit A to this Resolution, which is incorporated herein by reference. The City Council hereby approves the proposed ordinance, in the form thereof, and its submission to the voters of the City at the November 5, 2024 election. The full text of the measure shall be printed in the ballot materials and be available for public inspection in the City Clerk's office and on the City's website.
4. **Publication of Measure.** The City Clerk is hereby directed to cause notice of the measure to be published once in the official newspaper of the City of Cathedral City, in accordance with Section 12111 of the California Elections Code.
5. **Request to Consolidate and Conduct Election and Canvass Returns.**
 - (a) Pursuant to California Elections Code Section 10400 *et seq.*, the election for this measure shall be consolidated with the established election to be conducted on November 5, 2024.

The City Council hereby requests that the Riverside Board of Supervisors consolidate the election called by this Resolution with the statewide election to be conducted on November 5, 2024 and order the election to be conducted by the Registrar of Voters. The City Council of the City of Cathedral City acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code Section 10418. The City Council recognizes that additional cost will be incurred by the County of Riverside by reason of the consolidation of the election with the Statewide election and agrees to reimburse the County of Riverside for any costs that are not reimbursed by the State, and the City Council hereby authorizes the City Manager to pay the County of Riverside for said services in full. The City Clerk is directed to file a certified copy of this Resolution with the Board of Supervisors of Riverside and the Registrar of Voters of Riverside County on or before August 9, 2024.

(b) The election on the measure set forth in Section 3 shall be held and conducted, the voters canvassed and the returns made, and the results ascertained and determined as provided herein. The election shall be held in accordance with the Elections Code of the State of California.

(c) The election on the measure set forth in Section 3 shall be held in Riverside County in the City of Cathedral City on November 5, 2024, as required by law, and the Board of Supervisors of Riverside County is authorized to canvass the returns of the election with respect to the votes cast in the City of Cathedral City and certify the results to the City Council of the City of Cathedral City.

(d) At the next regular meeting of the City Council of the City of Cathedral City occurring after the returns of the election for the measure set forth in Section 3 have been canvassed and the results have been certified to the City Council, or at a special meeting called for such purpose if required by law, the City Council shall cause to be entered in its minutes a statement of the results of the election.

6. Submission of Ballot Arguments.

(a) Arguments in favor and against the measure shall be filed with the City Clerk no later than 5:00 p.m. on August 13, 2024, signed, with the printed name(s) and signature(s) of the author(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 who is the author of the argument. Neither the City Council, nor any member or members of the City Council, are authorized to submit ballot arguments for or against the measure.

(b) Direct arguments shall not exceed three hundred (300) words and shall be signed by not more than five (5) persons.

(c) Pursuant to California Elections Code Section 9285(b), the City Council is hereby adopting provisions for the filing of rebuttal arguments for this measure. Accordingly, when the City Clerk has selected the arguments for and against the measure, which will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the measure to the authors of the argument against it, and copies of the argument against it to the authors of the argument in favor. Rebuttal arguments shall not exceed 250 words and shall be filed no later than 5:00 p.m. on August 20, 2024, accompanied by the printed names and signatures of the persons 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. Rebuttal arguments shall be printed in the same manner as the direct arguments.

Each rebuttal argument shall immediately follow the direct argument that it seeks to rebut.

7. **Impartial Analysis.** In accordance with California Elections Code Section 9280, the City Council directs the City Clerk to transmit a copy of this Measure to the City Attorney, who shall prepare an impartial analysis showing the effect of the measure on the existing law and the operation of the measure. The City Attorney’s impartial analysis may not exceed 500 words and shall be filed with the City Clerk no later than 5:00 p.m. on August 20, 2024.
8. **Services of City Clerk.** The City Clerk is hereby authorized and directed to take all steps necessary to place the measure on the ballot and to cause the ordinance or measure to be printed. A copy of the measure shall be made available to any voter upon request.
9. **Severance.** Should any section, subsection, clause or provision of this resolution for any reason be held to be invalid, then the remainder of the resolution shall be deemed valid, it being expressly declared that this resolution, and each and every section, subsection, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified even if any other section, subsection, sentence, clause or phrase of this resolution were declared invalid.
10. **Compliance with CEQA.** The City Council finds and determines that this activity is not a “Project” as defined under Section 15378(b)(4) of the California Environmental Quality Act (CEQA) Guidelines because it is a financing decision without commitment to a specific project that may result in a potentially significant physical impact on the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the actions proposed are not subject to CEQA.

APPROVED AND ADOPTED by the City Council and signed by the Mayor and attested by the City Clerk this 24th day of July, 2024.

Mark Carnevale, Mayor

ATTEST:

Tracey R. Hermosillo, City Clerk

APPROVED AS TO FORM:

Eric S. Vail, City Attorney

EXHIBIT A

NOT OPERATIVE UNTIL ENACTED BY THE VOTERS

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF CATHEDRAL CITY,
CALIFORNIA, AMENDING CHAPTER 3.44 OF THE CATHEDRAL
CITY MUNICIPAL CODE TO INCREASE THE CITY'S
TRANSACTIONS AND USE TAX BY ONE-HALF CENT**

WHEREAS, previous actions by Sacramento politicians resulted in the loss of \$30 million in local revenue over the past five years, impacting Cathedral City's ability to maintain the basic services on which our community relies; and

WHEREAS, in the last year alone, approximately 77% of calls to Cathedral City Fire Department have been related to medical emergencies; and

WHEREAS, most recent crime data reports for Cathedral City found a five-year high with over 825 reported burglaries and thefts, including more than 250 car thefts; and

WHEREAS, the City does not have the funding needed to provide lifesaving equipment, help maintain 911 emergency response times to continue saving lives, or provide sufficient police patrols in neighborhoods and business areas to keep residents and their property safe; and

WHEREAS, prior to this year's rainy season, independent engineers rated nearly two-thirds of Cathedral City's streets and roads as "fair," "poor," or "very poor"; and the roads have only gotten worse; and

WHEREAS, the City does not have the funding needed to complete street and pothole repairs before the problem gets even worse and more expensive to fix; and

WHEREAS, in 2010 the voters of the City of Cathedral City approved Measure H establishing a one cent transactions and use tax for a period of five years, and in 2014 the voters of the City of Cathedral City approved Measure B removing the sunset date on the tax and allowing it to be levied unless and until it is repealed by the voters; and

WHEREAS, a citizens safety ad-hoc committee that reviewed the city's fiscal condition has recommended a local measure be placed on the ballot for voters to consider to increase the City's transactions and use tax by one-half cent; and

WHEREAS, the measure would provide an additional source of local funding to help maintain basic services, including 911 medical emergency, paramedic, fire protection and police response, addressing homelessness, road and pothole repair, keeping parks safe and secure, and maintaining disaster response services with funding that the state cannot take; and

WHEREAS, the measure includes tough accountability provisions and fiscal safeguards including public disclosure of all spending and annual independent financial audits; and

WHEREAS, Article XIII C, section 2(b) of the California Constitution requires that any general tax must be approved by a majority vote of the voters voting on the issue; and

WHEREAS, Article XIII C, section 2(b) of the California Constitution requires that an election by the voters to approve a general tax must be consolidated with a statewide general election at which members of the City Council will be elected; and

WHEREAS, November 5, 2024 is the date of the statewide general election at which members of the City Council will be elected.

THE PEOPLE OF THE CITY OF CATHEDRAL CITY, CALIFORNIA HEREBY ORDAIN AS FOLLOWS:

SECTION 1. CHAPTER 3.44 AMENDED. The following amendments are made to Chapter 3.44 of the Cathedral City Municipal Code, with deletions shown in strikethrough and additions shown in underline:

A. Section 3.44.030 (Purpose), paragraph A, is amended to read as follows:

“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 the tax ordinance codified in this chapter ~~which shall be effective for a period of five years 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. Section 3.44.050 (Transactions tax rate) is amended to read as follows:

“For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the city at the rate of one and one-half percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of the ordinance codified in this chapter.”

C. Section 3.44.070 (Use tax rate) is amended to read as follows:

“An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property purchased from any retailer on and after the operative date of the ordinance codified in this chapter for storage, use or other consumption in said territory at the rate of one and one-half percent of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.”

SECTION 2. CEQA. This activity is not a “Project” as defined under Section 15378(b)(4) of the California Environmental Quality Act (CEQA) Guidelines because it is a financing decision without commitment to a specific project that may result in a potentially significant physical impact on the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the actions proposed are not subject to CEQA.

SECTION 3. SEVERABILITY. If any provision of this Ordinance is held invalid, such invalidity shall not affect the remaining provision of this Ordinance, which shall remain in effect

absent the provision held to be invalid, and to this end, the provisions of this Ordinance are declared to be severable.

SECTION 4. ELECTION REQUIRED; EFFECTIVE DATE. This ordinance shall be submitted to the voters at the regular municipal election to be held on November 5, 2024. This ordinance shall not become operative unless and until a majority of the electors voting on the measure vote to approve this ordinance, in which case this ordinance shall go into effect ten (10) days after the date on which the election results are declared by the City Council.

PASSED, APPROVED, AND ADOPTED BY THE PEOPLE OF THE CITY OF CATHEDRAL CITY AT THE REGULAR MUNICIPAL ELECTION HELD ON THE 5TH DAY OF NOVEMBER, 2024.

ATTEST:

Tracey R. Hermosillo, City Clerk