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RESOLUTION NO. 16-54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ADELANTO AMENDING RESOLUTION NO. 16-48 AND SUBMITTING AN ARGUMENT IN FAVOR OF THE CITY'S PROPOSITION TO AUTHORIZE IMPOSITION OF A GROSS REVENUE BUSINESS TAX

WHEREAS, the City of Adelanto ("City") is holding a General Municipal Election, to be consolidated with the statewide election, on November 8, 2016 in accordance Adelanto Municipal Code section 1.15.010.

WHEREAS, City Council Resolution No. 16-48 ("Resolution 16-48") submits a measure to voters at the November 8, 2016 authorizing the imposition of a gross revenue business tax on businesses within the City.

WHEREAS, Elections Code section 9282 authorizes the City Council to file a written argument in favor of the business tax.

WHEREAS, Resolution 16-48 reserved the City Council's right to file an argument in favor of the City's gross revenue business tax measure.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ADELANTO RESOLVES AS FOLLOWS:

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

SECTION 2: Pursuant to Elections Code section 13119(b), the City Council hereby amends Resolution 16-48, Section 2, to read as follows:

Pursuant to Elections Code sections 10201 and 9222, the City Council hereby submits the following proposition to the voters at the General Municipal Election on November 8, 2016:

MeasureGross Revenue Business Tax	
	YES
Shall the Adelanto City Council be authorized to impose a tax, with	
no termination date, on each business licensed or operating within the City	
of Adelanto in the amount of not more than 0.05 percent of the gross	
revenue attributable to that business's revenue earned from within the City	NO
of Adelanto, potentially generating several thousands of dollars annually in	
additional tax revenue for the City of Adelanto?	
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SECTION 3: Pursuant to Elections Code section 9282(b) and Resolution 16-48, the City Council hereby submits the following argument in favor of the measure for a Gross Revenue Business Tax:

Argument In Favor Of Measure ____ Gross Revenue Business Tax

Submitted by the City Council for the City of Adelanto

The City of Adelanto ("City") is working to cure the City's long running budget deficits without adding additional tax burdens on its citizens by adopting a fairer and more equitable business tax structure. Rather than imposing additional taxes on the general public, or overburdening small businesses, the City seeks to adopt a tax on businesses proportional to their size and the benefits which they receive from the City. Larger more profitable businesses reaping greater financial rewards from the City will shoulder a larger proportional tax burden whereas smaller businesses deserve relief from burdensome taxes.

The City faces severe budget deficits and needs to find additional sources of revenue to avoid municipal bankruptcy. The proposed tax will help create a fair, efficient, and stable source of tax revenue for the City without having to tax the general public directly. The revenue generated by this tax will ensure stability of the City's business environment and the continuity of essential municipal services. The tax burden meanwhile will be borne by businesses according only to their gross revenue and capacity to pay.

Finally, the proposed tax rate is minimal and amounts to no more than a multiplier of only 0.0005 on businesses' gross revenues.

In its ongoing efforts to address the City's budget deficits, the City Council unanimously supports this new business revenue tax and respectfully requests that People of Adelanto vote in favor of this measure.

This is <u>not</u> a tax on the People of Adelanto.

×	City Council of the City of Adelanto	
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Richard Kerr, Mayor	Jermaine Wright Sr., Mayor Pro Tem	
Ed Camargo, Council Member	Charley B. Glasper, Council Member	
John Woodard Jr., Council Member		

<u>SECTION 4</u>: Pursuant to Elections Code section 9285, the City Council hereby authorizes Richard Kerr, Mayor for the City of Adelanto, to submit a rebuttal argument to any argument submitted against the measure for a Gross Revenue Business Tax.

<u>SECTION 5</u>: All arguments submitted pursuant to this Resolution shall be submitted to the San Bernardino Elections Office of the Registrar of Voters in accordance with the Elections Code and other applicable laws.

SECTION 6: The City Council determines that this Resolution does not have the potential to have a physical effect on the environment. Therefore, pursuant to the California Environmental Quality Act ("CEQA") and its implementing regulations, this activity is not subject to CEQA. (Cal. Pub. Res. Code, § 21000 et seq.; 14 Cal. Code Regs., §§ 15060(c)(2), 15378(a).)

SECTION 7: If any section, subsection, or other provision of this Resolution is for any reason held to be invalid, unconstitutional, illegal, or unenforceable by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, then such section or provision shall be severed and shall be inoperative, and the remainder of this Resolution shall remain in full force and effect.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Adelanto on this $3^{\rm rd}$ day of August, 2016.

Richard Kerr, Mayor

Attest:

Cindy M. Herrera, MMC, City Manager / City Clerk

Approved as to Form

Curtis R. Wright, City Attorney

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I, Cindy M. Herrera, City Manager / City Clerk of the City of Adelanto, do hereby certify that the foregoing Resolution No. 16-54 was duly adopted at a special meeting of the City Council of the City of Adelanto held on the 3rd day of August, 2016, by the following votes:

AYES: Council Members Camargo, Glasper, and Mayor Kerr

NOES: None

ABSENT:

Mayor Pro Tem Wright

ABSTAIN:

Council Member Woodard

Cindy M. Herrera, MMC, City Manager / City Clerk