

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH EXPRESSING ITS INTENT TO PRIORITIZE SPENDING OF TRANSACTIONS AND USE TAX (TUT) REVENUE FOR SPECIFIC PURPOSES

WHEREAS, on February 23, 2016, the City Council of the City of Long Beach called a General Municipal Tax Election to be held on June 7, 2016, for the purpose of submitting to the voters the question of whether to adopt an ordinance adding Chapter 3.62 to the Long Beach Municipal Code, which would enact a transactions and use tax ("TUT") for a period of ten (10) years on the sale and use of tangible personal property within the City, initially at a rate of one cent (1%) for the first six (6) years of the tax, and declining to one-half cent for the remaining four (4) years of the tax; and

WHEREAS, pursuant to the proposed TUT ordinance, the TUT is a general tax enacted solely to raise revenue for the general governmental purposes of the City and all of the proceeds from the tax shall be placed in the City's general fund and used for the usual current expenses of the City; and

WHEREAS, the general fund pays for important City services such as police, fire and paramedic services, street operations and maintenance, community center and recreation services, and general municipal services to the public; and

WHEREAS, the City Council desires to adopt this resolution expressing its intent, if the TUT is enacted by the voters, to commit to spend TUT revenue for various purposes, with priorities as identified herein;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. Findings. The City Council finds that all of the preceding recitals are true and correct.

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- A. Public Safety: Future TUT revenue may be spent on the costs of providing public safety services, consisting of: police patrol, response, investigation, apprehension and law enforcement, emergency 9-1-1 response, fire prevention and suppression services, paramedic services, and ambulance services.
- B. Public Infrastructure: Future TUT revenue may also be spent on the costs of improving and maintaining streets, sidewalks and alleys, improving and upgrading the City's water system for conservation, and improving and upgrading storm water/storm drain systems.

Section 3. TUT Not Deemed a Special Tax. The adoption of this Resolution shall not be construed, and it is not the City Council's intent, to convert the proposed TUT into a "special tax", as that term is defined Article XIIIC §1(d) of the California Constitution, California Government Code §§ 53721 and 53724, or any combination thereof. Although this Resolution expresses the intent of the current City Council to spend future TUT revenues for certain priorities, this Resolution is non-binding on any future or subsequently constituted City Council, and the TUT shall remain a "general tax" as that term is defined in Article XIIIC §1(a) of the California Constitution, and as set forth in the proposed TUT ordinance.

Section 4. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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| I here | eby certify that the foregoi | ing resoluti | on was adopted by the | City | |
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| Council of the City of Long Beach at its meeting of | | | • | , 2016, | |
| by the following vot | te: | | | | |
| Ayes: | Councilmembers: | Gonza1 | Gonzalez, Lowenthal, Price, | | |
| | | Superi | Supernaw, Mungo, Andrews, Uranga, Richardson. | | |
| | | Richa | | | |
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| Noes: | Councilmembers: | None. | | | |
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| Absent: | Councilmembers: | Austin. | | | |
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| | | • . | City Clerk | | |
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