

RESOLUTION NO. 2016-85

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY AN ORDINANCE AMENDING CHAPTER 3.24 OF TITLE 3 OF THE BELL MUNICIPAL CODE, AND REPEALING ORDINANCE 1022, TO PERMIT IMPOSITION OF A TAX OF UP TO TWELVE PERCENT (12%) ON HOTEL/MOTEL CHARGES WITHIN THE CITY OF BELL; REQUESTING THAT THE COUNTY OF LOS ANGELES CONSOLIDATE THE ELECTION WITH THE ESTABLISHED ELECTION DATE TO BE HELD ON MARCH 7, 2017; AND DIRECTING THE COUNTY ELECTIONS DEPARTMENT TO CONDUCT THE ELECTION ON THE CITY'S BEHALF

WHEREAS, the California Constitution since 1896 has attempted to empower cities in California to exercise home-rule powers with regards to "local affairs" and many of the leading cities in the state have successfully operated as charter cities; local affairs include things such as matters related to the employment of municipal officers and employees, the conduct of city elections, regulation and government of the city police force, creation of improvement districts, land use and zoning, and the erection of municipal public buildings; and, the City of Bell became a charter city by a vote of the People in 2005; and

WHEREAS, the City has recently come through an unprecedented municipal scandal which was brought to light in July 2010, when investigative reporters from the Los Angeles Times disclosed that the City's Chief Administrative Officer, Robert Rizzo ("Rizzo"), was the highest paid municipal officer in the State of California with a salary over \$700,000 and that individual members of the City Council received in excess of \$100,000 compensation annually; and

WHEREAS, during the months from October, 2010 to April, 2011, the State Controller in response to City's request, initiated a series of audits of various funds and practices of City, including all independent audits undertaken by the City's audit firm of Mayer Hoffman McCann, and including audits of the City's redevelopment program; and in a report issued January 18, 2011 found that the City's internal controls were "virtually non-existent," resulting in illegally raised taxes, mismanaged bond funds and questionable contracts and land purchases; and

WHEREAS, in the review of City finances it was discovered that property taxes in Bell were among the highest in Los Angeles County at 1.55% (nearly 50% greater than those in such affluent enclaves as Beverly Hills, Palos Verdes Estates and Manhattan Beach, and significantly higher than just about everywhere else in the County), and in the case of pension obligations, were in fact not imposed in a manner consistent with the Revenue and Taxation Code; and accordingly Assemblyman Kevin De Leon sponsored AB 900 which was adopted by the Legislature and signed by the Governor in the fall of 2010 and returned nearly \$3,000,000 to property owners in Bell, which monies were paid from City reserves; and

WHEREAS, thereafter it appeared that the City had virtually no reserve funds, and the City was involved in over 60 lawsuits and administrative actions including with the U.S. Securities and Exchange Commission and the Internal Revenue Service, and the City incurred millions of dollars in legal fees; and

WHEREAS, with the election of a new Council, virtually all of the litigation and administrative actions have been resolved, and audits have been completed of the scandal years, and the City finances are back on a sound basis, but deficits in the last few years continue to make it difficult for the City to afford its law enforcement and other services; and

WHEREAS, the City in February 19, 1985 adopted an eight percent (8%) transient occupancy tax, which was then common in California and is a tax on short-term rental of hotel and motel rooms, and such money goes to the City's general fund to be used for general services, including to pay for law enforcement services and street repairs; and

WHEREAS, the City's transient occupancy tax was suspended by action of the Council in 1990 by adopting Ordinance 1022 (the "suspending ordinance"), which added Section 3.24.160 to Chapter 3.24 of Title 3 of the Bell Municipal Code to suspend collection of the City's transient occupancy tax; and

WHEREAS, the City has heard a great deal from the community about their desire for better local services, especially public safety, streets and pothole repair, and community beautification, and community members and City staff have concluded that the best option available to the City to address local City service needs is to reinstate the transient occupancy tax ordinance that has been suspended since 1990, by repealing ordinance 1022 and deleting Section 3.24.160 of Chapter 3.24 of title 3 of the Bell Municipal Code; and

WHEREAS, the neighboring City of Commerce has a transient occupancy tax of twelve percent (12%), the neighboring City of Bell Gardens has a transient occupancy tax of eight percent (8%), and the City has been presented with information that the transient occupancy tax paid in many California cities is twelve percent (12%) or higher; and

WHEREAS, California Constitution Article XIII C, Section 2, provides that any general tax must be submitted to the electorate and approved by a majority vote of the electorate; and

WHEREAS, California Constitution Article XIII C, Section 2, provides that an election regarding a general tax must be consolidated with a regularly-scheduled general municipal election for members of the City Council, unless it is a special tax; and

WHEREAS, the City Council has determined to place a measure on the ballot repealing Ordinance 1022 and amending Chapter 3.24 of the Bell Municipal Code to permit imposition of a transient occupancy tax of up to twelve percent (12%) on rent charged within the City for transient occupancy, which is estimated to annually generate (if the maximum tax rate of twelve percent (12%) is levied) approximately \$285,000 per year to be deposited into the City's General Fund, to be used for general City purposes including law enforcement and street repairs; and

WHEREAS, if approved, the proposed transient occupancy tax will provide the City of Bell with locally-controlled funding for City services that are protected by law from Sacramento; and

WHEREAS, a general municipal election on Tuesday March 7, 2017, has been called by Resolution No. 2016-82, adopted on October 26, 2016; and

WHEREAS, on the basis of the foregoing, the City Council hereby determines it is appropriate to place a measure before the voters at the March 7, 2017 general municipal election regarding repeal of Ordinance 1022 and amendment of Chapter 3.24 permitting imposition of a tax

up to twelve percent (12%) on transient occupancy, which will generally be paid by visitors to the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election on March 7, 2017, the following question:

Shall the ordinance, to permit the Council to levy generally on visitors to the City a maximum 12% tax on hotel/motel charges, estimated to annually raise \$285,000 for general City purposes, including for law enforcement and street repairs, and without a sunset clause, be adopted?	YES
	NO

SECTION 2. Upon approval of the voters of the City of Bell of the question submitted, Ordinance 1022 (which in 1990 added Section 3.24.160 to Chapter 3.24 of Title 3 of the Bell Municipal Code) shall be repealed, and Chapter 3.24 of Title 3 of the Bell Municipal Code shall be amended to permit the City Council to impose a maximum twelve percent (12%) tax on hotel/motel charges (transient occupancy rents) collected within the City of Bell. The proposed complete text of the measure submitted to the voters is attached hereto as Exhibit "A". This question requires the approval of a majority of those casting votes. The City Council hereby approves the ordinance, the form thereof attached hereto as Exhibit "A", and its submission to the voters of the City.

SECTION 3. That in all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 4. That notice of the time and place of holding the election is hereby 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 5. That pursuant to the requirements of Section 10403 of the California Elections Code, the Board of Supervisors of the County of Los Angeles is hereby requested to consent and agree to the consolidation of said election. The City Council authorizes the Registrar of Voters to consolidate this election with the established election on March 7, 2017, for the ease and convenience of the registered voters and to take advantage of any cost savings possible by such consolidation. The County Election Department is authorized to canvass the returns of said 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. That the Los Angeles County 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. The City Clerk may request the assistance of the County Elections Department in regard to said election, as the City Clerk deems necessary. The City shall reimburse the County for services performed when the work is completed and upon presentation to the City of a properly approved bill.

SECTION 6. That this Resolution shall become effective immediately upon its passage and adoption, the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions, and the City Clerk is directed to send certified copies of this

Resolution to the Los Angeles County Board of Supervisors, to the County Clerk-Recorder, and County of Los Angeles Election Department.

SECTION 7. That the City Council further approve a resolution of the City Council of the City of Bell, California, directing the City Attorney to prepare an impartial analysis, and setting priorities for filing written arguments, and providing for rebuttal arguments as set forth in Exhibit "B."

PASSED, APPROVED AND ADOPTED this 26th day of October, 2016.



Alicia Romero, Mayor

ATTEST:



Angela Bustamante, Interim City Clerk

APPROVED AS TO FORM:



David Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, Interim City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 26th day of October, 2016, by the following vote:

AYES: Councilmember Valencia, Vice Mayor Gallardo and Mayor Romero

NOES: None

ABSENT: Councilmember Saleh

ABSTAIN: Councilmember Quintana



Angela Bustamante, Interim City Clerk

EXHIBIT "A"

ORDINANCE NO. 1218

AN ORDINANCE ENACTED BY A VOTE OF THE ELECTORATE OF THE CITY OF BELL, CALIFORNIA, AMENDING CHAPTER 3.24 OF TITLE 3 OF THE BELL MUNICIPAL CODE, AND REPEALING ORDINANCE 1022, TO PERMIT IMPOSITION OF A TAX OF UP TO TWELVE PERCENT (12%) ON HOTEL/MOTEL CHARGES WITHIN THE CITY OF BELL

THE PEOPLE OF THE CITY OF BELL DO ORDAIN AS FOLLOWS:

SECTION 1. Ordinance 1022 adopted by the City Council of the City of Bell in 1990 is hereby repealed in its entirety and is rendered null and void, and Section 3.24.160 of Chapter 3.24 of Title 3 of the Bell Municipal Code is hereby repealed in its entirety as follows (deleted text in ~~strike through~~):

~~"3.24.160 Suspension:~~

~~The provisions of this chapter, in their entirety, shall be suspended during such time as the provisions of Section 5.08.010(N) of this code, relating to business license taxes imposed on motels and hotels, are in full force and effect. If Section 5.08.010(N) is declared invalid by a final judgment of a court of competent jurisdiction, or is otherwise repealed or rescinded, the provisions of this chapter shall be deemed, for all purposes, to be in full force and effect, as of the effective date of a judgment of invalidity, or the act of repeal or rescission."~~

SECTION 2. Section 3.24.160 (Amendment) is hereby added to Chapter 3.24 of Title 3 of the Bell Municipal Code as follows:

"Section 3.24.160 Amendment

For purposes of carrying out the purposes of this chapter the city council retains the full right to revise, change or amend this chapter to the same extent as other city ordinances, provided that the city council may not increase in any manner the rate of taxation above the maximum rate permitted in Section 3.24.030 without approval by a vote of the People pursuant to Article XIII C of the California Constitution and Section 9217 of the Elections Code."

SECTION 3. Section 3.24.030 (Rate) of Chapter 3.24 of Title 3 of the Bell Municipal Code is hereby amended to read in its entirety as follows (new text is identified in ***bold & italics***, deleted text in ~~strike through~~):

"Section 3.24.030 Rate

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount ***established by ordinance of the majority of the members of the city council, provided the rate shall not exceed*** of eight ***twelve*** percent of the rent charged by the operator. Such tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator or to the city. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's

ceasing to occupy space in the hotel.”

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision will not affect the validity of the remaining portions of this ordinance. The People hereby declare that the People would have passed this ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 5. EFFECTIVE DATE OF ORDINANCE. If a majority of the voters of the City of Bell voting at the General Municipal Election of March 7, 2017 vote in favor of this ordinance, then this ordinance shall become a valid and binding ordinance of the City of Bell, and shall be considered as adopted upon the date that the vote is declared by the City Council of the City of Bell, and this Ordinance shall go into effect ten (10) days after that date, pursuant to Election Code section 9217

SECTION 6. CITY COUNCIL AUTHORITY TO AMEND AND/OR REPEAL. This is a City Council sponsored initiative ordinance which otherwise would only be subject to amendment by the voters of the City of Bell. However, pursuant to Section 9217 of the California Elections Code, the People reserve to the City Council the express right and authority to amend or repeal the ordinance in any manner that does not increase a tax rate, or otherwise constitute a tax increase, for which voter approval is required by Article XIII C of the California Constitution.

SECTION 7. EXECUTION. The Mayor of the City of Bell is hereby authorized and ordered to attest to the adoption of the ordinance by the voters of the City of Bell by signing where indicated below.

I hereby certify that the foregoing Ordinance was PASSED, APPROVED and ADOPTED by the People of the City of Bell, California voting on the 7th day of March, 2017.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT "B"

RESOLUTION NO. 2016-86

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS, AND PROVIDING FOR REBUTTAL ARGUMENTS, REGARDING A BALLOT MEASURE SUBMITTED TO THE VOTERS PROPOSING AN ORDINANCE AMENDING CHAPTER 3.24 OF TITLE 3 OF THE BELL MUNICIPAL CODE, AND REPEALING ORDINANCE 1022, TO PERMIT IMPOSITION OF A TAX OF UP TO TWELVE PERCENT (12%) ON HOTEL/MOTEL CHARGES WITHIN THE CITY OF BELL

WHEREAS, a General Municipal Election shall be held in the City of Bell, California, March 7, 2017, at which there will be submitted to the voters a ballot measure to consider an Ordinance amending Chapter 3.24 of Title 3 of the Bell Municipal Code, and repealing Ordinance 1022, to permit the City Council of Bell to establish a tax of up to twelve percent (12%) on hotel/motel charges within the City of Bell, with the funds raised to be used for general City purposes including law enforcement and street repairs (the "Measure"); and

WHEREAS, whenever a municipal ballot measure is authorized, State law provides that the City Council may direct the City Attorney to prepare an impartial analysis and provide for the filing of written arguments for and against a measure and for rebuttal arguments to be filed with the City elections official.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, DOES RESOLVE, DECLARE, AND ORDER AS FOLLOWS:

Section 1. The City Council directs the City Attorney to prepare an impartial analysis of the Measure in accordance with Elections Code § 9280, not to exceed five hundred (500) words in length, showing the effect of the measure on the existing law and the operation of the measure. The 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 governing body of the city. In the event the entire text of the measure is not printed on the ballot, nor in the voter information portion of the sample ballot, there shall be printed immediately below the impartial analysis, in no less than 10-point bold type, a legend substantially as follows: "The above statement is an impartial analysis of Ordinance or Measure _____. If you desire a copy of the ordinance or measure, please call the elections official's office at (insert telephone number) and a copy will be mailed at no cost to you." The impartial analysis shall be filed within fifteen (15) days of the adoption of this Resolution or by the date set by the City clerk for the filing of primary arguments, whichever is later.

Section 2. The City Council authorizes members of that body, collectively or individually, or any individual Bell voter or association of Bell citizens, to file written arguments in favor or against the Measure, and to change the argument until and including the date fixed by the City Clerk after which no arguments for or against the Measure may be submitted to the City Clerk. The City Clerk shall follow Elections Code sections 9281 through 9287 in determining the printing of all arguments in favor and against.

Section 3. Any argument filed for or against said Measure not exceeding 300 words

shall be filed with the City Clerk, 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, and shall be accompanied by the Form of Statement to be Filed by Author(s) of Argument as provided for in Elections Code § 9600.

Section 4. When the City Clerk has selected the arguments for and against the Measure that will be printed and distributed to the voters, the City Clerk shall send a copy of the argument in favor of the Measure to the authors of the argument against the Measure and a copy of the argument against the Measure to the authors of the argument in favor of the Measure.

Section 5. The author or a majority of the authors of an argument relating to the Measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument. A rebuttal argument may not be signed by more than five persons. The rebuttal arguments shall be filed with the City Clerk, 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. Any rebuttal argument must be filed within 10 days after the final date for filing direct arguments. The rebuttal arguments shall be accompanied by the Form of Statement to be Filed by Author(s) of Argument as provided for in California Elections Code § 9600.

Section 6. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

Section 7. All previous resolutions providing for the filing of rebuttal arguments for city measures are repealed, and the provisions of Sections 4-6 of this Resolution shall apply only to the General Municipal Election to be held on March 7, 2017, and shall then be repealed.

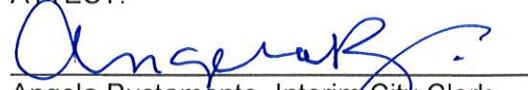
Section 8. The City Clerk shall cause the City Attorney's Impartial Analysis, and duly selected arguments and rebuttals, to be printed and distributed to voters in accordance with State law regarding same.

Section 9. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions. This Resolution shall be effective immediately upon passage and adoption.

PASSED, APPROVED AND ADOPTED this 26th day of October, 2016.


Alicia Romero, Mayor

ATTEST:


Angela Bustamante, Interim City Clerk

APPROVED AS TO FORM:


David Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, Interim City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 26th day of October, 2016, by the following vote:

AYES: Councilmember Valencia, Vice Mayor Gallardo and Mayor Romero

NOES: None

ABSENT: Councilmember Saleh

ABSTAIN: Councilmember Quintana


Angela Bustamante, Interim City Clerk