



CITY COUNCIL STAFF REPORT

DATE: JULY 20, 2011 UNFINISHED BUSINESS

SUBJECT: CONSIDER A MEASURE FOR SUBMISSION TO THE VOTERS AT THE NOVEMBER 8, 2011, GENERAL MUNICIPAL ELECTION, REGARDING A ONE PERCENT TRANSACTIONS, SALES, AND USE TAX.

FROM: David H. Ready, City Manager

BY: James Thompson, City Clerk

SUMMARY

Pursuant to California Elections Code the City Council may add a measure to the November 8, 2011, General Municipal Election. Staff has prepared a general tax ballot measure for placement on the ballot.

The attached resolution submits the measure to voters at the November 8, 2011, regular municipal election. A majority vote of the City's qualified voters will be needed to adopt the ordinance. Additionally, the recommended action includes the adoption of procedures for the submission of arguments and rebuttal arguments to be printed in the sample ballot.

RECOMMENDATION:

1. Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY A MEASURE APPROVING AND IMPLEMENTING A ONE PERCENT (1%) TRANSACTIONS, SALES, AND USE TAX, AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2011, AS CALLED BY RESOLUTION NO. 22957."
2. Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS AND PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS REGARDING A CITY MEASURE AT THE NOVEMBER 8, 2011, GENERAL MUNICIPAL ELECTION, AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS."

STAFF ANALYSIS


City staff has prepared a draft ballot measure for a general tax measure to be placed on the November 8, 2011, General Municipal Election. The measure requests the voters approve and implement a one percent (1%) sales and use tax to be deposited into the City's general fund, and includes a provision for an independent audit of the proceeds.

The general tax measure requires a majority of votes cast for adoption.

City staff and financial advisors have prepared the attached Finance Terms and Alternatives Memorandum for a comprehensive discussion on the proposed tax, along with alternatives.

FISCAL IMPACT:

Minimal ancillary costs to add the measure to the ballot, fully budgeted in City Clerk Dept. General Fund Acct. 001-1150-43860 (Elections). The attached Finance Terms and Alternatives Memorandum discuss the fiscal impact of the measure.



JAMES THOMPSON, CITY CLERK



DAVID H. READY, CITY MANAGER

Attachments:

- Finance Terms and Alternatives Memorandum
- Resolution Adding the Measure
- Resolution Arguments
- Proposed Text of the Measure



CITY COUNCIL STAFF REPORT

DATE: JULY 20, 2011 UNFINISHED BUSINESS
SUBJECT: SALES TAX FINANCE TERMS AND ALTERNATIVES MEMORANDUM
FROM: David H. Ready, City Manager
BY: Geoffrey S. Kiehl, Director of Finance and Treasurer

SUMMARY

This memo provides information on the City's existing sales tax and amounts that could be generated by an additional sales tax rate if approved by voters.

STAFF ANALYSIS

The City's sales tax history is shown below. The City's share of the current overall sales tax rate is 1%.

Fiscal Year	Sales
<u>June 30</u>	<u>Tax (1)</u>
2006	\$8,842,715
2007	9,798,032
2008	9,138,355
2009	8,796,538
2010	8,221,763
2011	8,540,000 Estimated
2012	9,025,000 Budgeted

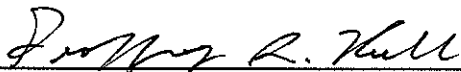
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- (1) Property taxes paid in lieu of sales tax under the "Triple Flip" are included in the sales tax figures. It is expected that the swap of sales taxes for property taxes would terminate once the State's 2002-2003 and 2003-2004 deficit financing bonds were repaid, which is currently expected to occur in approximately 10 years.

Staff and the City's financial advisor estimate that a 1% City of Palm Springs sales tax would annually generate approximately \$8,000,000.

The increased sales tax generated may be used by the City for a variety of general governmental purposes, including capital improvements. These improvements may include:

- Street Resurfacing, Repair and Reconstruction
- Curbs, Gutters and Sidewalks
- Public Parking
- Police and Fire Safety Vehicle and Emergency Equipment Replacement
- Traffic Light and Street Lighting Improvements
- Public Building Repairs
- Park Safety and Improvements
- Bridge, Interchange and Roadway Widening
- Library Renovation
- Capital Improvements related to the implementation of the Museum Market Specific Plan

The City could use these funds on a pay-as-you-go basis for the improvements described above, or, alternatively, the City could use the increased revenue to support payments on a financing that provided an up-front lump sum for such projects. The maximum net proceeds of such a financing, as well as any remaining balance for continuing pay-as-you-go projects is shown below. These figures assume that the City would only issue debt with a 20 year maturity, based on 90% of available increased sales tax revenue. A sales tax of 1% could support a bond with net proceeds of \$84,000,000.



Geoffrey S. Kiehl, Director of Finance and Treasurer

Attachment:

Sales Tax Estimates – Max Capacity over 20 Years; Balance for Other Purposes

City of Palm Springs Sales Tax Estimates - Max Capacity over 20 Years; Balance for Other Purposes

Based on 1% Sales Tax = \$8M in FY 2009-10; 2010-11 estimates would be slightly higher

Years	<u>Sales Tax</u>	<u>Tax Rate 1%</u>	
	Tax Rate	Debt Service	Balance Available
1	8,000,000	7,275,000	725,000
2	8,000,000	7,275,000	725,000
3	8,000,000	7,275,000	725,000
4	8,000,000	7,275,000	725,000
5	8,000,000	7,275,000	725,000
6	8,000,000	7,275,000	725,000
7	8,000,000	7,275,000	725,000
8	8,000,000	7,275,000	725,000
9	8,000,000	7,275,000	725,000
10	8,000,000	7,275,000	725,000
11	8,000,000	7,275,000	725,000
12	8,000,000	7,275,000	725,000
13	8,000,000	7,275,000	725,000
14	8,000,000	7,275,000	725,000
15	8,000,000	7,275,000	725,000
16	8,000,000	7,275,000	725,000
17	8,000,000	7,275,000	725,000
18	8,000,000	7,275,000	725,000
19	8,000,000	7,275,000	725,000
20	8,000,000	-	8,000,000 *
Total Sales Tax	160,000,000		
Par Amount of Bonds		93,000,000	
Net Proceeds (less costs and reserves)		84,000,000	
Total Debt Payments		138,225,000	
Available Sales Tax			21,775,000

* Final Debt Service Payment Paid from Bond Reserve Fund

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY A MEASURE APPROVING AND IMPLEMENTING A ONE PERCENT (1%) TRANSACTIONS, SALES, AND USE TAX, AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2011, AS CALLED BY RESOLUTION NO. 22957.

WHEREAS, pursuant to the Charter of the City of Palm Springs, Palm Springs Municipal Code Section 2.040.080, and the laws of the State of California, the City Council called the General Municipal Election on Tuesday, November 8, 2011, by Resolution No. 22957, adopted on June 15, 2011; and

WHEREAS, the City Council also desires to submit to the voters at the election a measure relating to a one percent (1%) transactions, sales, and use tax.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council, pursuant Article XIIC of the Constitution of the State of California, and Sections 200 and 201 of the Charter of the City of Palm Springs, and its right and authority, does order submitted to the voters at the General Municipal Election the following measure and question:

Shall an ordinance to provide funding that cannot be taken by the State and help protect and stabilize Palm Springs' city services and programs, including without limitation police, fire, library, parks, city streets/pothole repair, and acquisition and development of garages and parking facilities, and installation and maintenance of improvements and facilities in conjunction with the implementation of the Museum Market Plaza Specific Plan, by enacting a City of Palm Springs one percent (1%) sales and use tax, subject to independent annual audits, be adopted?	YES
	NO

SECTION 2. The complete text of the measure/ordinance submitted to the voters is attached as Exhibit A.

SECTION 3. The measure submitted to the voters pursuant to Section 1 of this resolution shall require a majority of votes cast for adoption.

SECTION 4. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 5. Notice of the time and place of holding the election is 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 6. The City Clerk shall certify to the adoption of this Resolution and submit such to the Registrar of Voters for the County of Riverside.

PASSED, APPROVED AND ADOPTED BY THE PALM SPRINGS CITY COUNCIL THIS 20TH DAY OF JULY, 2011.

DAVID H. READY, CITY MANAGER

ATTEST:

JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on this 20th day of July, 2011, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JAMES THOMPSON, CITY CLERK
City of Palm Springs, California

EXHIBIT A

ORDINANCE NO. _____

AN ORDINANCE OF THE PEOPLE OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADDING CHAPTER 3.22 TO THE PALM SPRINGS MUNICIPAL CODE, APPROVING AND IMPLEMENTING A ONE PERCENT (1%) TRANSACTIONS, SALES, AND USE TAX.

THE PEOPLE OF THE CITY OF PALM SPRINGS HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Chapter 3.22 is hereby added to Division I of Title 3 of the Palm Springs Municipal Code to read:

SALES AND USE TAX

- 3.22.010 Title.**
- 3.22.020 Purpose.**
- 3.22.030 Operative Date.**
- 3.22.040 Contract with State.**
- 3.22.050 Transactions and Sales Tax Rate.**
- 3.22.060 Place of Sale.**
- 3.22.070 Use tax rate.**
- 3.22.080 Adoption of Provisions of State Law.**
- 3.22.090 Limitation on Adoption of State Law.**
- 3.22.100 Permit not Required.**
- 3.22.110 Exemptions and Exclusions.**
- 3.22.120 Amendments.**
- 3.22.130 Enjoining Collection Forbidden.**
- 3.22.140 Independent Annual Audit.**

3.22.010 Title.

This Chapter shall be known as the City of Palm Springs Local Sales and Use Tax Code. This Chapter shall be applicable in the incorporated territory of the City of Palm Springs hereinafter referred to as the "City."

3.22.020 Purpose.

This Chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- (a) To impose a retail transactions and use tax to be applied throughout the entire territory of the City to the fullest extent permitted by law and 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 of the Revenue and Taxation Code, which authorizes the City to adopt this Chapter 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) To adopt a retail transactions, sales, and use tax ordinance that incorporates provisions identical to those of the sales and use tax law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

(c) To adopt a retail transactions, sales, and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State sales and use taxes.

(d) To adopt a retail transactions, sales, and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Chapter.

(e) To provide transactions, sales, and use tax revenue to the City to be used for the general governmental purposes of the City and with any transactions, sales, and use tax revenue received being placed into the City's general fund.

3.22.030 Operative Date.

This Chapter shall be operative on the first day of the first calendar quarter commencing at least thirty days after the City Council certifies the results of the election.

3.22.040 Contract with State.

Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions, sales and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such contract.

3.22.050 Transactions and Sales Tax Rate.

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

percent (1%) of the gross receipts of any retailers for the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Chapter.

3.22.060 Place of Sale.

For the purposes of this Chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his or her agent to an out-of-State destination or to a common carrier for delivery to an out-of-State destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

3.22.070 Use tax rate.

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 this Chapter for storage, use, or other consumption in said territory at the rate of one 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.

3.22.080 Adoption of provisions of State Law.

Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Chapter as though fully set forth herein.

3.22.090 Limitation on Adoption of State Law.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

(a) Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted. The substitution, however, shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California.

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Chapter.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

A. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

B. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that Code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

(b) The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3.22.100 Permit not Required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional seller's permit shall not be required by this Chapter.

3.22.110 Exemptions and Exclusions.

(a) There shall be excluded from the measure of the transactions and sales tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any City, City and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any State-administered transactions or use tax.

(b) There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as

common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his or her agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

A. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

B. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this Chapter.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance codified in this Chapter.

5. For the purposes of subsections (b)(3) and (b)(4) of this Section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(c) There are exempted from the use tax imposed by this Chapter, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any State-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this

State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Chapter.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date this Chapter.

5. For the purposes of subsections (c)(3) and (c)(4) of this Section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subsection (c)(7) of this Section, a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

(d) Any person subject to use tax under this Chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

(e) Nothing in this Chapter shall be construed as imposing a tax upon any person or service when the imposition of such tax upon such person or service would be in violation of a federal or state statute, the Constitution of the United States or the Constitution of the State of California.

3.22.120 Amendments.

All amendments subsequent to the effective date of this Chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Chapter, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Chapter.

3.22.130 Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the state or the city, or against any officer of the State or the City, to prevent or enjoin the collection under this Chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.22.140 Independent Annual Audit.

The proceeds resulting from this transactions, sales, and use tax shall be deposited into the City's general fund and become subject to the same independent annual audit requirements as other general fund revenue. The independent auditor's report, which shall include an accounting of the revenues received and expenditures made from the transactions and use tax, will be presented annually to the City Council and made available for public review.

SECTION 2. This Ordinance shall become effective upon adoption by a majority of the voters casting votes at the general municipal election on November 8, 2011.

PASSED, APPROVED, AND ADOPTED BY THE PEOPLE OF THE CITY OF PALM SPRINGS AT THE REGULAR MUNICIPAL ELECTION HELD THE 8TH DAY OF NOVEMBER, 2011.

STEPHEN P. POUINET, MAYOR

ATTEST:

JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, California, do hereby certify that Ordinance No. _____ is a full, true, and correct copy, and was adopted by a majority vote of the People of the City of Palm Springs, at the Regular Municipal Election held the 8th day of November, 2011, as appears by the official returns of said election, and the Statement of Votes Cast as declared by the City Council, Resolution No. _____, adopted the 7th day of December, 2011.

JAMES THOMPSON, CITY CLERK
City of Palm Springs, California

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS AND PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS REGARDING A CITY MEASURE AT THE NOVEMBER 8, 2011, GENERAL MUNICIPAL ELECTION, AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS.

WHEREAS, a General Municipal Election is to be held in the City of Palm Springs, California on November 8, 2011, at which there will be submitted to the voters the following question and measure:

Shall an ordinance to provide funding that cannot be taken by the State and help protect and stabilize Palm Springs' city services and programs, including without limitation police, fire, library, parks, city streets/pothole repair, and acquisition and development of garages and parking facilities, and installation and maintenance of improvements and facilities in conjunction with the implementation of the Museum Market Plaza Specific Plan, by enacting a City of Palm Springs one percent (1%) sales and use tax, subject to independent annual audits, be adopted?	YES
	NO

WHEREAS Article 4, Chapter 3, Division 9 of the California Elections Code provides for the filing of written arguments and rebuttal arguments for City measures submitted at municipal elections.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council authorizes any and all members of the City Council to file a written argument in Favor OR Against the City Measure, accompanied by the printed name(s) and signature(s) of the person(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, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California, and to change the argument until and including the date fixed by the City Clerk, after which no arguments for or against the City measure may be submitted to the City Clerk. No argument shall exceed 300 words in length.

SECTION 2. Pursuant to Section 9285 of the Elections Code of the State of California, 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, and copies of the argument against to the authors in favor. The authors may prepare and submit rebuttal arguments not exceeding 250 words. The rebuttal arguments shall be filed with the City Clerk, accompanied by the printed name(s) and signature(s) of the person(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, not more than 10-days after the final date for filing direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 3. Any written argument or rebuttal argument filed with the City Clerk shall be accompanied by the Statement of the Author Form required by Section 9600 of the California Elections Code. The City Clerk shall provide such form upon request.

SECTION 4. The City Council directs the City Clerk to transmit a copy of the measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure, not to exceed 500 words, showing the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

SECTION 5. The City Clerk shall print, or cause to be printed, in the Official Sample Ballot, the entire text of the arguments for or against the measure, and the rebuttal arguments, in uniform type, style and spacing.

PASSED, APPROVED, AND ADOPTED BY THE PALM SPRINGS CITY COUNCIL THIS 20TH DAY OF JULY, 2011.

DAVID H. READY, CITY MANAGER

ATTEST:

JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on July 20, 2011, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JAMES THOMPSON, CITY CLERK
City of Palm Springs, California