



**CITY OF CORNING
CITY COUNCIL AGENDA
TUESDAY, JANUARY 26, 2016
CITY COUNCIL CHAMBERS
794 THIRD STREET**

A. CALL TO ORDER: 6:30 p.m.

B. ROLL CALL:

Council:

Darlene Dickison

Dave Linnet

Tony Cardenas

Willie Smith

Mayor:

Gary Strack

C. PLEDGE OF ALLEGIANCE: Led by the City Manager.

D. INVOCATION: Led by Mayor Strack.

Persons of no religious persuasion will not be expected in any manner to stand or to participate other than to remain quiet out of respect for those who do choose to participate.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

F. BUSINESS FROM THE FLOOR:

G. CONSENT AGENDA: It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience request separate discussion and/or action.

- 1. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
- 2. Waive the reading and approve the Minutes of the January 12, 2016 City Council Meeting with any necessary corrections:**
- 3. January 20, 2016 Claim Warrant - \$102,028.80.**
- 4. January 20, 2016 Business License Report.**
- 5. Refund Use Permit Application Fee in the amount of \$560 for Basra Mini Mart, Use Permit is not required for off-site sales of beer and wine.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA:

I. PUBLIC HEARINGS AND MEETINGS:

J. REGULAR AGENDA:

- 6. Finding of Public Convenience or Necessity for Off-Sale Beer and Wine License (Type 20) for Basra Mini Mart.** Application for an Off-Sale Beer and Wine License (Type 20) with the California Department of Alcoholic and Beverage Control (ABC) and finding of Public Convenience or Necessity for a beer and wine license located at 2015 Solano Street.
- 7. Consideration and Action of Transactions and Use Tax Resolutions and Ordinances:**
 - a) Resolution No. 01-26-2016-01 with Exhibit A**
 - b) Ordinance 663 with Exhibit A and Ordinance Summary**
 - c) Resolution No. 01-26-2016-02 with Exhibit A**

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR:

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:

M. REPORTS FROM MAYOR AND COUNCIL MEMBERS: City Councilmembers will report on attendance at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234).

Dickison:

Linnet:

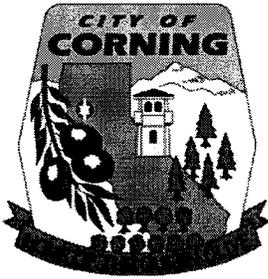
Cardenas:

Smith:

Strack:

N. ADJOURNMENT!:

POSTED: FRIDAY, JANUARY 22, 2016



**CITY OF CORNING
CITY COUNCIL MINUTES
TUESDAY, JANUARY 12, 2016
CITY COUNCIL CHAMBERS
794 THIRD STREET**

A. CALL TO ORDER: 6:30 p.m.

B. ROLL CALL:

Council:

Darlene Dickison

Dave Linnet

Tony Cardenas

Willie Smith

Mayor:

Gary Strack

All members of the City Council were present.

C. PLEDGE OF ALLEGIANCE: Led by the City Manager.

D. INVOCATION: Led by Mayor Strack.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS: None.

F. BUSINESS FROM THE FLOOR:

Ross Turner stated he understood that it was announced at the last meeting that there would be something on the Agenda tonight or schedule a third meeting (Special) to discuss the Fire Dispatch. Will that be announced later in the meeting; Mayor Strack stated yes, a date has been confirmed with the School District and will be announced during the Budget update.

Fire Chief Martin Spannaus announced that the Department had held their elections which resulted in the following selections: 1st Assistant Chief Dave Demo, 2nd Assistant Chief Tom Tomlinson and Captains Kirk Hewitt, Flint Nichols and Damon Schlereth.

Councilman Linnet thanked the Fire Department for their hard work on their annual Christmas Food/Gift Program.

G. CONSENT AGENDA: It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience request separate discussion and/or action.

- 1. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
- 2. Waive the reading and approve with any necessary corrections the Minutes of the:**
 - a) December 8, 2015 City Council Closed Session and Regular Meeting; and the**
 - b) December 11, 2015 Special City Council Meeting.**
- 3. January 6, 2016 Claim Warrant - \$494,764.68.**
- 4. January 6, 2016 Business License Report.**
- 5. December 2015 Wages & Salaries: \$360,616.84 .**
- 6. December 2015 Treasurer's Report.**
- 7. December 2015 City of Corning Wastewater Operations Summary Report.**
- 8. November 2015 Building Permit Valuation Report in the amount of \$342,045.00.**
- 9. December 2015 Building Permit Valuation Report in the amount of \$231,960.75.**

10. **Approve property owner's request for sewer connection and installation at 4095 Mary Avenue following payment of the associated Impact Fees in the amount of \$5,720.**
11. **Award 3-Year Agreement for Tree Spraying and Pest & Weed Control to Tracy and Lucie Woolery DBA Pestmaster Services of North State California in the annual amount of \$19,950.**
12. **Approve recommendation of Matthew Barr for appointment to the City Recreation Commission.**
13. **Consider Recommendation of the Recreation Commission to change monthly meeting schedule to quarterly in January, April, July and October.**

Councilor Cardenas requested to remove Consent Item 3 for a separate vote due to the fact that he would be abstaining from voting on this item due to a conflict.

Fire Chief Spannaus requested that Consent Item 2 be pulled to add a correction.

Councilor Dickison moved to approve Consent Items 1, and 4-13. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA:

2. **Waive the reading and approve with any necessary corrections the Minutes of the:**
 - a) **December 8, 2015 City Council Closed Session and Regular Meeting; and the**
 - b) **December 11, 2015 Special City Council Meeting.**

Fire Chief Spannaus stated that a correction was needed to the December 8, 2015 City Council Meeting Minutes, specifically to Item 9 as he did not visit the Chico Dispatch Center.

Councilor Smith then moved to approve the Minutes of the December 8, 2015 City Council Closed Session and Regular Meeting with the noted correction; and the December 11, 2015 Special City Council Meeting. Councilor Cardenas seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

3. **January 6, 2016 Claim Warrant - \$494,764.68.**

Councilor Linnet moved to approve; Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet and Smith. Abstain: Cardenas. Absent/Opposed: None. Motion was approve by a 4-0 vote with Cardenas abstaining.**

I. PUBLIC HEARINGS AND MEETINGS: None.

J. REGULAR AGENDA:

14. **Action on Disposal Service CPI/Fuel Index Rates resulting in a proposed rate decrease of 0.88%.**

Following a brief outline of the proposal Councilor Cardenas moved to approve the proposed Disposal Service Rate Decrease of 0.88% as shown on the Rate Schedule to be effective April 1, 2016 which will equate to a \$0.20 residential, and \$0.10 senior rate decrease per month. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

15. **Authorize Staff to begin the advertisement and recruitment process for the Building Official position.**

Susan Price asked if the Council had discussed and possibly considered contracting out for these services similar to what the City of Colusa has done. She was informed that the City had contacted the County about possibly providing these services via contract. The estimate they provided did provide a savings, the services to our residents would be substantially lower in regards to permit issuance and inspection timelines, etc. The City has not pursued other avenues for contracting these services out.

Councilor Linnet stated he would like to keep the Building Official position to be half time.

Councilor Dickison moved to authorize Staff to begin the recruitment process and hire a Building Official with the duties to be Building Official/Building and Public Works Construction Inspector to be specified in the advertisement. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Cardenas and Smith. Opposed: Linnet. Absent/Abstain: None. Motion was approved by a 4-1 vote with Linnet opposing.**

16. Appoint the Vice Mayor and City Representatives to various Commissions/Committees.

Following a brief discussion, it was suggested to leave the Vice Mayor and City representatives the same with the exception of the following:

- Lisa Linnet will replace Pala Cantrell as the representative to the Tehama County Indian Gaming Local Community Benefit Committee
- Kristina Miller will replace John Brewer on NCCSIF and
- Dawn Grine will replace Patrick Walker on the Tehama County Solid Waste Management Agency (JPA II) Executive Committee

Councilor Cardenas moved to accept the two changes (Linnet and Miller) and Councilor Dickison seconded. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

Chief Spannaus stated that there is a third change, Dawn Grine is proposed to replace former Public Works Director Patrick Walker which wasn't included in the motion.

Councilor Cardenas rescinded his first motion and moved to accept the listed changes as stated in the Staff Report; Councilor Dickison rescinded second on the first motion and seconded the second motion to approve the proposed list. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

17. General Fund Revenue Update for FY 2015/16.

City Manager Kristina Miller provided the City Council with an update on the City's Budget standing and by Council consensus scheduled a special meeting for Monday, January 18 @ 6:00 p.m. at Woodson School. Councilor Dickison asked for information relating to the schedule for placing the tax ballot measure on the June Primary Election. City Attorney Jody Burgess explained the process and stated that the deadline date for placing a General or Special Tax on the June ballot is March 11th. He further stated that Staff has been working to prepare all of the required documentation.

An audience member suggested that City have a backup plan in case the tax doesn't go through.

Mayor Strack then asked the City Attorney to brief the Council on the latest legislation relating to marijuana. Mr. Burgess provided this information.

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR: None

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None.

M. REPORTS FROM MAYOR AND COUNCIL MEMBERS: City Councilmembers will report on attendance at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234).

Dickison: Tomorrows LAFCO meeting has been canceled, Community Action Meeting is scheduled for next week.

Linnet: Reported on Tehama County Solid Waste Management Agency (JPA II) Executive Committee Meeting stating that they should be in the new building next month. He announced that he had covered two graffiti's this week and collected and returned some shopping carts.

Cardenas: Reported that the Nomlaki Tribe made a \$35,000 (of the \$100,000) donation to the Theatre. He also reported on the 3CORE Meeting and the Chamber of Commerce Meeting.

Smith: The Senior Center will be holding their election for new Board Members tomorrow.

Strack: Nothing.

N. ADJOURNMENT!: 7:30 p.m.

Lisa M. Linnet, City Clerk

THE CITY OF CORNING IS AN EQUAL OPPORTUNITY PROVIDER AND EMPLOYER



MEMORANDUM

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: LORI SIMS
ACCOUNTING TECHNICIAN

DATE: January 20, 2016

SUBJECT: Cash Disbursement Detail Report for the
Tuesday January 26, 2016 Council Meeting

PROPOSED CASH DISBURSEMENTS FOR YOUR APPROVAL CONSIST OF THE FOLLOWING:

A.	Cash Disbursements	Ending 01-13-16	\$	13,511.23
B.	Payroll Disbursements	Ending 01-06-16	\$	56,939.35
C.	Cash Disbursements	Ending 01-20-16	\$	31,578.22
			GRAND TOTAL	<u>\$ 102,028.80</u>

REPORT.: Jan 13 16 Wednesday
 RUN....: Jan 13 16 Time: 11:59
 Run By.: IORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 01-16 Bank Account.: 1020

PAGE: 001
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
021556	01/12/16	DIV02	DIVISION OF STATE ARCHITE	72.60	.00	72.60	160112	PROF SVCS-FINANCE
021557	01/13/16	AND01	ED ANDERSON	1537.50	.00	1537.50	16-0108	PROF SVCS-
021558	01/13/16	ARA02	ARAMARK UNIFORM SERVICES	64.42	.00	64.42	4206724	MAT & SUPPLIES-BLD MAINT
				64.42	.00	64.42	4220990	MAT & SUPPLIES-BLD MAINT
				64.42	.00	64.42	4235734	MAT & SUPPLIES-BLD MAINT
				64.42	.00	64.42	4249987	MAT & SUPPLIES-BLD MAINT
				64.42	.00	64.42	4264472	MAT & SUPPLIES-BLD MAINT
Check Total.....:				322.10	.00	322.10		
021559	01/13/16	BAS01	BASIC LABORATORY, INC	126.00	.00	126.00	1600228	ProfServices Water Dept
021560	01/13/16	DEP12	DEPT OF JUSTICE	728.00	.00	728.00	139945	PROF SVCS-POLICE
021561	01/13/16	EMP01	EMPIRE INSIGNIAS	175.00	.00	175.00	1601042	UNIFORMS/CLOTH-POLICE
021562	01/13/16	FMR01	FM RICHELIEU ENGINEERING	550.00	.00	550.00	1-06-2016	PROF SVCS-BLD & SAFETY
021563	01/13/16	HOL04	HOLIDAY MARKET #32	17.96	.00	17.96	123321301	MAT & SUPPLIES-NLD MAINT
				21.91	.00	21.91	124321020	MAT & SUPPLIES-
Check Total.....:				39.87	.00	39.87		
021564	01/13/16	LEA01	LEAGUE OF CALIF CITIES	4032.00	.00	4032.00	158513	ASSOC DUES-CITY COUNCIL
021565	01/13/16	LIN05	LINNETS TIRE II	311.67	.00	311.67	055826	VEH OP/MAINT-FIRE
021566	01/13/16	MOR02	RAY MORGAN COMPANY	551.86	.00	551.86	1115198	COMMUNICATIONS-
021567	01/13/16	NOR18	NORTH VALLEY DISTRIBUTING	343.53	.00	343.53	S1195060.	MAT & SUPPLIES-AIRPORT
021568	01/13/16	QUI02	QUILL CORPORATION	20.62	.00	20.62	1855855	OFFICE SUPPLIES-FINANCE
021569	01/13/16	RED15	RED TRUCK ROCK YARD, LLC	204.00	.00	204.00	670	MAT & SUPPLIES-STR
021570	01/13/16	RET00	RETAIL PROFIT SYSTEMS	76.81	.00	76.81	22123	OFFICE SUPPLIES-FINANCE
021571	01/13/16	SEI01	SEILER, ROY R., CPA	2220.00	.00	2220.00	27282	PROF SVCS-FINANCE
021572	01/13/16	STA21	STATEWIDE TRAFFIC SAFETY	874.14	.00	874.14	08002310	MAT & SUPPLIES-
021573	01/13/16	SUB01	SUBURBAN PROPANE	381.87	.00	381.87	191009	PROPANE-AIRPORT
021574	01/13/16	TEH15	TEHAMA CO SHERIFF'S DEPT	171.50	.00	171.50	160106	PROF SVCS-POLICE
021575	01/13/16	THO01	THOMES CREEK ROCK CO	317.31	.00	317.31	151231	MAT & SUPPLIES-

REPORT.: Jan 13 16 Wednesday
 RUN...: Jan 13 16 Time: 11:59
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 01-16 Bank Account.: 1020

PAGE: 002
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
021576	01/13/16	TRI02	TRI-COUNTY NEWSPAPERS	94.65	.00	94.65	186579	Print/Advert. City Clerk
				128.06	.00	128.06	186623	Print/Advert. City Clerk
			Check Total.....	222.71	.00	222.71		
021577	01/13/16	UNI02	UNIFORMS, TUXEDOS & MORE	101.43	.00	101.43	142416	BCJI GRANT-VOL PROGRAM
021578	01/13/16	XER00	XEROX CORPORATION	130.71	.00	130.71	082860427	EQUIP MAINT-DISPATCH

Cash Account Total.....: 13511.23 .00 13511.23

Total Disbursements.....: 13511.23 .00 13511.23

Cash Account Total.....: .00 .00 .00

REPORT.: Jan 13 16 Wednesday
 RUN.....: Jan 13 16 Time: 11:59
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report - Payroll Vendor Payment (s)
 Check Listing for 01-16 Bank Account.: 1025

PAGE: 003
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
7008	01/06/16	AME20	AMERICAN WEST BANK	7192.41	.00	7192.41	B60106	HSA DEDUCTIBLE
7009	01/06/16	BAN03	POLICE OFFICER ASSOC.	200.00	.00	200.00	B60106	POLICE OFFICER ASSOC.
7010	01/06/16	CAL37	CALIFORNIA STATE DISBURSE	430.61	.00	430.61	B60106	WITHHOLDING ORDER
7011	01/06/16	EDD01	EMPLOYMENT DEVELOPMENT	4286.61	.00	4286.61	B60106	STATE INCOME TAX
				1328.62	.00	1328.62	1B60106	SDI
			Check Total.....:	5615.23	.00	5615.23		
7012	01/06/16	HEA05	HEALTHIEST YOU	27.00	.00	27.00	B60106	HEALTHIEST YOU
7013	01/06/16	ICM01	ICMA RETIREMENT TRUST-457	532.38	.00	532.38	B60106	ICMA DEF. COMP
				182.50	.00	182.50	1B60106	ICMA DEF. COMP ER PD
			Check Total.....:	714.88	.00	714.88		
7014	01/06/16	PERS1	PUBLIC EMPLOYERS RETIRE	19702.16	.00	19702.16	B60106	PERS PAYROLL REMITTANCE
7015	01/06/16	PERS4	Cal Pers 457 Def. Comp	19682.58	.00	19682.58	B60106	PERS DEF. COMP.
				1507.00	.00	1507.00	1B60106	PERS DEF. COMP. ER P
			Check Total.....:	21189.58	.00	21189.58		
7016	01/06/16	VAL06	VALIC	1727.48	.00	1727.48	B60106	AIG VALIC P TAX
				140.00	.00	140.00	1B60106	AIG VALIC P TAX ER P
			Check Total.....:	1867.48	.00	1867.48		
			Cash Account Total.....:	56939.35	.00	56939.35		
			Total Disbursements.....:	56939.35	.00	56939.35		

REPORT.: Jan 20 16 Wednesday
 RUN.....: Jan 20 16 Time: 15:29
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 01-16 Bank Account.: 1020

PAGE: 001
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information-Description
021579	01/13/16	COR09	CORNING CHAMBER OF COMM.	125.00	.00	125.00	160113	CONF/MTGS-
021580	01/19/16	ACC00	ACCESS INFORMATION MANAGE	130.00	.00	130.00	1283658	EQUIP MAINT-GEN CITY
021581	01/19/16	AIR00	AIRGAS USA, LLC	67.52	.00	67.52	993275794	MAT & SUPPLIES-FIRE
021582	01/19/16	BAS01	BASIC LABORATORY, INC	126.00	.00	126.00	1600474	ProfServices Water Dept
021583	01/19/16	CAR12	CAREL'S OFFICE MACHINES	14.25	.00	14.25	140051	MAT & SUPPLIES-LIBRARY
021584	01/19/16	COM06	COMCAST	28.92	.00	28.92	160109	COMMUNICATIONS-PW ADMIN
021585	01/19/16	COR09	CORNING CHAMBER OF COMM.	4000.00	.00	4000.00	160118	CngChamberComm. Economic
021586	01/19/16	COR11	CORNING SAFE & LOCK	3.49	.00	3.49	0032	MAT & SUPPLIES-PARKS
021587	01/19/16	DEP12	DEPT OF JUSTICE	70.00	.00	70.00	144793	PROF SVCS-POLICE
021588	01/19/16	FOO01	FOOPHILL READY MIX	658.44	.00	658.44	1601023	THEATRE FLOORING-RODGERS
021589	01/19/16	GRA02	GRAINGER, W.W., INC	176.63	.00	176.63	993743124	MAT & SUPPLIES-BLD MAINT
021590	01/19/16	KNI00	KNIFE RIVER CONSTRUCTION	624.71	.00	624.71	166169	MAT & SUPPLIES-STR
021591	01/19/16	NOR03	NCCSIF	806.15	.00	806.15	160115	DIRECT LABOR-FIRE
021592	01/19/16	NOR18	NORTH VALLEY DISTRIBUTING	13.53	.00	13.53	S11950600	MAT & SUPPLIES-AIRPORT
021593	01/19/16	PGE01	PG&E	20861.55	.00	20861.55	160111	Electricity General City-
021594	01/19/16	PGE2A	PG&E	60.72	.00	60.72	993743124	ELECT-CLELAND PROP
021595	01/19/16	REY03	REYNOSO BROTHER'S CONSTRU	372.50	.00	372.50	003246	THEATRE FLOORING-RODGERS
021596	01/19/16	SCH01	LES SCHWAB TIRE CENTER	1319.99	.00	1319.99	611001832	VEH OP/MAINT-POLICE
				56.25	.00	56.25	611001833	VEH OP/MAINT-POLICE
			Check Total.....	1376.24	.00	1376.24		
021597	01/19/16	WAR05	WARREN, DANA KARL	134.90	.00	134.90	160119	REC INSTRUCTOR-REC
021598	01/19/16	WES02	WESTERN BUSINESS PRODUCTS	45.65	.00	45.65	AR14340	EQUIP MAINT-FIRE
021599	01/20/16	ATT13	AT&T	763.37	.00	763.37	160111	COMMUNICATIONS-DISPATCH
021600	01/20/16	HEN03	HENRY SCHEIN INC.,	192.42	.00	192.42	26948053	SAFETY ITEMS-FIRE
021601	01/20/16	MCD01	MCDANIEL SIGN COMPANY	38.70	.00	38.70	3608	MAT & SUPPLIES-WTR

CITY OF CORNING

Cash Disbursement Detail Report
 Check Listing for 01-16 Bank Account.: 1020

REPORT.: Jan 20 16 Wednesday
 RUN....: Jan 20 16 Time: 15:29
 Run By.: LORI

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
021602	01/20/16	NOR31	NORM'S PRINTING	10.72	.00	10.72	015762	MAT & SUPPLIES-CITY CLERK
				78.98	.00	78.98	015787	PRINTING/ADV-POLICE
				61.81	.00	61.81	015805	OFFICE SUPPLIES-CITY ADMI
Check Total.....:				151.51	.00	151.51		
021603	01/20/16	OFF01	OFFICE DEPOT	259.65	.00	259.65	816969753	OFFICE SUPPLIES-DISPATCH
021604	01/20/16	PET03	PETTY CASH	236.83	.00	236.83	16-0120	PETTY CASH
021605	01/20/16	RED12	REDDING FREIGHTLINER,	202.38	.00	202.38	F509700	VEH OP/MAINT-
021606	01/20/16	SCH01	LES SCHWAB TIRE CENTER	37.16	.00	37.16	611001835	MAT & SUPPLIES-STR

Cash Account Total.....: 31578.22 .00 31578.22

Total Disbursements.....: 31578.22 .00 31578.22

=====

Date.: Jan 20, 2016
Time.: 3:42 pm
Run by: LORI

CITY OF CORNING
NEW BUSINESSES FOR CITY COUNCIL

Page.: 1
List.: NEWB
Group: WTFMB

Business Name	Address	CITY/STATE/ZIP	Contact Name	Business Desc. #1	Business Start Date	Primary Teleph
J & K SHUTTLE	11230 DAY AVE	LOS MOLINOS, CA 96055	TERRELL	JENS SHUTTLE CAR & TRUCKS FOR DEALERSHIPS	01/13/16	(530) 366-4384
J & K REPAIR	2900 HOOD AVE	PASKENTA, CA 96074	KLINE	JAMES HANDYMAN, (NO JOB OVER 500.00) CARPETING,	01/15/16	(530) 838-0988

ITEM NO: G-5
REFUND USE PERMIT APPLICATION FEE,
BASRA MINI MART.
2015 SOLANO ST. APN: 71-140-08

JANUARY 26, 2016

TO: HONORABLE MAYOR AND COUNCILMEMBERS
OF THE CITY OF CORNING

FROM: KRISTINA MILLER, CITY MANAGER
JOHN STOUFER, PLANNING CONSULTANT

SUMMARY:

Basra Mini Mart, DBA *Speedwaay*, submitted a Use Permit application with a fee of \$560.00. Section 17.54.020 (A) (1) requires that a Use Permit must be obtained for the on premises serving and consumption of alcohol whether in a bar or restaurant. After reviewing the Use Permit application, and the ABC Type 20 Off Sale License application, the Planning Department has determined that since the sale of alcohol is not for on-site consumption, and no other off sale businesses in the City have been required to obtain a Use Permit, one is not required.

ACTION:

AUTHORISE THE REFUND OF \$560.00 TO GURINDER SINGH BARSIA OWNER
OF BASRA MINI MART.

ATTACHMENTS:

Refund request and receipt for \$560.00 from Basra Mini Mart

RECEIVED

JAN 08 2016

CITY OF CORNING

January 8, 2016

Corning City Council,

I'm requesting a refund of \$560.00 for a Use Permit application I submitted on November 17, 2015. The application was for the sale of beer and wine but will not be for on-site consumption just off-site sales at my mini-mart located at 2015 Solano Street. The Planning Department erred in requiring a Use Permit for off-site sales.

Thank You



Gurinder Singh Basra

RECEIVED

CITY OF CORNING
794 Third Street
Corning, California 96021

NOV 17 2015
CITY OF CORNING

NAME Basra Mini Mart

ADDRESS _____

DATE	DESC.	ACCT. NO.	AMOUNT	BALANCE
			Use Permit # 2015-281	\$560. ⁰⁰
			Freeway License	
			PA #1756	

CUSTOMER NO. *[Signature]*

ITEM NO: J-6
APPLICATION FOR AN OFF-SITE BEER AND WINE
LICENSE (TYPE 20) AND FINDING OF PUBLIC
CONVENIENCE OR NECESSITY, BASRA MINI MART.
2015 SOLANO ST. APN: 71-140-08

JANUARY 26, 2016

TO: HONORABLE MAYOR AND COUNCILMEMBERS
OF THE CITY OF CORNING

FROM: KRISTINA MILLER, CITY MANAGER
JOHN STOUFER, PLANNING CONSULTANT

SUMMARY:

Basra Mini Mart, DBA *Speedwaay* (formerly Spirit Gas & Food Mart), has applied with the California Department of Alcoholic Beverage Control (ABC) for a Type 20, Off-Site Beer and Wine License so that they may sell beer and wine from the existing mini mart building.

ABC keeps track of alcohol licenses within individual Census Tracts-a geographic polygon used by the Census Bureau and others. This site is within Census Tract No. 0011. According to ABC there are currently 13 Off Sale Licenses, 6 – Type 21, Off-Sale General Licenses, and 7- Type 20, Off-Site Beer & Wine Licenses existing within Census Tract 0011. Of these 13 licenses 12 of them are located within the City of Corning west of the railroad tracks. The breakdown of current off-sale licenses is as follows:

Type 21	Type 20
Safeway Store, 600 Edith Ave	Corning Food Mart, 790 Edith Ave
Payless Drug Store, 640 Edith Ave	Corning Chevron, 820 Hwy 99W
Solano St. Liquor & Grocery, 2013 Solano St.	7 Eleven Store, 1425 Solano St.
Rolling Hills Chevron, 2635 Barham Ave	Olive Pit, 2156 Solano St.
Liquor Cabinet #1, 2185 Solano St.	TA Corning Travel Center, 3524 S. Hwy 99W
Liquor Cabinet #2, 3090 Hwy 99W	Carniceria MI Pueblo, 1321 Solano St.
	Corning Shell, 2176 Solano St.

Pursuant to the application packet submitted with this request ABC indicates that 9 off-sale licenses are allowed in this Census Tract. So, the applicant must seek a "Finding of Convenience or Necessity" prior to ABC issuing one of the desired licenses.

BACKGROUND:

Following the Los Angeles riots in the 90's, the State Legislature, at the urging of local government, amended the State Law pertaining to the sale of alcohol. As a result, ABC is not issuing licenses in areas "with an undue concentration" of alcohol vendors, without first referring it to the City for the City's "recommendation". State Law allows that the local governing body, or its designated subordinate officer, can make determination for approval.

Under the Law, the Council has three options. First, the City can make no determination, and the ABC will issue the License after 90 days. Second, the City can determine that "the public convenience or necessity would not be served by the issuance"

and ABC will deny the License; or, third, the City Council can make the determination that the “public convenience and necessity would be served by the issuance”. The previous owners of Spirit Gas & Food Mart had a Type 20 Off Sale License.

The Application for “Off-Premises Consumption” does not require legal notice, or a Public Hearing.

RECOMMENDATION:

MAYOR AND COUNCIL CONSIDER TYPE 20, OFF-SALE BEER AND WINE LICENSE FOR BARS MINI MART, DBA *SPEEDWAAY*, 2015 SOLANO STREET, AND HAVING CONSIDERED ANY PUBLIC AND STAFF INPUT, FIND THAT THE “PUBLIC CONVENIENCE OR NECESSITY” WILL BE SERVED, AS REQUIRED UNDER BUSINESS AND PROFESSIONS CODE SECTION 23958.5 (B) (2), AND DIRECT STAFF TO COMPLETE THE ABC FORM AND RETURN IT TO THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL.

OR;

DETERMINE THAT THE ISSUANCE OF TYPE 20, OFF-SITE BEER AND WINE LICENSE FOR BARS MINI MART, DBA *SPEEDWAAY*, 2015 SOLANO STREET, WILL NOT SERVE AS A PUBLIC CONVEYANCE AND IS NOT A NECESSITY, AND DIRECT STAFF TO NOTIFY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL OF THIS DECISION.

OR;

TAKE NO ACTION OR DETERMINATION AS TO WHETHER THE ISSUANCE OF A LICENSE WILL SERVE THE “PUBLIC CONVENIENCE OR NECESSITY”. STAFF WILL INFORM ABC OF THE HEARING AND THE COUNCIL’S NO DETERMINATION.

ATTACHMENTS

EXHIBIT “A” APPLICANTS LETTER & ABC APPLICATION

EXHIBIT “B” OFF SALE LICENSE INFO FROM ABC

Exhibit "A"

RECEIVED

JAN 08 2016

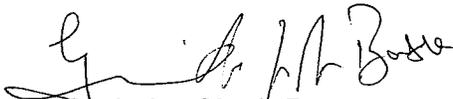
CITY OF CORNING

January 8, 2016

Corning City Council,

Pursuant to ABC licensing requirements I'm requesting that the City Council issue a finding that the public convenience or necessity will be served by the issuance of an Alcoholic Beverage License for the off-site sales of beer and wine at my mini mart located at 2015 Solano Street known as Speedwaay and doing business as Basra Mini Mart.

Thank You


Gurinder Singh Basra

**BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA**

IN THE MATTER OF THE APPLICATION OF

GURINDER SINGH BASRA
BASRA MINI MART
2015 SOLANO ST
CORNING, CA 96021-2710

} FILE 20-563928

}

} REG.

}

}

}

}

} **PETITION FOR CONDITIONAL
LICENSE**

}

For Issuance of an Off-Sale Beer And Wine - License

Under the Alcoholic Beverage Control Act

WHEREAS, petitioner(s) has/have filed an application for the issuance of the above-referred-to license(s) for the above-mentioned premises; and,

WHEREAS, the proposed premises operates as a self-service gas station primarily designed and used for the sale of gasoline and other commodities used by the motoring public; and,

WHEREAS, the issuance of an unrestricted license would be contrary to public welfare and morals and Rule 27 of Chapter 1, Title 4, of the California Code of Regulations; and,

WHEREAS, a proposed premises which only provides such a pass-out window or slide-out tray by which the general public may select and purchase alcoholic beverages, does not qualify as a retail store as defined in Rule 27, of Chapter 1, Title 4, of the California Code of Regulations; and,

WHEREAS, pursuant to Section 23958 of the Business and Professions Code, the Department may deny an application for a license where issuance would result in or add to an undue concentration of licenses; and,

WHEREAS, the proposed premises are located in Census Tract 0011.00 where there presently exists an undue concentration of licenses as defined by Section 23958.4 of the Business and Professions Code; and,

WHEREAS, the petitioner(s) stipulate(s) that by reason of the aforementioned over-concentration of licenses, grounds exist for denial of the applied-for license(s); and,

WHEREAS, the issuance of an unrestricted license would be contrary to public welfare and morals;

NOW, THEREFORE, the undersigned petitioner(s) do/does hereby petition for a conditional license as follows, to-wit:

Initials

- 1 There is maintained upon the drive-in premises a building or other suitable enclosed structure to be licensed as provided in Section 24040 of the Act, and all sales of alcoholic beverages shall be made from within the licensed enclosure.
 - No alcoholic beverages shall be sold to any person while such person is in a motor vehicle.
 - No alcoholic beverages shall be consumed on any portion of the licensed premises or any portion adjacent thereto which is under the control of the licensee.
 - The sale and delivery of alcoholic beverages shall be made to persons who are within the licensed premises only and not through a pass-out window, or a slide-out tray to the exterior of the premises.
 - Alcoholic beverages offered for sale at the licensed premises shall be displayed and available for convenient inspection and purchase within the premises by the general public.
- 2 Loitering is prohibited on or around these premises or this area under the control of the licensee(s) as depicted on the ABC-257 dated 11-9-15 and ABC-253 dated 11-9-15.
- 3 The petitioner(s) shall be responsible for maintaining free of litter the area adjacent to the premises over which they have control, as depicted on the ABC-257 dated 11-9-15 and ABC-253 dated 11-9-15.
- 4 Any graffiti painted or marked upon the premises or on any adjacent area under the control of the licensee(s) shall be removed or painted over within 72 hours of being applied.

This petition for conditional license is made pursuant to the provisions of Sections 23800 through 23805 of the Business and Professions Code and will be carried forward in any transfer at the applicant-premises.

Petitioner(s) agree(s) to retain a copy of this petition on the premises at all times and will be prepared to produce it immediately upon the request of any peace officer.

The petitioner(s) understand(s) that any violation of the foregoing condition(s) shall be grounds for the suspension or revocation of the license(s).

DATED THIS 07 DAY OF Jan, 2016.

[Signature]
Applicant/Petitioner

Applicant/Petitioner

INFORMATION AND INSTRUCTIONS -

SECTION 23958.4 B&P

Instructions This form is to be used for all applications for original issuance or premises to premises transfer of licenses.

- Part 1 is to be completed by an ABC employee, given to applicant with pre-application package, with copy retained in holding file or applicant's district file.
- Part 2 is to be completed by the applicant, and returned to ABC.
- Part 3 is to be completed by the local governing body or its designated subordinate officer or body, and returned to ABC.

PART 1 - TO BE COMPLETED BY ABC

1. APPLICANT'S NAME

Gurinder Singh Basra

2. PREMISES ADDRESS (Street number and name, city, zip code)

2015 Solano St. Corning 96021

3. LICENSE TYPE

20

4. TYPE OF BUSINESS

- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Full Service Restaurant | <input type="checkbox"/> Hofbrau/Cafeteria | <input type="checkbox"/> Cocktail Lounge | <input type="checkbox"/> Private Club |
| <input type="checkbox"/> Deli or Specialty Restaurant | <input type="checkbox"/> Comedy Club | <input type="checkbox"/> Night Club | <input type="checkbox"/> Veterans Club |
| <input type="checkbox"/> Cafe/Coffee Shop | <input type="checkbox"/> Brew Pub | <input type="checkbox"/> Tavern: Beer | <input type="checkbox"/> Fraternal Club |
| <input type="checkbox"/> Bed & Breakfast: | <input type="checkbox"/> Theater | <input type="checkbox"/> Tavern: Beer & Wine | <input type="checkbox"/> Wine Tasting Room |
| <input type="checkbox"/> Wine only | <input type="checkbox"/> All | | |

- | | | | |
|---|--|---|--|
| <input type="checkbox"/> Supermarket | <input type="checkbox"/> Membership Store | <input type="checkbox"/> Service Station | <input type="checkbox"/> Swap Meet/Flea Market |
| <input type="checkbox"/> Liquor Store | <input type="checkbox"/> Department Store | <input type="checkbox"/> Convenience Market | <input type="checkbox"/> Drive-in Dairy |
| <input type="checkbox"/> Drug/Variety Store | <input type="checkbox"/> Florist/Gift Shop | <input checked="" type="checkbox"/> Convenience Market w/Gasoline | |
| <input type="checkbox"/> Other - describe: | | | |

5. COUNTY POPULATION

6. TOTAL NUMBER OF LICENSES IN COUNTY

On-Sale Off-Sale

7. RATIO OF LICENSES TO POPULATION IN COUNTY

On-Sale Off-Sale

8. CENSUS TRACT NUMBER

11

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT

9

On-Sale Off-Sale

10. NO. OF LICENSES EXISTING IN CENSUS TRACT

10

On-Sale Off-Sale

11. IS THE ABOVE CENSUS TRACT OVERCONCENTRATED WITH LICENSES? (i.e., does the ratio of licenses to population in the census tract exceed the ratio of licenses to population for the entire county?)

- Yes, the number of existing licenses exceeds the number allowed
- No, the number of existing licenses is lower than the number allowed

12. DOES LAW ENFORCEMENT AGENCY MAINTAIN CRIME STATISTICS?

- Yes (Go to Item #13)
- No (Go to Item #20)

13. CRIME REPORTING DISTRICT NUMBER

14. TOTAL NUMBER OF REPORTING DISTRICTS

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

16. AVERAGE NO. OF OFFENSES PER DISTRICT

17. 120% OF AVERAGE NUMBER OF OFFENSES

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

19. IS THE PREMISES LOCATED IN A HIGH CRIME REPORTING DISTRICT? (i.e., has a 20% greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency)

- Yes, the total number of offenses in the reporting district equals or exceeds the total number in item #17
- No, the total number of offenses in the reporting district is lower than the total number in item #17

20. CHECK THE BOX THAT APPLIES (check only one box)

- a. If "No" is checked in both item #11 and item #19, Section 23958.4 B&P does not apply to this application, and no additional information will be needed on this issue. Advise the applicant to bring this completed form to ABC when filing the application.
- b. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for a non-retail license, a retail bona fide public eating place license, a retail license issued for a hotel, motel or other lodging establishment as defined in Section 25503.16(b) B&P, or a retail license issued in conjunction with a beer manufacturer's license, or winegrower's license, advise the applicant to complete Section 2 and bring the completed form to ABC when filing the application or as soon as possible thereafter.
- c. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for an off-sale beer and wine license, an off-sale general license, an on-sale beer license, an on-sale beer and wine (public premises) license, or an on-sale general (public premises) license, advise the applicant to take this form to the local governing body, or its designated subordinate officer or body to have them complete Section 3. The completed form will need to be provided to ABC in order to process the application.

Governing Body/Designated Subordinate Name:

FOR DEPARTMENT USE ONLY
PREPARED BY (Name of Department Employee)

Exhibit "B"



**California Department of Alcoholic Beverage Control
For the County of TEHAMA - (Off-Sale Licenses)
and Census Tract = 11**

Report as of 1/18/2016

	License Number	Status	License Type	Orig. Iss. Date	Expir Date	Primary Owner and Premises Addr.	Business Name	Mailing Address	Geo Code
1)	194189	ACTIVE	21	1/22/1987	6/30/2016	SAFEWAY INC 600 EDITH AVE CORNING, CA 96021 Census Tract: 0011.00	SAFEWAY INC #2295	PO BOX 29096, MAIL STOP #6516 PHOENIX, AZ 85038-9096	5201
2)	301988	ACTIVE	20	6/30/1995	5/31/2016	REDDING OIL COMPANY 790 EDITH AVE CORNING, CA 96021 Census Tract: 0011.00	CORNING FOOD MART	PO BOX 990280 REDDING, CA 96099-0280	5201
3)	332486	ACTIVE	21	12/9/1998	6/30/2016	THRIFTY PAYLESS INC 640 EDITH AVE CORNING, CA 96021 Census Tract: 0011.00	PAYLESS DRUG STORE 6188	2600 CAPITOL AVE, STE 300 SACRAMENTO, CA 95816-5930	5201
4)	373951	ACTIVE	21	3/14/2001	12/31/2016	SAYEGH BROTHERS 1 INC 2013 SOLANO ST CORNING, CA 96021-2710 Census Tract: 0011.00	SOLANO ST LIQUOR & GROCERY		5201
5)	397386	ACTIVE	20	3/25/2003	6/30/2016	7 ELEVEN INC 1425 SOLANO ST CORNING, CA 96021 Census Tract: 0011.00	7 ELEVEN STORE 2235 20054E	PO BOX 219088, ATT: 7 ELEVEN LICENSING DALLAS, TX 75221-9088	5201
6)	433171	ACTIVE	21	12/19/2005	3/31/2016	MOUNTAIN COUNTIES SUPPLY COMPANY 2635 BARHAM AVE CORNING, CA 96021 Census Tract: 0011.00	ROLLING HILLS CHEVRON	MOUNTAIN COUNTY SUPPLY COMPANY, PO BOX 491687 REDDING, CA 96049	5201
7)	466252	ACTIVE	20	7/23/2008	6/30/2016	TA OPERATING LLC 3524 S HIGHWAY 99 W CORNING, CA 96021-9306 Census Tract: 0011.00	CORNING TRAVELCENTER	255 WASHINGTON ST, STE 300, TWO NEWTON PLACE NEWTON, ME 02458-1634	5201
8)	475313	ACTIVE	21	5/5/2009	6/30/2016	CHATHA, BALWINDER SINGH 2185 SOLANO ST CORNING, CA 96021 Census Tract: 0011.00	LIQUOR CABINET #1		5201
9)	500551	ACTIVE	21	6/22/2010 11:23:30 AM	7/31/2016	SANDHU, JAGTAR SINGH 3090 HWY 99 WEST CORNING, CA 96021	LIQUOR CABINET 2		5201

						Census Tract: 0011.00		
10)	504860	ACTIVE	20	3/1/2011 3:03:04 PM	2/29/2016	LINCE, CRISTOBAL SALOMON 1321 SOLANO ST CORNING, CA 96021- 3052 Census Tract: 0011.00	CARNICERIA MI PUEBLO	5201
11)	516804	ACTIVE	20	1/27/2012 11:42:55 AM	12/31/2016	FAST BREAK INC 2176 SOLANO ST CORNING, CA 96021 Census Tract: 0011.00	CORNING SHELL	1301 ESPLANADE AVE KLAMATH FALLS, OR 97601
12)	518853	ACTIVE	20	4/6/2012 8:14:54 AM	3/31/2016	OLIVE PIT 2156 SOLANO ST CORNING, CA 96021- 2713 Census Tract: 0011.00	OLIVE PIT	5201
13)	526884	ACTIVE	20	11/20/2012 10:05:10 AM	10/31/2016	CORNING CHEVRON INC 820 99W CORNING, CA 96021- 2704 Census Tract: 0011.00	CORNING CHEVRON	5201

--- End of Report ---

For a definition of codes, view our [glossary](#).

**ITEM NO: J-7
CONSIDERATION OF
TRANSACTIONS AND USE
TAX RESOLUTIONS AND
ORDINANCE**

JANUARY 26, 2016

**TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
FROM: KRISTINA MILLER, CITY MANAGER**

SUMMARY:

One of four recommendations by the Ad-Hoc Committee was to "initiate a ballot measure for supplemental sales taxes or to form a Benefit Assessment District". The City Council at its Special Meeting held on January 18th directed Staff and the City Attorney to draft and process the necessary Ordinance and Resolutions to place a ½ cent Sales Tax Initiative on the June 7th Presidential Primary ballot.

The attached Resolutions and Ordinance must be passed and adopted by March 11, 2016. A timeline for implementation is below:

- **January 26, 2016:** Waive the first reading and introduce the Ordinance, review and consider adoption of Resolutions;
- **February 9, 2016:** Second Reading of Ordinance;
- **March 11, 2016:** Absolute County Deadline. All Sales Tax Measure Documents must be delivered to County Elections Department on or before this date.
- **June 7, 2016 Presidential Primary Election**
- **~October 1, 2016 "Operative Date":** If measure is approved by a majority of voters, first day sales tax is assessed.
- **Late March 2017:** City receives first quarterly ½ cent sales tax payment for the fourth quarter of 2016.

A general transaction and use tax (sales tax) measure was chosen over a special tax, as a general sales tax only requires a majority of the electorate voting in an election for passage. In order to place the general sales tax measure on the June 7th ballot, the City Council by unanimous vote must approve **Resolution No. 01-26-2016-01: A Resolution of the City Council for the City of Corning Declaring an Emergency Pursuant to Article XIII (C), Section 2 (B) of the California Constitution, Calling for the Placement of a General Tax Measure on the Ballot of the June 7, 2016 Presidential Primary Election to Adopt a Transaction and Use Tax, and Requesting that the County of Tehama Consolidate this Election with the Statewide Primary Presidential Election.**

Ordinance No. 663 must be passed by a majority vote of the City Council. As indicated in Section 3.21.18 of the Ordinance, a sunset date is not being proposed.

In addition to the general sales tax measure, an advisory measure is proposed to advise the City Council how to allocate the funds received. At the January 18th Special City Council Meeting the City Council directed the City Manager and Department Heads meet and develop a proposal as to how the funds should be allocated on the advisory measure. Department Heads submitted a proposal for their respective department. We then met internally and agreed to two options. After the meeting there was disagreement amongst one department. Below are three options for how to allocate the estimated \$535,000 in excess funds received after maintaining support for existing departments:

Option 1			
Excess funding after maintaining support for existing Departments		535,000	Percentage of \$535,000
Street Maintenance		220,000	41%
Fire Capital Improvement		55,000	10%
Police Department		260,000	49%

Option 1 provides \$220,000 in additional funds annually to improve the streets in the City of Corning, \$55,000 in additional funds for Fire Capital Improvement needs, and \$260,000 to restore staffing for three positions allocated (yet unbudgeted) within the Police Department. The \$55,000 in Fire Capital Improvement funds would be in addition to the \$40,000 already budgeted within the fiscal year 2015/16 Fire Capital Improvement budget. The Fire Department's SCBA equipment, extrication tools, and rescue utility vehicle are beyond their service life. In another year, the Type I engine will reach its service life as well. Unfortunately the City has not been able to set aside enough capital improvement funds over their service life to replace this equipment. With \$88,698 set aside for Fire Capital Equipment Replacement, there is a current unmet need of \$535,059. If adequate funds were set aside over the years, \$40,000 per year would adequately fund fire equipment needs of the Fire Department. This being said, there is an unmet need. The \$55,000 in additional Fire Capital Improvement funds will meet this need over a period of six years.

Option 2			
Excess funding after maintaining support for existing Departments		535,000	Percentage of \$535,000
Street Maintenance		165,000	31%
Fire Capital Improvement		55,000	10%
Police Department		260,000	49%
Economic Development		55,000	10%

Option 2 is similar to Option 1 except that it reduces funds allocated to street maintenance to provide funds for general economic development within the City limits that is not specific to the west side of Interstate 5.

Option 3			
Excess funding after maintaining support for existing Departments		535,000	Percentage of \$535,000
Street Maintenance		275,000	51%
Fire Capital Improvement		55,000	10%
Police Department		179,000	33%
Economic Development		26,000	10%

Option 3 annually provides \$275,000 for additional street maintenance projects within the City, \$55,000 for additional Fire Capital Improvement, \$179,000 to fund two positions (records/dispatch supervisor and detective position) already allocated, but unfunded within the Police Department, and \$26,000 for general economic development within the City limits that is not specific to the west side of Interstate 5.

A fourth option is to not include the advisory measure altogether. While the advisory measure gives the voting populace the opportunity to express how they would like the funds spent, it may be difficult to come to an agreement as to how the excess funds should be spent in a short time period. The advisory measure is intended to advise the City Council as to how the City should use the funds, but is unbinding. Should the City Council decide to move forward with the Advisory Measure, Option 1, 2, 3, or an alternative percentage allocation will need to be included in **Resolution 01-26-2016-02: A Resolution of the City of Corning, Calling for an Election and Submitting to the Electorate at the June 7, 2016 Special Election Consolidated with the Statewide Presidential Primary Election, an Advisory Measure Related to the Use of General Tax Revenues, and Requesting that it be Consolidated with the Statewide Presidential Primary Election on June 7, 2016.**

RECOMMENDATION:

MAYOR AND CITY COUNCIL REVIEW, INTRODUCE AND ADOPT:

- 1. PROPOSED RESOLUTION NO. 01-26-2016-01: A Resolution of the City Council for the City of Corning Declaring an Emergency Pursuant to Article XIII (C), Section 2 (B) of the California Constitution, Calling for the Placement of a General Tax Measure on the Ballot of the June 7, 2016 Presidential Primary Election to Adopt a Transaction and Use Tax, and Requesting that the County of Tehama Consolidate this Election with the Statewide Primary Presidential Election.**
- 2. Proposed ORDINANCE 663: An Ordinance of the City Council of the City of Corning, moving to add Chapter 3.21 to the Corning Municipal Code to impose a Transactions and Use Tax to be administered by the State Board of Equalization upon approval by a majority of the Voting Electorate for the City of Corning.**
- 3. PROPOSED RESOLUTION NO. 01-26-2016-02. A Resolution of the City of Corning Calling for an Election and Submitting to the Electorate at the June 7, 2016 Special Election consolidated with the Statewide Presidential Primary Election an Advisory Measure related to the Use of General Tax Revenues and requesting that it be consolidated with the Statewide Presidential Primary Election on June 7, 2016.**

RESOLUTION NO.: 01-26-2016-01

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORNING
DECLARING AN EMERGENCY PURSUANT TO ARTICLE XIII (C), SECTION 2 (B) OF THE
CALIFORNIA CONSTITUTION, CALLING FOR THE PLACEMENT OF A GENERAL TAX
MEASURE ON THE BALLOT OF THE JUNE 7, 2016, PRESIDENTIAL PRIMARY ELECTION
TO ADOPT A TRANSACTION AND USE TAX, AND REQUESTING THAT THE COUNTY OF
TEHAMA CONSOLIDATE THIS ELECTION WITH THE STATEWIDE PRIMARY
PRESIDENTIAL ELECTION**

WHEREAS, the City is facing a rising deficit as a consequence, in part, of decreased sales tax revenue that materially impacts the City's ability to sustain the funding necessary to continue offering police and fire services of the present kind; and

WHEREAS, the City Council wishes to ensure that the City has the financial resources in its general fund necessary to preserve the public health, safety, and welfare of the City and to address its rising deficit of considerable nature; and

WHEREAS, in light of the City's deficit and the Council's desire to continue to provide a wide array of City services, including but not limited to police and fire services, the City Council determines that it is in the best interest of the City to submit a transactions and use tax (sales tax) of one-half of one percent to the electorate of the City of Corning; and

WHEREAS, the California Government Code Section 53721.5 provides that transaction and use taxes are general taxes unless declared a special tax transaction or placed in a fund other than the general fund; and

WHEREAS, the California Government Code Section 53721 provides that general taxes are taxes imposed for general governmental purposes and special taxes are taxes imposed for specific purposes; and

WHEREAS, the City desires to pursue a general tax with all revenues received therefrom to be deposited into the general fund of the City to be expended for police and fire services, dispatch and any other lawful public use: and

WHEREAS, the one-half cent tax on sales would be levied in addition to the current sales tax and would be collected at the same time and in the same manner as the existing sales tax levied and collected under Chapter 3.20 of the Corning Municipal Code; and

WHEREAS, at the general election of November 2, 1996, the voters of the State of California amended the state constitution, adding Article XIII C, which requires that the voters approve all new taxes and any tax increases before they become effective; and

WHEREAS, California Government Code Section 53723 provides that no local government or district may impose a general tax unless and until such general tax is submitted to the electorate of the local government and approved by a majority vote of the voters voting in an election on the issue; and

WHEREAS, state law authorizes the City of Corning ("City") to levy a one-half cent transaction and use tax (sales tax) following approval by two thirds (4 affirmative votes) of the City of Corning City Council ("City Council") and a majority of voters voting in an election on that issue; and

WHEREAS, the voters' approval of the one-half of one percent transactions and use tax (sales tax) will impose or increase general taxes, as that term is defined In Article XIIC, section 1(a) of the California Constitution; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a District, City or other political subdivision for the submission of any questions, proposition, or office to be filled is to be consolidated with a Statewide Election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that Statewide Election, the District, City or other political subdivision shall, at least 88 days prior to the date of the Election, file with the Board of Supervisors, and a copy with the Elections Official, a Resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the Election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the Resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the Ordinance, Resolution, or order calling for the Election; and

WHEREAS, pursuant to Article XIII (C), Section 2 (b) of the California Constitution, no local government may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote, and that the election required by this subdivision of the State's Constitution shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of an emergency declared by unanimous vote of the governing body. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body; and

WHEREAS, an emergency exists necessitating the presentation of a transactions and use tax ordinance to the voting electorate to address immediate fiscal needs on a time when various District, County, State and other political subdivision elections may be or have been called to be held on June 7, 2016;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CORNING:

1. Pursuant to Article XIII (C), Section 2 (b) of the California Constitution unanimously declares the existence of an emergency in that there are imminent financial risks and dangers as described in the recitals, including dangers to the public welfare and the City's financial ability to provide continued essential municipal services without disruption, so that a special election is necessary.
2. Does hereby submit to the voters the proposed TRANSACTIONS AND USE TAX (SALES TAX) ORDINANCE OF 2016, which was previously adopted by a 2/3rd's vote (4 out of 5) of all of its members and is set forth in the attached **EXHIBIT "A"**.
3. Authorize the Registrar of Voters to consolidate this election with the established Statewide Presidential Primary Election on June 7, 2016, and take all necessary steps to conduct the consolidated election, and that the election be held in the manner prescribed in Elections Code, Section 10418.
4. Directs that the City Clerk is hereby to submit the Ordinance to the qualified voters of the City of Corning at the Statewide Presidential Primary Election of June 7, 2016, and that each ballot used at said election shall have printed therein, in addition to any other matter required by law, the following: **PROPOSED ORDINANCE OF THE CITY OF CORNING IMPOSING A TRANSACTIONS AND USE TAX (SALES TAX) OF ONE-HALF OF ONE PERCENT TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**, which shall be known as the Measure. The question shall be presented on the ballot as follows:

Shall the City of Corning be authorized to enact a transactions and use tax (sales tax) of one-half of one percent with all proceeds placed in the City of Corning's General Fund to be used for police and fire public services, dispatch as well as any other lawful municipal use?	YES
	NO

5. The City Clerk shall 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 in length, showing the effect of the Measure on the existing law and its operation, and shall transmit such impartial analysis to the City Clerk within (15) days of adoption of this Resolution.
6. That arguments in favor of and in opposition to the ballot measure, and rebuttal arguments, shall be permitted and the City hereby adopts the provisions of Elections Code Sections 9282 and 9285 (a), regarding the acceptance of arguments relating to ballot measures. The City Clerk shall fix the dates for submittal of arguments and rebuttals as provided in the Elections Code and in conjunction with the Registrar of Voters for Tehama County.
7. In all particulars not recited in this Resolution, the Election shall be held and conducted as provided by applicable law to a measure submitted to the voters by City Council, that the City Council directs the City Clerk to file a certified copy of this Resolution with the Registrar of Voters of Tehama County, and that the City will bear all costs customarily charged by the County to a city in connection with a ballot question(s) submitted as consolidated with a statewide presidential primary election.
8. The City Clerk shall certify to the passage of this Resolution and enter the same into the original Resolutions.
9. That the City Council hereby authorizes the following council member(s) to prepare and file written arguments and rebuttal arguments, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, which is to be done in accordance with Article 4, Chapter 3, Division 9 of the Elections Code.
10. That this Resolution shall take effect from and after its adoption by a unanimous vote of the members of City Council.

The foregoing Resolution was adopted by the City Council of the City of Corning on this 26th day of January by the following vote:

AYES:

NAYS:

ABSTAINING:

ABSENT:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk

I, Lisa M. Linnet, City Clerk of the City of Corning, California, DO HEREBY CERTIFY that the foregoing Resolution (Resolution 1-26-2016-01) was duly introduced, approved and adopted by the City Council of the City of Corning at a regular meeting of said Council held on the 26th day of January 26, 2016 by the votes listed above.

Lisa M. Linnet, City Clerk

"EXHIBIT A"

TRANSACTIONS AND USE TAX (SALES TAX) ORDINANCE OF 2016 ADDING CHAPTER 3.21 TO THE CORNING MUNICIPAL CODE

SECTION 3.21.010	TITLE
SECTION 3.21.020	OPERATIVE DATE
SECTION 3.21.030	PURPOSE
SECTION 3.21.040	CONTRACT WITH STATE
SECTION 3.21.050	TRANSACTIONS TAX RATE
SECTION 3.21.060	PLACE OF SALE
SECTION 3.21.070	USE TAX RATE
SECTION 3.21.080	ADOPTION OF PROVISIONS OF STATE LAW
SECTION 3.21.090	LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES
SECTION 3.21.10	PERMIT NOT REQUIRED
SECTION 3.21.11	EXEMPTIONS AND EXCLUSIONS
SECTION 3.21.12	AMENDMENTS
SECTION 3.21.13	ENJOINING COLLECTION FORBIDDEN
SECTION 3.21.14	SEVERABILITY
SECTION 3.21.15	EFFECTIVE DATE
SECTION 3.21.16	AUDIT
SECTION 3.21.17	USE OF FUNDS
SECTION 3.21.18	TERMINATION DATE AND NO REVOCATION

The City Council and the people of the City of Corning do ordain as follows:

SECTION 3.21.010: TITLE

This Ordinance shall be known as the City of Corning Transactions and Use Tax Ordinance of 2016. The City of Corning hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

SECTION 3.21.020: OPERATIVE DATE

In accordance with California Government Code, Section 26292.4, the "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance.

SECTION 3.21.030: PURPOSE.

This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes as enacted by the people of the City of Corning:

- 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 this tax

Ordinance which shall be operative 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 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 and use tax Ordinance that imposes a tax and provides a measure therefore 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 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 Ordinance.

SECTION 3.21.040: 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 and use tax Ordinance; provided, that if the City has not 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 a contract.

SECTION 3.21.050: TRANSACTIONS 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-half of one percent (0.50%) 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 this Ordinance.

SECTION 3.21.060: PLACE OF SALE

For the purposes of this Ordinance, 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 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.

SECTION 3.21.070: 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 Ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.50%) 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 3.21.080: ADOPTION OF PROVISIONS OF STATE LAW

Except as otherwise provided in this Ordinance 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 Ordinance as though fully set forth herein.

SECTION 3.21.090: LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES

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 therefor. However, the substitution 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 Ordinance.

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.

SECTION 3.21.10: 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 transactor's permit shall not be required by this Ordinance.

SECTION 3.21.11: EXEMPTIONS AND EXCLUSIONS

A. There shall be excluded from the measure of the transactions 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 all of the following:

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 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 this Ordinance.

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 this Ordinance.

5. For the purposes of subparagraphs (3) and (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 Ordinance, 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 Ordinance.

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 of this Ordinance.

5. For the purposes of subparagraphs (3) and (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 subparagraph (7), 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 Ordinance 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.

SECTION 3.21.12: AMENDMENTS

All amendments subsequent to the effective date of this Ordinance 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 Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

SECTION 3.21.13: 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 Ordinance, 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.

SECTION 3.21.14: SEVERABILITY

If a court determines that any provision of this Ordinance or the application thereof to any person or circumstance is invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected by such determination.

SECTION 3.21.15: EFFECTIVE DATE

This Ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately; however, no tax imposed by this Ordinance shall be effective unless that tax has been approved by a majority of the voters of the City of Corning.

SECTION 3.21.16: AUDIT

The proceeds of this tax imposed pursuant to this Ordinance, as well as the expenditure thereof, shall be audited annually by an independent accounting firm.

SECTION 3.21.17: USE OF FUNDS

The proceeds of the taxes imposed by this Ordinance shall be deposited in the general fund for the City of Corning and may be used for police and fire services, dispatch, and staffing as well as any other lawful municipal purpose. These taxes are not special taxes as defined under Article XIII C of the California Constitution and the California Government Code Sections 53721 and 53721.5, which provides that transaction and use taxes are general taxes unless declared a

special tax transaction or placed in a fund other than the general fund. The taxes to be levied pursuant to this Ordinance are general taxes.

SECTION 3.21.18: TERMINATION DATE AND NO REVOCATION

The authority to levy the Transaction and Use Tax imposed by this Ordinance shall have no termination date, but remains subject to the law of amendment and repeal of an Ordinance. The passage of this Ordinance does not repeal or revoke the authority and imposition of a sales tax under Chapter 3.20 (Sales and Use Tax) of the Corning Municipal Code, which shall remain in place and effective.

Ordinance No.: 663

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORNING
MOVING TO ADD CHAPTER 3.21 TO THE CORNING MUNICIPAL CODE TO
IMPOSE A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE
BOARD OF EQUALIZATION UPON APPROVAL BY A MAJORITY OF THE VOTING
ELECTORATE FOR THE CITY OF CORNING**

WHEREAS, pursuant to California Revenue and Taxation Code Section 7285.9 the City of Corning ("City") has the authority to levy a Transactions and Use Tax for general purposes; and

WHEREAS, the City would like to levy a one-half of one percent (0.50%) Transactions and Use Tax for general purposes to fund essential City services; and

WHEREAS, the City believes only a locally-approved voter funding source would guarantee that new revenue stays in Corning to help the City continue to provide essential services to its residents while addressing a growing budget deficit; and

WHEREAS, the City's Transactions and Use Tax Ordinance will be added to the Corning Municipal Code as Chapter 3.21; and

WHEREAS, the City plans to submit a ballot measure to the voters for a majority vote to authorize the Transactions and Use Tax at a special election on June 7, 2016, which would be consolidated with the Statewide Primary Presidential Election.

NOW, THEREFORE, The City Council of the City of Corning does hereby ordain as follows:

Section 1: Title

The Ordinance No. 663 is to be introduced to the voting electorate and shall be known as the Corning Transactions and Use Tax Ordinance of 2016. This Ordinance shall be applicable in the incorporated territory of the City of Corning.

Section 2: Addition

Upon approval by the voters, Chapter 3.21 will be added to the Corning Municipal Code to read in full as set forth in the attached Exhibit "A," which is incorporated into this Ordinance as though fully set forth herein, and is hereby enacted by the City Council subject to Section 4 of this Ordinance.

Section 3: Operative Date

"Operative Date" of the Corning Transactions and Use Tax Ordinance of 2016 means the first day of the first calendar quarter commencing more than 110 days after the adoption of the Ordinance by the voting electorate, the date of such adoption being as set below.

Section 4: Approval by the Voters

The Corning Transactions and Use Tax Ordinance of 2016 shall be submitted to the voters at a special election to be held on June 7, 2016, which is a consolidated election with the Statewide Primary Presidential Election. Upon approval by a majority of the voters of the City voting on this Ordinance, a Transactions and Use Tax shall be authorized and thereby ordained by the People of the City of Corning.

Section 5: Severability

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

AYES:

NOES:

ABSENT:

ABSTAIN:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk

Published:

SUMMARY OF ORDINANCE NO. 663

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORNING
ADDING CHAPTER 3.21 OF THE CORNING MUNICIPAL CODE TO
IMPOSE A ONE-HALF CENT TRANSACTION AND USE TAX AS A
GENERAL TAX
TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION
UPON APPROVAL
BY A MAJORITY OF THE VOTING ELECTORATE FOR THE CITY OF
CORNING**

The City Council of the City of Corning will introduce, for first reading, an Ordinance seeking to introduce for passage a one-half cent Transactions and Use Tax (Sales Tax) as a general tax administered under local and State law to be put to the electorate of the City of Corning for repeal or passage by the electorate at the June 7, 2016 Primary Presidential Election.

A full copy of the Ordinance is posted in the office of the City Clerk

“EXHIBIT A”

**TRANSACTIONS AND USE TAX (SALES TAX) ORDINANCE OF 2016 ADDING CHAPTER
3.21 TO THE CORNING MUNICIPAL CODE**

SECTION 3.21.010	TITLE
SECTION 3.21.020	OPERATIVE DATE
SECTION 3.21.030	PURPOSE
SECTION 3.21.040	CONTRACT WITH STATE
SECTION 3.21.050	TRANSACTIONS TAX RATE
SECTION 3.21.060	PLACE OF SALE
SECTION 3.21.070	USE TAX RATE
SECTION 3.21.080	ADOPTION OF PROVISIONS OF STATE LAW
SECTION 3.21.090	LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES
SECTION 3.21.10	PERMIT NOT REQUIRED
SECTION 3.21.11	EXEMPTIONS AND EXCLUSIONS
SECTION 3.21.12	AMENDMENTS
SECTION 3.21.13	ENJOINING COLLECTION FORBIDDEN
SECTION 3.21.14	SEVERABILITY
SECTION 3.21.15	EFFECTIVE DATE
SECTION 3.21.16	AUDIT
SECTION 3.21.17	USE OF FUNDS
SECTION 3.21.18	TERMINATION DATE AND NO REVOCATION

The City Council and the people of the City of City of Corning do ordain as follows:

SECTION 3.21.010: TITLE

This Ordinance shall be known as the City of Corning Transactions and Use Tax Ordinance of 2016. The City of Corning hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

SECTION 3.21.020: OPERATIVE DATE

In accordance with California Government Code, Section 26292.4, the "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance.

SECTION 3.21.030: PURPOSE.

This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes as enacted by the people of the City of Corning:

- 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 this tax

Ordinance which shall be operative 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 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 and use tax Ordinance that imposes a tax and provides a measure therefore 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 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 Ordinance.

SECTION 3.21.040: 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 and use tax Ordinance; provided, that if the City has not 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 a contract.

SECTION 3.21.050: TRANSACTIONS 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-half of one percent (0.50%) 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 this Ordinance.

SECTION 3.21.060: PLACE OF SALE

For the purposes of this Ordinance, 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 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.

SECTION 3.21.070: 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 Ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.50%) 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 3.21.080: ADOPTION OF PROVISIONS OF STATE LAW

Except as otherwise provided in this Ordinance 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 Ordinance as though fully set forth herein.

SECTION 3.21.090: LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES

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 therefor. However, the substitution 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 Ordinance.

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.

SECTION 3.21.10: 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 transactor's permit shall not be required by this Ordinance.

SECTION 3.21.11: EXEMPTIONS AND EXCLUSIONS

A. There shall be excluded from the measure of the transactions 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 all of the following:

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 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 this Ordinance.

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 this Ordinance.

5. For the purposes of subparagraphs (3) and (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 Ordinance, 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 Ordinance.

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 of this Ordinance.

5. For the purposes of subparagraphs (3) and (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 subparagraph (7), 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 Ordinance 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.

SECTION 3.21.12: AMENDMENTS

All amendments subsequent to the effective date of this Ordinance 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 Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

SECTION 3.21.13: 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 Ordinance, 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.

SECTION 3.21.14: SEVERABILITY

If a court determines that any provision of this Ordinance or the application thereof to any person or circumstance is invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected by such determination.

SECTION 3.21.15: EFFECTIVE DATE

This Ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately; however, no tax imposed by this Ordinance shall be effective unless that tax has been approved by a majority of the voters of the City of Corning.

SECTION 3.21.16: AUDIT

The proceeds of this tax imposed pursuant to this Ordinance, as well as the expenditure thereof, shall be audited annually by an independent accounting firm.

SECTION 3.21.17: USE OF FUNDS

The proceeds of the taxes imposed by this Ordinance shall be deposited in the general fund for the City of Corning and may be used for police and fire services, dispatch, and staffing as well as any other lawful municipal purpose. These taxes are not special taxes as defined under Article XIII C of the California Constitution and the California Government Code Sections 53721 and 53721.5, which provides that transaction and use taxes are general taxes unless declared a

special tax transaction or placed in a fund other than the general fund. The taxes to be levied pursuant to this Ordinance are general taxes.

SECTION 3.21.18: TERMINATION DATE AND NO REVOCATION

The authority to levy the Transaction and Use Tax imposed by this Ordinance shall have no termination date, but remains subject to the law of amendment and repeal of an Ordinance. The passage of this Ordinance does not repeal or revoke the authority and imposition of a sales tax under Chapter 3.20 (Sales and Use Tax) of the Corning Municipal Code, which shall remain in place and effective.

RESOLUTION NO.: 01-26-2016-02

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORNING CALLING
FOR AN ELECTION AND SUBMITTING TO THE ELECTORATE AT THE
JUNE 7, 2016 SPECIAL ELECTION CONSOLIDATED WITH THE STATEWIDE
PRESIDENTIAL PRIMARY ELECTION AN ADVISORY MEASURE RELATED TO
THE USE OF GENERAL TAX REVENUES
AND
REQUESTING THAT IT BE CONSOLIDATED WITH
THE STATEWIDE PRESIDENTIAL PRIMARY ELECTION
ON JUNE 7, 2016**

WHEREAS, California Elections Code Section 9603 authorizes the City Council to also submit advisory measures, upon majority vote of the City Council, to the electorate in order to allow the City's voters to voice their opinions on substantive issues; and

WHEREAS, the City Council desires the advice of the voters on the use of revenues that might be generated by a voter-approved transaction and use tax brought to the electorate as outlined in California Elections Code 9222 et. seq.; and

WHEREAS, the City Council desires to submit the advisory measure to the voters at the municipal Special Election to be consolidated with the Statewide Presidential Primary Election on June 7, 2016; and

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any City or District may by Resolution, request the Board of Supervisors of the County to permit the County Elections Official to render specified services to the City or District relating to the conduct of an Election; and

WHEREAS, the Resolution of the governing body of the City or District shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the City or District shall reimburse the County in full for the services performed upon presentation of a bill to the City or District; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any Legislative or Congressional District, Public District, City, County, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for Cities and Special Districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a District, City or other political subdivision for the submission of any questions, proposition, or office to be filled is to be consolidated with a Statewide Election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that Statewide Election, the District, City or other political subdivision shall, at least 88 days prior to the date of the Election, file with the Board of Supervisors, and a copy with the Elections Official, a Resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the Election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the Resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the Ordinance, Resolution, or order calling for the Election; and

WHEREAS, various District, County, State and other political subdivision elections may be or have been called to be held on June 7, 2016;



NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORNING:

1. The City Clerk is hereby directed to submit along with the Corning Transactions and Use Tax Ordinance of 2016 (attached as Exhibit "A") for voter approval at the special municipal election consolidated with the Statewide Primary Presidential election an advisory measure for direction on the electorate's desire on how the tax revenue is to be utilized. The advisory measure shall be presented on the ballot as follows:

ADVISORY VOTE ONLY: If the voters of the City of Corning approve a Transactions and Use Tax, should the City Council allocate the new tax funds to be utilized for either OPTION 1, 2, or 3.	YES NO
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2. The City Council hereby 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 in length, showing the effect of the Measure on the existing law and the operation of the measure, and transmit such impartial analysis to the City Clerk within ten (10) days of the adoption of this Resolution.
3. In all particulars not recited in this Resolution, the Election shall be held and conducted as provided by law applicable to an advisory measure submitted to the voters by the City Council. The City Council directs the City Clerk to file a certified copy of this Resolution with the Registrar of Voters of Tehama County. The City will bear all costs customarily charged by the County to a City in connection with a ballot question submitted at a municipal election that is consolidated with a Statewide Primary Election, and shall publish such notice of election, measure and advisory measure, as provided by California law.
4. The City Clerk shall certify to the passage and adoption of this Resolution.

BE IT FURTHER RESOLVED AND ORDERED THAT THE governing body of the **City of Corning** hereby orders an election be called and consolidated with any and all elections also called to be held on June 7, 2016 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the **County of Tehama** requests the Board of Supervisors of the County of Tehama to order such consolidation under Elections Code 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that said governing body, the **City of Corning**, hereby requests the Board of Supervisors to permit the Tehama County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Corning held on _____ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk

I, Lisa M. Linnet, City Clerk of the City of Corning, California, DO HEREBY CERTIFY that the foregoing Resolution was duly introduced, approved and adopted by the City Council of the City of Corning at a regular meeting of said Council held on the 26th day of January, 2016 by the votes listed above.

Lisa M. Linnet, City Clerk

“EXHIBIT A”

TRANSACTIONS AND USE TAX (SALES TAX) ORDINANCE OF 2016 ADDING CHAPTER 3.21 TO THE CORNING MUNICIPAL CODE

SECTION 3.21.010	TITLE
SECTION 3.21.020	OPERATIVE DATE
SECTION 3.21.030	PURPOSE
SECTION 3.21.040	CONTRACT WITH STATE
SECTION 3.21.050	TRANSACTIONS TAX RATE
SECTION 3.21.060	PLACE OF SALE
SECTION 3.21.070	USE TAX RATE
SECTION 3.21.080	ADOPTION OF PROVISIONS OF STATE LAW
SECTION 3.21.090	LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES
SECTION 3.21.10	PERMIT NOT REQUIRED
SECTION 3.21.11	EXEMPTIONS AND EXCLUSIONS
SECTION 3.21.12	AMENDMENTS
SECTION 3.21.13	ENJOINING COLLECTION FORBIDDEN
SECTION 3.21.14	SEVERABILITY
SECTION 3.21.15	EFFECTIVE DATE
SECTION 3.21.16	AUDIT
SECTION 3.21.17	USE OF FUNDS
SECTION 3.21.18	TERMINATION DATE AND NO REVOCATION

The City Council and the people of the City of Corning do ordain as follows:

SECTION 3.21.010: TITLE

This Ordinance shall be known as the City of Corning Transactions and Use Tax Ordinance of 2016. The City of Corning hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

SECTION 3.21.020: OPERATIVE DATE

In accordance with California Government Code, Section 26292.4, the "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance.

SECTION 3.21.030: PURPOSE.

This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes as enacted by the people of the City of Corning:

- 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 this tax

Ordinance which shall be operative 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 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 and use tax Ordinance that imposes a tax and provides a measure therefore 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 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 Ordinance.

SECTION 3.21.040: 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 and use tax Ordinance; provided, that if the City has not 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 a contract.

SECTION 3.21.050: TRANSACTIONS 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-half of one percent (0.50%) 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 this Ordinance.

SECTION 3.21.060: PLACE OF SALE

For the purposes of this Ordinance, 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 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.

SECTION 3.21.070: 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 Ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.50%) 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 3.21.080: ADOPTION OF PROVISIONS OF STATE LAW

Except as otherwise provided in this Ordinance 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 Ordinance as though fully set forth herein.

SECTION 3.21.090: LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES

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 therefor. However, the substitution 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 Ordinance.

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.

SECTION 3.21.10: 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 transactor's permit shall not be required by this Ordinance.

SECTION 3.21.11: EXEMPTIONS AND EXCLUSIONS

A. There shall be excluded from the measure of the transactions 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 all of the following:

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 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 this Ordinance.

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 this Ordinance.

5. For the purposes of subparagraphs (3) and (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 Ordinance, 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 Ordinance.

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 of this Ordinance.

5. For the purposes of subparagraphs (3) and (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 subparagraph (7), 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 Ordinance 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.

SECTION 3.21.12: AMENDMENTS

All amendments subsequent to the effective date of this Ordinance 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 Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

SECTION 3.21.13: 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 Ordinance, 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.

SECTION 3.21.14: SEVERABILITY

If a court determines that any provision of this Ordinance or the application thereof to any person or circumstance is invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected by such determination.

SECTION 3.21.15: EFFECTIVE DATE

This Ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately; however, no tax imposed by this Ordinance shall be effective unless that tax has been approved by a majority of the voters of the City of Corning.

SECTION 3.21.16: AUDIT

The proceeds of this tax imposed pursuant to this Ordinance, as well as the expenditure thereof, shall be audited annually by an independent accounting firm.

SECTION 3.21.17: USE OF FUNDS

The proceeds of the taxes imposed by this Ordinance shall be deposited in the general fund for the City of Corning and may be used for police and fire services, dispatch, and staffing as well as any other lawful municipal purpose. These taxes are not special taxes as defined under Article XIIC of the California Constitution and the California Government Code Sections 53721 and 53721.5, which provides that transaction and use taxes are general taxes unless declared a

special tax transaction or placed in a fund other than the general fund. The taxes to be levied pursuant to this Ordinance are general taxes.

SECTION 3.21.18: TERMINATION DATE AND NO REVOCATION

The authority to levy the Transaction and Use Tax imposed by this Ordinance shall have no termination date, but remains subject to the law of amendment and repeal of an Ordinance. The passage of this Ordinance does not repeal or revoke the authority and imposition of a sales tax under Chapter 3.20 (Sales and Use Tax) of the Corning Municipal Code, which shall remain in place and effective.