

STAFF REPORT

City of Lancaster

NB 1
6/25/2024
JC

Date: June 25, 2024

To: Mayor Parris and City Council Members

From: Jason Caudle, City Manager

Subject: A Resolution Ordering That An Ordinance Be Submitted To the Voters At the General Municipal Election To Be Held On November 5, 2024, Approving Enacting An Amendment To The City's Transactions and Use Tax, Directing the City Attorney To Prepare An Impartial Analysis of the Measure, Setting Priorities For Filing A Written Argument Relating to the Ballot Measure, and Providing For Rebuttal Arguments Relating to the Ballot Measure

Recommendation:

Adopt Resolution No. 24-____, Ordering That An Ordinance Be Submitted To the Voters At the General Municipal Election To Be Held On November 5, 2024, Approving Enacting An Amendment To the City's Transactions and Use Tax, Directing the City Attorney To Prepare An Impartial Analysis of the Measure, Setting Priorities for Filing a Written Argument Relating to the Ballot Measure, and Providing for Rebuttal Arguments Relating to the Ballot Measure.

G.C. Section 84308: No

Fiscal Impact:

The cost to place the ordinance on the ballot is nominal.

Background:

On November 3, 2020, voters passed Measure LC, which enacted Chapter 3.14 of the Lancaster Municipal Code and established an additional sales tax of 0.75% within the City of Lancaster ("City") to fund essential services including street repair, addressing homelessness, emergency response, public safety, maintaining local businesses, protecting water sources, and programs for seniors, veterans, mental health and the community, thereby increasing the total sales tax rate in City from 9.5% to 10.25%.

This proposed resolution orders that an ordinance be submitted to voters at the general municipal election to be held on November 5, 2024, to amend Chapter 3.14 of the Lancaster Municipal Code to provide an automatic increase, to the maximum extent permitted by applicable law, to

the City's sales and use tax rate if, whenever, and to the extent the rate may lawfully be increased — whether because another use tax expires, the Legislature increases the statutory aggregate maximum use tax applicable to the City, or otherwise.

Attachment:

Resolution No. 24-____