

ORDINANCE NO. 22-06

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF RIDGECREST ADDING TO THE RIDGECREST
MUNICIPAL CODE CONCERNING A TEMPORARY TRANSACTIONS
AND USE (SALES) TAX, LOCALLY CONTROLLED, TO BE ADMINISTERED BY THE
STATE BOARD OF EQUALIZATION**

WHEREAS, through The Ridgecrest Community Conversation, an extensive community engagement effort over the last year with nearly 1,000 residents and several community groups participating, residents identified local City service needs and priorities they would like addressed; and,

WHEREAS, as the costs of services continue to rise so does the need for locally controlled local funding to allow the City to continue to provide the City services Ridgecrest residents rely on; and,

WHEREAS, residents recently prioritized City services including keeping both Ridgecrest fire stations open full-time, replacing Pinney Pool, continuing to fix potholes on neighborhood streets and City street repair, maintaining 911 emergency response times and preserving recreation programs for all ages; and,

WHEREAS, it is fiscally responsible to maintain City streets, roads and potholes now so they don't deteriorate and become more costly to fix in the future; and,

WHEREAS, the City of Ridgecrest should keep local funding for City services and not allow the state or county to control additional local sales tax funding; and,

WHEREAS, addressing infrastructure and facilities needs, such as parks, sports fields and recreation centers, is essential to maintaining the quality of life in the City of Ridgecrest and providing quality youth programs which are essential to keeping kids away from gangs.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIDGECREST as follows:

1. Purpose.

This Ordinance adds to the Ridgecrest Municipal Code in order to add a temporary transactions and use tax.

2. Amendment.

The following Division 3 is hereby added to Article III of Chapter 9 of the Ridgecrest Municipal Code to read as follows:

"Division 3 – 2022 TEMPORARY SALES AND USE TAX

Sec. 9-84. Purpose and Operative Date.

(a) The purpose of this Division is to impose a retail transactions and use tax in accordance with the provisions of the Revenue and Taxation Code. Unlike the tax described in Article IV of this Chapter, this tax is set for a fixed term of nine years from the Operative Date.

(b) "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance and Division, the date of such adoption being as set forth on the ordinance that adopted this Division. However, if the City shall not have entered

into a contract with the State Board as required herein prior to such date, the Operative Date shall be the first day of the first calendar quarter following execution of such a contract.

(c) 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 article; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Sec. 9-85. Transactions Tax Rate.

Commencing on the Operative Date and continuing for a period of nine years following this date, 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 a rate of one percent (1%) of the gross receipt 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 article. Such tax shall be in addition to any other transaction (sales) tax imposed by this Code or applicable state law.

Sec. 9-86. Use Tax Rate.

Commencing on the Operative Date and continuing for a period of nine years following that date, 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 or after the Operative Date of this article for storage, use, or other consumption in the incorporated territory of the City at a rate of one percent (1%) 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. Such tax shall be in addition to any other use tax imposed by this Code or applicable to state law.

Sec. 9-86. Establishment of Committee and Purpose.

A Citizens' Oversight Committee is hereby established to oversee expenditures of the revenues received by the City from the sales and use taxes imposed pursuant to this chapter, and to ensure that tax revenues are spent by the City in a manner consistent with the voter approved measure adopting this chapter as well as any voter approved or council approved priorities adopted to implement the provisions of this chapter. The Citizen Oversight Committee created pursuant to this Division shall be independent of any other existing oversight committee but shall be organized and subject to the provisions of Sections 9-80 through 9-83 of this Chapter."

3. Effective Date.

This Ordinance relates to the levying and collecting of the City transactions and use taxes and is a valid and binding ordinance of the City upon passage and approval by the electorate of the City of Ridgecrest and adopted by the City. This Ordinance shall be considered as adopted upon the date that the vote is declared by the legislative body, and shall go into effect thirty (30) days after that date.

4. CEQA Exemption.

The adoption of this ordinance is not a "project" subject to the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section §§ 21000 et seq.). CEQA Guideline 15378(b)(4) provides that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment are not projects subject to the requirements of CEQA.

5. Severability.


If any section, subsection, sentence, clause or phrase of this ordinance or the application thereof to any person or circumstance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City of Ridgecrest would have passed each subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more subsection, subdivision, paragraph, sentence, clause, or phrase be declared unconstitutional.

6. Determination.

First read and introduced at the July 20, 2022 City Council meeting.


PASSED, APPROVED, AND ADOPTED by the Ridgecrest City Council on December 21, 2022, by the following roll call vote:

AYES: Bruen, Hayman, Gorman, Blades, Rajaratnam
NOES: None
ABSENT: None
ABSTAIN: None



Eric A. Bruen, Mayor

ATTEST:



Ricca Charlton, City Clerk