



ACTION CALENDAR
June 16, 2026

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Paul Buddenhagen, City Manager
Subject: Placing a Transactions and Use (Sales) General Tax Measure on the November 3, 2026 Ballot

RECOMMENDATION

1) Adopt a Resolution submitting to the Berkeley electorate on the November 3, 2026 ballot a measure to authorize a one-half of one percent (0.5%) transactions and use (sales) tax for general municipal purposes, bringing the aggregate sales tax rate in Berkeley to 10.75%, and finding that the proposed measure is not a project under the California Environmental Quality Act.

2) Designate, by motion, specific members of the Council to file ballot measure arguments on this measure as provided for in Elections Code Section 9282.

FISCAL IMPACTS OF RECOMMENDATION

No direct fiscal impacts related to the recommended action to place the measure on the ballot. In general, election services have seen a steep increase since 2018, with the City's first million-dollar election in 2020. In addition, the number of measures placed on the ballot, and the length of the measures, are the primary driving factors in the fluctuation of election costs.

If adopted by the voters, the tax is estimated to generate approximately \$9 million - \$10 million annually for the City's general fund.

CURRENT SITUATION AND ITS EFFECTS

This measure is presented to the Council for placement on the November 3, 2026 ballot pursuant to Council direction on May 19, 2026.

The City is continuing to evaluate revenue options to address its projected General Fund structural deficit and sustain essential City services. As discussed during the May 19,

2026 City Council meeting¹, Berkeley is facing ongoing fiscal pressures across several funds, including the General Fund. Without additional ongoing revenue, the City may need to rely more heavily on service reductions, staffing reductions, expenditure controls, or other budget-balancing strategies to address projected deficits.

A potential 0.5 percent increase in the City's sales and use tax would generate an estimated \$9 million to \$10 million annually for general governmental purposes. The proposed measure would increase Berkeley's total sales and use tax rate from 10.25 percent to 10.75 percent. If approved by voters, the revenue would be placed in the City's General Fund and could be used to support core City services, including fire, police, 911 dispatch, parks and recreation services to serve youth and community, and other essential operations.

The proposed sales and use tax measure is intended to provide ongoing revenue to help reduce pressure on the General Fund and preserve essential services. As identified in prior budget discussions, new revenue from the measure could help mitigate potential reductions in public safety and community-serving departments, including avoiding or reducing impacts to fire service capacity, emergency response, 911 dispatch support, proactive public safety services, and programs serving youth, seniors, and other community members.

At the May 19, 2026 Special Council meeting², Council reviewed the results of the second community survey, which tested refined ballot language for both a potential \$300 million General Obligation bond measure and a potential 0.5 percent sales and use tax increase. Council voted M/S/C (Taplin/Tregub) to affirm direction to prepare ballot language for the sales and use tax measure for the November 3, 2026 ballot to address the City's projected General Fund structural deficit and support essential City services.

Placing the measure on the ballot would allow Berkeley voters to determine whether to authorize the proposed sales and use tax increase. If the measure is not placed on the ballot, or if it is not approved by voters, the City would need to continue addressing its projected deficit through other available budget-balancing strategies. These strategies may include service reductions, staffing reductions, deferral of programmatic investments, or other actions that could affect the City's ability to maintain current service levels.

According to California Elections Code 9282(b), measures placed on the ballot by the legislative body, or a member or members of the legislative body authorized by that body, or an individual voter who is eligible to vote on the measure, or bona fide association of citizens, or a combination of voters and associations, may file a written argument for or against any city measure.

¹ <https://berkeleyca.gov/sites/default/files/2026-05/2026-05-19%20Item%2021%20Proposed%20FY%202027%20and%20FY%202028.pdf>

² <https://berkeleyca.gov/sites/default/files/2026-05/2026-05-19%20Special%20Item%2001%20Presentation%20and%20Discussion.pdf>

BACKGROUND

The City's consideration of a potential sales and use tax measure is part of a broader effort to evaluate revenue options for the November 3, 2026 General Municipal Election. This work has occurred alongside Council's consideration of a potential General Obligation bond measure for infrastructure needs; however, the two measures serve different purposes. A General Obligation bond would provide one-time capital funding for eligible infrastructure projects, while a sales and use tax increase would provide ongoing General Fund revenue to support essential City services and help address the City's projected structural deficit.

On January 27, 2026, City Council directed staff to include a question in the voter survey regarding a potential 0.5 percent sales and use tax increase³. The referral requested that staff test voter interest in increasing Berkeley's sales and use tax rate from 10.25 percent to 10.75 percent as a potential strategy to generate resources for the City's projected General Fund budget shortfall and ongoing fiscal challenges.

Following that direction, the City worked with Lake Research Partners to conduct voter survey research related to potential revenue measures. The first community survey was conducted from February 19–23, 2026 and tested voter perspectives on potential revenue options, including a sales and use tax increase. At the March 17, 2026 Council work session⁴, Council reviewed the first survey results and directed staff to continue evaluating the sales and use tax measure, including through a second survey that would test refined ballot language in the context of the anticipated November 2026 ballot environment.

The second community survey was conducted April 21–26, 2026. The survey tested a potential 0.5 percent sales and use tax increase that would raise Berkeley's total sales tax rate to 10.75 percent and generate an estimated \$9 million to \$10 million annually, with proceeds placed into the General Fund for general City uses. The survey found that initial support for the sales tax measure was 52 percent, with support increasing to 56 percent after voters heard supporting and opposing statements.

At the May 19, 2026 Special Council meeting, Council reviewed the second survey results and, following discussion, Council voted M/S/C (Taplin/Tregub) to affirm direction to prepare ballot language for both a potential \$300 million General Obligation bond measure to fund priority infrastructure investments and a potential 0.5 percent increase in the City's sales and use tax to address the City's projected General Fund structural deficit and support essential City services.

This item implements Council's direction by placing the proposed general tax measure before Berkeley voters for consideration at the November 3, 2026 General Municipal Election.

³ <https://berkeleyca.gov/sites/default/files/2026-01/2026-01-27%20Item%2017%20Refer%20to%20the%20City%20Manager%20to%20include.pdf>

⁴ <https://berkeleyca.gov/sites/default/files/2026-03/2026-03-17%20Special%20Item%2001%20Presentation%20and%20Discussion.pdf>

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental and climate effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

This measure is presented to the Council for placement on the November 3, 2026 ballot pursuant to Council direction on May 19, 2026.

ALTERNATIVE ACTIONS CONSIDERED

Council may decide not to place the measure on the 2026 ballot, or request that staff resubmit the item for a future election.

CONTACT PERSON

Paul Buddenhagen, City Manager (510) 981-7000

Attachments

1. Resolution
 - a. Exhibit A: Text of Measure

RESOLUTION NO. -N.S.

SUBMITTING TO THE BERKELEY ELECTORATE ON THE NOVEMBER 3, 2026
BALLOT AN ORDINANCE MEASURE TO IMPOSE A ONE-HALF OF ONE PERCENT
(0.5%) TRANSACTIONS AND USE TAX

WHEREAS, the City faces a structural deficit of several million dollars in the coming fiscal years which will require cuts to essential City services, including but not limited to fire, police and 911 dispatch services, youth and senior services, and community programs; and

WHEREAS, the City faces a projected \$31 million General Fund deficit in the 2027 fiscal year and \$29 million deficit in the 2028 fiscal year; and

WHEREAS, the City Council wishes to place a transactions and use tax measure on the November 3, 2026 ballot to help address the City's projected General Fund structural deficit and support essential City services; and

WHEREAS, Section 7299 of Part 1.7 of Division 2 of the Revenue and Taxation Code authorizes the City to impose a transactions and use tax for general or specific purposes at a rate of no more than 0.5 percent; and

WHEREAS, the City Council has chosen to submit to the voters a transactions and use tax at a rate of 0.5 percent for general municipal purposes; and

WHEREAS, should the measure be approved by the voters, the aggregate sales and use tax and transactions and use tax rate in the City of Berkeley would be 10.75%; and

WHEREAS, the Council desires to submit this measure to be placed upon the ballot at the November 3, 2026 General Municipal Election, consistent with the Council's Resolution No. 72,236-N.S., adopted on April 21, 2026, calling for a General Municipal Election to be consolidated with said statewide election; and

WHEREAS, Council Resolution No. 72,236-N.S. adopted the provisions of Elections Code Section 9285(a) providing for the filing of rebuttal arguments for city ballot measures, pursuant to Elections Code Section 9285(b).

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Berkeley that a ballot measure authorizing the City to levy a transactions and use tax at a rate of one-half of one percent (0.5%) for general municipal purposes (the "Measure"), a copy of which is attached hereto as Exhibit A, shall be placed before the voters at the election on November 3, 2026.

BE IT FURTHER RESOLVED that the measure requires a simple majority vote threshold for passage.

BE IT FURTHER RESOLVED that, pursuant to California Elections Code sections 10002

and 10403, this City Council does hereby call an election on Tuesday, November 3, 2026 and requests that the Alameda County Board of Supervisors consolidate said election with the Statewide General Election on that same date in the manner and schedule established by Resolution No. 72,236-N.S., adopted on April 21, 2026, and submit the Measure to the qualified voters of the City, at said consolidated election.

BE IT FURTHER RESOLVED that the City of Berkeley hereby requests that the Alameda County Board of Supervisors permit the Registrar of Voters of Alameda County to perform services in connection with said election at the request of the City Clerk. These services are to include all necessary services related to official ballot creation, sample ballot and voter information pamphlet preparation, vote-by-mail, polling places, poll workers, voter registration, voting machines, canvass operations, and any and all other services necessary for the conduct of the consolidated election.

BE IT FURTHER RESOLVED that said proposed Measure shall be placed on the ballot for the November 3, 2026 election with the statement of the Measure to be printed in the ballot in the following form:

CITY OF BERKELEY SALES TAX MEASURE	
Shall the measure levying a 0.5% sales tax in Berkeley, increasing the total sales tax rate in the City to 10.75%, estimated to generate \$9,000,000 to \$10,000,000 annually, with proceeds placed into the General Fund for general City uses, including but not limited to sustaining fire, police and 911 dispatch services, youth and senior services, and community programs, until ended by the voters, with independent audits, be adopted?	YES
	NO

BE IT FURTHER RESOLVED that the Board of Supervisors of Alameda County is hereby requested to include on the ballots and sample ballots the Measure enumerated above to be voted on by the voters of the qualified electors of the City of Berkeley, and that ballots for the election shall be provided in the form and in the number provided by law. Voters shall be provided an opportunity to vote for or against the Measure on the ballot, in accordance with procedures to be adopted by the authorized officers of the County.

BE IT FURTHER RESOLVED that the full text of the Measure shall be printed in the Voter Information Pamphlet mailed to all voters in the City of Berkeley.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to cause the posting, publication and printing of notices, pursuant to the requirements of the Charter of the City of Berkeley, the Government Code, and the Elections Code of the State of California, and to file a certified copy of this Resolution, including all exhibits, no later than the close of business on August 7, 2026, with the County Registrar of Voters and the Clerk of the County Board of Supervisors.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to obtain printing, supplies, and services as required.

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized to enter into any contracts necessary for election consulting services, temporary employment services, printing services, and any such other supplies and services as may be required by the statutes of the State of California and the Charter of the City of Berkeley for the conduct of the November General Municipal Election.

BE IT FURTHER RESOLVED that the City will reimburse the Registrar of Voters for the costs associated with placing the Measure on the ballot.

BE IT FURTHER RESOLVED that the Mayor, the City Manager, the Finance Director, the City Attorney and the City Clerk, and any of their designees, are hereby authorized to execute any documents and to perform all acts necessary to place the Measure on the ballot, and to make any changes to the text of the Measure, or the statement of the Measure to conform to any legal requirements of the County Registrar, in order to cause the election to be held and conducted in the City.

BE IT FURTHER RESOLVED that the City Council directs the City Clerk to transmit a copy of the Measure to the City Attorney, who shall prepare an impartial analysis of the Measure showing the effect of the Measure on the existing law and the operation of the Measure. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

BE IT FURTHER RESOLVED that the filing of ballot arguments shall conform to the manner and schedule established by Resolution No. 72,236-N.S., adopted on April 21, 2026.

BE IT FURTHER RESOLVED that the City Council, having reviewed the Measure, hereby finds that this action is not subject to the California Environmental Quality Act ("CEQA") because it involves the establishment of a government funding mechanism that does not involve any commitment to specific projects to be constructed with proceeds of the tax. The use of the proceeds of the tax to finance any project or portion of any project will be subject to approval of the applicable decision-making body at that time, upon completion of planning and any further required environmental review under CEQA.

BE IT FURTHER RESOLVED that this Resolution shall take effect from and after the date of its passage and adoption.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption thereof.

Exhibits
A: Text of Measure

Exhibit A

ORDINANCE NO. _____

AMENDING THE BERKELEY MUNICIPAL CODE BY ADDING
CHAPTER 7.34 TO IMPOSE A ONE-HALF OF ONE PERCENT
(0.5%) TRANSACTIONS AND USE TAX TO BE ADMINISTERED
BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE
ADMINISTRATION

BE IT ORDAINED by the People of the City of Berkeley as follows:

Section 1. That the Berkeley Municipal Code is hereby amended to add Chapter 7.34 to read as follows:

7.34.010 – Title

This chapter shall be known as the “2026 Transactions and Use Tax Ordinance.”

7.34.020 – 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:

- 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, other than Section 7251.1, and pursuant to Section 7299 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 California Department of Tax and Fee Administration 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 California Department of Tax and Fee Administration 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.

7.34.030 – Operative Date

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance. For purposes of Revenue and Taxation Code section 7265, this ordinance shall be considered adopted on the date of the election in which it is approved by the qualified voters of the City.

7.34.040 – Contract with State

Prior to the Operative Date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration 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.

7.34.050 – 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 0.50 percent 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.

7.34.060 – 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 California Department of Tax and Fee Administration.

7.34.070 – 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 0.50 percent of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

7.34.080 – 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.

7.34.090 - 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 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 California Department of Tax and Fee Administration, 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.

1. "A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

7.34.100 – Permit Not Required

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

7.34.110 - 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:
 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.

7.34.120 – 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.

7.34.130 – Enjoining Collection Forbidden

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this 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.

7.34.140 – Annual Audit

The proceeds resulting from this transactions and use tax shall be deposited into the City's General Fund and become subject to the same independent annual audit requirements as other general fund revenue.

7.34.150 – Authorization and Limitation on the Issuance of Bonds

The City shall be authorized to pledge revenues generated by this tax to the repayment of limited tax bonds or other forms of indebtedness authorized under this Section. The Council shall by ordinance or resolution, as applicable, establish the terms of any limited tax bonds or other forms of indebtedness authorized hereby, including but not limited to, the amount of the issue, date, covenants, denominations, interest rate or rates, maturity or maturities, redemption rights, tax status, manner of sale, and such other particulars as are necessary or desirable.

7.34.160 – Severability

If any word, phrase, sentence, part, section, subsection, or other portion of this ordinance, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, section, subsection, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this chapter, and all applications thereof, not having been declared void, unconstitutional or invalid, shall remain in full force and effect. The People of the City of Berkeley hereby declare that they would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases had been declared invalid or unconstitutional.

7.34.170 – Savings Clause

No section, clause, part, or provision of this Chapter shall be construed as requiring the payment of any tax that would be in violation of the Constitution or laws of the United States or of the Constitution or laws of the State of California.

7.34.180 – Liberal Construction

This Chapter shall be liberally construed to effectuate its purpose.

Section 2 – California Environmental Quality Act Requirements.

This Ordinance is exempt from the California Environmental Quality Act ("CEQA"), Public Resources Code section 21000 et seq., under, including without limitation, Public Resources Code section 21065 and CEQA Guidelines sections 15378(b)(4) and 15061(b)(3), as it can be seen with certainty that there is no possibility that the activity authorized herein may have a significant effect on the environment and pursuant to Public Resources Code section 21080, subdivision (b)(8), and CEQA Guidelines section 15273 as the approval of government revenues to fund existing services.

Section 3 – Effective Date

This ordinance relates to the levying and collection of the City transactions and use tax and shall take effect ten days after declaration of the election results by the City Council pursuant to Elections Code section 9217.

Section 4 – Amendment, repeal, and reenactment.

The City Council may repeal this ordinance, or amend it in any manner that does not result in an increase in the tax imposed herein, or add or modify exemptions, without further voter approval. If the City Council repeals this ordinance, it may subsequently reenact it without voter approval, as long as the reenacted ordinance does not result in an increase in the tax imposed herein. Except as otherwise provided in this section, this tax shall remain in effect until repealed or amended by the voters.

Section 5 – General Tax; Simple Majority Vote Requirement

This Ordinance imposes a general tax and shall be effective only if approved by a simple majority of the voters voting thereon.

