IN THE CITY COUNCIL OF THE CITY OF SAN LEANDRO

RESOLUTION NO. 2026-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LEANDRO ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY A BALLOT MEASURE TO REPEAL AND REPLACE TITLE 2, CHAPTER 2 OF THE SAN LEANDRO MUNICIPAL CODE TO AMEND THE CURRENT BUSINESS LICENSE ORDINANCE AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026 AS CALLED BY RESOLUTION NO. 2026-084; AND PROVIDING FOR SUBMITTAL OF BALLOT ARGUMENTS AND REBUTTALS AND AUTHORIZING THE FILING OF AN IMPARTIAL ANALYSIS

WHEREAS, since at least 1987, the City Council of the City of San Leandro has approved the imposition of a business license tax, codified as Title 2, Chapter 2 of the San Leandro Municipal Code (the "Business License Tax"), which provided for the imposition and collection of a general tax on the privilege of transacting and carrying on business in the of City of San Leandro (the "City"); and

WHEREAS, the City is facing long-term budgetary challenges that could directly impact essential services upon which local residents rely; and

WHEREAS, to protect essential services, including 9-1-1 emergency response, street and pothole repair, crime and violence prevention, and fire protection and paramedic services, the City is seeking to enhance locally controlled funding that cannot be taken away by the State; and

WHEREAS, the City requires all businesses operating in San Leandro to obtain a business license and pay an associated annual tax to help support the roads, infrastructure, and services used by local businesses; and

WHEREAS, the City's current Business License Tax structure has not been updated for at least ten (10) years, and the local economy, industries, and workforce have changed significantly in that time; and

WHEREAS, to ensure that large businesses contribute to the services, roads and infrastructure in the City and to protect small businesses from increased costs, the City is proposing to modernize and simplify the current Business License Tax; and

WHEREAS, the proposed changes to the Business License Tax are designed to attract, retain, and encourage business growth and job creation in San Leandro, simplify oversight and compliance, and generate approximately $9,401,000 in annual total funding for local services and infrastructure; and

WHEREAS, the proposed changes to the Business License Tax would not directly impact San Leandro residents who do not own or operate a business in San Leandro; and

WHEREAS, locally controlled funding from the Business License Tax could be used to maintain rapid 911 emergency response times, repair potholes and maintain streets, reduce crime and gun violence, protect paramedic and fire protection services, maintain neighborhood police patrols, and reduce blight and keep neighborhoods clean; and

WHEREAS, the proposed measure includes fiscal accountability protections to ensure funds are spent properly, including required public disclosure of all spending and mandatory annual audits; and

WHEREAS, all funds from the measure must stay in San Leandro for local services and infrastructure and no funds may be taken away by the State; and

WHEREAS, an election shall be held on November 3, 2026, for the submission to the voters of a question relating to an amendment to the business license tax; and

WHEREAS, it is desirable that the election be consolidated with the statewide election to be held on the same date, and that within the City, the precincts, polling places, and election officers of the two elections be the same; and

WHEREAS, on June 15, 2026, the City Council adopted Resolution No. 2026-084 by which, among other things, the City called and ordered a General Municipal Election to be held on Tuesday, November 3, 2026.

WHEREAS, Article XIIIC, section 2(b) of the California Constitution requires that any general tax for unrestricted general revenue purposes, such as a business license tax, must be submitted to and approved by a majority vote of the voters voting on the issue of imposing any general tax; and

WHEREAS, this proposed measure will only become effective if approved by a simple majority of the City's voters voting on the question at the November 3, 2026 election; and

WHEREAS, based on all of the information presented at the July 6, 2026, meeting of the City Council, both written and oral, including the staff report, minutes, and other relevant materials, the City Council finds that review under CEQA is not required.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Leandro that:

Section 1. The foregoing recitals are true and correct and hereby incorporated by reference.

Section 2. The City Council hereby orders submitted to the voters at the November 3, 2026 General Municipal Election the measure that, if approved, would repeal the existing general business license tax and adopt a general business license tax, as authorized by California Government Code Section 37101 and California Business and Professions Code Sections 16000, *et seq.* This measure shall be designated by letter by the Alameda County Registrar of Voters. Pursuant to Elections Code Sections 10400, *et seq.*, the election for this measure shall be consolidated with the established election to be conducted on November 3, 2026.

Section 3. The City Council does hereby submit for adoption by the qualified voters of the City of San Leandro at the General Municipal Election of November 3, 2026, the following question:

City of San Leandro		
"San Leandro Essential Services Protection Measure. To protect essential city services such as 9-1-1 emergency response; street/ pothole repair; crime/ gun violence prevention; fire protection/ paramedics; neighborhood police patrols, and reducing blight/keeping neighborhoods clean, shall the measure be adopted amending San Leandro's business license ordinance, lowering many small businesses' taxes, with rates up to 0.45% of gross receipts (as described in the ordinance) until ended by voters, raising $9,401,000 annually, with public spending disclosure/ independent audits?"	YES	
	NO	

<u>Section 4</u>. The full text of the proposed Measure, which is in the form of a proposed Ordinance, to be submitted to the voters is attached as <u>Exhibit A</u> (the "Measure") hereto. If a simple majority of the qualified voters voting on the Measure vote in favor therefor, the Measure shall be deemed adopted and shall be in full force and effect ten (10) days after the date the vote is declared by the City Council of the City of San Leandro. The City Council hereby approves the Measure, attached as <u>Exhibit A</u>, the form thereof, and its submission to the voters of San Leandro at the November 3, 2026 election.

<u>Section 5.</u> The Board of Supervisors of Alameda County is hereby requested to permit the Alameda County Registrar of Voters to provide such services as may be necessary to properly and lawfully hold and conduct an election in the City on November 3, 2026, pursuant to this Resolution, including but not restricted to the providing and printing of ballots and polling place cards, election supplies, voting booths, flags, registration lists and any other materials and services required to lawfully conduct the election. The City recognizes that additional costs will be incurred by the County because of this election, and the City agrees to reimburse the County based on the County's established rates. This request is made pursuant to California Elections Code Sections 10002 and 10403.

<u>Section 6</u>. The City Clerk is authorized, instructed and directed to work with the Office of the Registrar of Voters as needed in order to properly and lawfully conduct the election. The ballots to be used in the election shall be in form and content as required by law. The Office of the Registrar of Voters is authorized to canvass the returns of the general municipal election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections. The City Clerk is directed to file a certified copy of this resolution with the Board of Supervisors of Alameda County and the Registrar of Voters of Alameda County.

<u>Section 7.</u> Unless otherwise specified in this Resolution, the election shall be held and conducted as provided in Resolution No. 2026-084, and as provided by law for holding municipal elections.

<u>Section 8.</u> (a) In accordance with Elections Code Sections 9282 and 9283, arguments submitted for or against the Measure shall not exceed 300 words in length and shall be printed upon the same sheet of paper and mailed to each voter with the sample ballot for the election and may be signed by not more than five (5) persons.

(b) In accordance with Elections Code Section 9282, the following headings, as appropriate, shall precede the arguments' wording, but shall not be counted in the 300 word maximum: "Argument Against Measure __________" or "Argument In Favor Of Measure ____________" (the blank spaces being filled only with the letter or number, if any, designating the Measure).

(c) In accordance with Elections Code Section 9283, printed arguments submitted to voters in accordance with Section 9282 of the Elections Code shall be filed with the City Clerk, accompanied by the printed name(s) and signature(s) of the author(s) submitting it or, if submitted on behalf of an organization, the name of the organization and the printed name and signature of at least one of its principal officers. Arguments are due in the office of the City Clerk prior to 12:00 p.m. on August 14, 2026.

(d) The City Council hereby authorizes ______ to prepare and file a ballot argument in favor of the ballot measure set forth in this Resolution, which may be signed by members of the City Council, representatives of bona fide associations of citizens, and individual voters eligible to vote on the Measure. Members of the City Council who sign the ballot argument may use their titles. In accordance with Elections Code Section 9282, any council members authorized by the City Council to do so may sign the argument in favor of the Measure.

Section 9. (a) Pursuant to Elections Code Section 9285, when the City Clerk has selected the arguments for and against the Measure that will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the Measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument that it seeks to rebut.

(b) Rebuttal arguments shall not exceed 250 words and may be signed by not more than five (5) persons. The persons that sign the rebuttal arguments may be different persons than the persons that signed the direct arguments.

(c) The last day for submittal of rebuttal arguments for or against the Measure shall be by 4:00 p.m. on August 21, 2026.

(d) The City Council hereby authorizes ________ to prepare and file a rebuttal argument in favor of the ballot measure set forth in this Resolution, which may be signed by members of the City Council, representatives of bona fide associations of citizens, and individual voters eligible to vote on the Measure, who may be different from the persons who signed the argument in favor of the measure. Members of the City Council who sign the rebuttal argument may use their titles. In accordance with Elections Code Section 9282, any council members authorized by the City Council to do so may sign the rebuttal argument for the Measure.

Section 10. In accordance with Elections Code Section 9280, the City Attorney is directed to file with the City Clerk, by 5:00 p.m. on Friday, July 24 ,2026, an impartial analysis of the Measure, not to exceed 500 words, showing the effect of the Measure on the existing law and the operation of the Measure.

Section 11. (a) The City Clerk is directed to file a certified copy of this Resolution with the Board of Supervisors of Alameda County and the Alameda County Registrar of Voters. The City Clerk is hereby authorized and directed to take all steps necessary to place the Measure on the ballot and to cause a synopsis of the Measure attached as Exhibit A to be published once in a newspaper of general circulation in accordance with California Elections Code Section 12111 and California Government Code Section 6061. A copy of the Measure shall be made available to any voter upon request. The City Clerk is authorized and directed to give further additional notice of the Measure in the time, form, and manner required by law.

(b) In all particulars not recited in this Resolution, and except as provided for in Elections Code Sections 10403 and 10418, the election shall be held and conducted as provided by law for holding municipal elections.

Section 12. The City Manager, City Attorney and City Clerk ("City Officers") are authorized to make all approvals, expend funds, enter into any agreements, and take any and all actions necessary or appropriate to carry out and implement the terms of this Resolution and to administer the City's obligations, responsibilities and duties to be performed herein.

Section 13. The approval of this resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., "CEQA," and 14 Cal. Code Reg. §§ 15000 et seq., "CEQA Guidelines"), based on the general rule set forth in CEQA Guidelines Section 15061(b)(3) that CEQA applies only to projects which have the potential for causing a significant effect on the environment. This resolution places a measure on the ballot that, if approved, modifies the City's business license tax; thus, it can be said with certainty that there is no possibility that the Measure will have a significant effect on the environment. Additionally, the tax that is the subject of this resolution is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have such effect, the City would undertake the required CEQA review for that particular project at the earliest feasible time prior to approval of the project, consistent with CEQA Guidelines Sections 15004 and 15352. Therefore, pursuant to CEQA Guidelines section 15060, CEQA analysis is not required.

Introduced by Councilmember ______________ and passed and adopted this 6th day of July 2026 by the following vote:

AYES: ()

NOES: ()

ABSENT: ()

ATTEST: ________________________________

Sarah K. Bunting
City Clerk