EXHIBIT A

ORDINANCE NO. **2024-_01_**

AN ORDINANCE OF THE CITY OF AVENAL IMPOSING A VACANCY TAX ON UNUSED OR UNOCCUPIED COMMERCIAL SPACES AND UNINHABITED RESIDENTIAL PROPERTY

THE PEOPLE of the City of Avenal do ordain as follows:

By adopting Resolution No. **2024-_01_** by a vote of at least two-thirds vote of all members of the City Council, the City Council authorized placing this Ordinance before the voters of the City of Avenal at the **November 5, 2024** general election.

Section 1. PURPOSE. The provisions of this Ordinance are adopted to achieve the following purposes:

A. To impose a tax upon the privilege of keeping vacant each taxable commercial and residential space within the City;

B. To specify the type of tax and rate of tax to be levied and the method of collection;

C. To comply with all requirements for imposition of a general tax, such tax to become operative only if submitted to the electorate and approved by a majority vote of the voters voting in an election on the issue; and

D. The provisions of this Ordinance are necessary to stimulate the rehabilitation of long-term retail and other commercial and residential vacancies, and to thereby reinvigorate neighborhoods and commercial corridors, and stabilize commercial rents, allowing new businesses to open and existing businesses to thrive.

Section 2. CODE ADOPTION. Chapter 5D of Title 3 of the Municipal Code of the City of Avenal is added to read in its entirety as follows:

Chapter 5D – VACANCY TAX

5D-010. SHORT TITLE AND CODIFICATION.
5D-020. FINDINGS AND PURPOSE.
5D-030. DEFINITIONS.
5D-040. IMPOSITION OF TAX.

5D-050. EXEMPTIONS AND EXCLUSIONS.
5D-060. COLLECTION AND ADMINISTRATION.
5D-070. REVENUE MEASURE.
5D-080. SUSPENSION OF COLLECTION.
5D-090. AMENDMENT OF ORDINANCE.
5D-100. SEVERABILITY.
5D-110. SAVINGS CLAUSE.

5D-010. SHORT TITLE AND CODIFICATION.

This Chapter shall be known as the "Vacancy Tax Ordinance," and the tax it imposes shall be known as the "Vacancy Tax." The City Clerk is authorized to codify this Chapter within Title 3 or any other Title of the municipal code of the City, and in so doing may re-label its numbering to be consistent with that utilized within such Title.

5D-020. FINDINGS AND PURPOSE.

(a) City's commercial districts prioritize street-level, customer-facing businesses as a means of stimulating a bustling, pedestrian-friendly urban environment. Retail and other commercial storefronts are the building blocks of neighborhood vitality, encouraging people to stroll through City's streets, sidewalks, parks and other open spaces, and inviting them in.

(b) City residents and visitors have an interest in preserving the vitality of commercial corridors in these districts. Vacant parcels and storefronts in otherwise vibrant commercial districts degrade the urban environment and reduce the quality of life in those neighborhoods, leading to blight and sometimes crime, particularly when storefronts and adjacent parcels remain empty or devoid of commercial activity for extended periods of time. Further, the resulting blight negatively impacts other small businesses in the area by discouraging foot traffic and eroding the character and uniqueness of the City's diverse neighborhoods and communities.

(c) Retail and other commercial vacancies may occur when property owners are performing tenant improvements for prospective tenants, while actively seeking a new commercial tenant, or following a disaster requiring wholescale rehabilitation of a structure. These temporary vacancies reflect a property owner's desire to maintain the active retail and other commercial storefront environment of City's commercial corridors and to continue contributing to the surrounding community.

(d) But in other instances, retail and other commercial vacancies occur when

a property owner or landlord fails to actively market a vacant retail and other commercial storefront to viable commercial tenants and/or fails to offer the property at a reasonable rate. Retail and other commercial vacancies may persist as property owners and landlords hold storefronts off of the market for extended periods of time or refuse to offer the space for a reasonable market rate.

(e) Prolonged vacancy of residential housing not only restricts the supply of available housing units, but can also decrease economic activity in neighborhoods and leads to blight.

(f) A purpose of the Vacancy Tax is to stimulate the rehabilitation of long-term retail and other commercial and residential vacancies, and to thereby reinvigorate neighborhoods and commercial corridors, and stabilize commercial rents, allowing new businesses to open and existing businesses to thrive.

5D-030. DEFINITIONS.

Except to the extent otherwise defined in ordinance, the terms used in this Chapter shall have the meanings given to them in Title 3 of the municipal code, as amended from time to time by the City Council. For purposes of this Chapter, the following definitions shall apply:

a. (a) "Affiliate" means a person under common majority ownership or common control with any other person, whether that ownership or control is direct or indirect. An Affiliate includes but is not limited to a person that majority owns or controls any other person or a person that is majority owned or controlled by any other person.

a. (b) "Building Permit Application Period" means the period following the date that an application for a building permit for repair, rehabilitation, or construction with respect to Taxable Commercial Space in a building or structure is filed with the City through the date the building official of the City grants or denies that application, but not to exceed one (1) year. Notwithstanding the preceding sentence, if more than one building permit application is filed by or on behalf of one or more persons in the Taxpayer's Group for the same Taxable Commercial Space, the Building Permit Application Period shall mean only the applicable period following the date the first application is filed with the City by or on behalf of anyone in the Taxpayer's Group.

a. (c) "Conditional Use Application Period" means the 183-

day period following the date that a complete application for a conditional use permit for use of Taxable Commercial Space is filed with the City, except that if the Planning Commission does not grant or deny that application within 183 days, then the Conditional Use Application Period shall extend to and include December 31 of the same year in which the date 183rd day occurs. Notwithstanding the preceding sentence, if more than one complete conditional use permit application is filed by or on behalf of one or more persons in the Taxpayer's Group for the same Taxable Commercial Space, the Conditional Use Application Period shall mean only the applicable period following the date when the first complete application is filed with the City by or on behalf of anyone in the Taxpayer's Group.

a. (d) "Construction Period" means the one-year period following the date when the City issues a building permit for repair, rehabilitation or construction with respect to Taxable Commercial Space in a building or structure, provided that if the City issues multiple building permits to or for the benefit of one or more persons in the Taxpayer's Group for the same Taxable Commercial Space, the one-year Construction Period shall mean only the one-year period following the issuance of the first building permit to or for the benefit of anyone in the Taxpayer's Group.

a. (e) "Disaster Period" means the two-year period following the date that Taxable Commercial Space was severely damaged and made uninhabitable or unusable due to an unexpected fire, natural disaster or other catastrophic event.

a. (f) "Frontage" means the number of linear feet of Taxable Commercial Space which is adjacent or tangent to a Public Right of Way, rounded up to the nearest foot.

a. (g) "Public Right of Way" means each public alley, boulevard, court, lane, road, sidewalk, space, street, and way within the City, which are under the permitting jurisdiction of the City.

a. (h) "Related Person" means a spouse or domestic partner, child, parent or sibling (these latter three relationships including biological, adoptive and "step" relationships; and the sibling relationship also including half-siblings).

a. (i) "Residential Real Estate" means real property where the primary use of or right to use the property is for the purpose of dwelling,

sleeping or lodging, and such real property is owner-occupied as a primary or secondary residence, excluding each improvement thereon which is actively used as part of the business activity of accommodations. For purposes of this Chapter, "accommodations" includes hotels, motels, inns, bed-and-breakfast, hostels and other temporary dormitory facilities, and also single-family residences, multi-family residences, accessory dwelling unit, condominiums and residential apartment units which are not owner-occupied as a primary or secondary residence.

a. (j) "Taxable Commercial Space" means the ground floor area of any building, structure or unimproved parcel, or the ground floor of any portion of a building, structure or unimproved parcel, where such floor area (1) is adjacent or tangent to a Public Right of Way, (2) is located within any commercial or residential zoning district, as those districts exist on November 5, 2024 in the operative zoning ordinance of the City, and irrespective of whether those zoning districts are expanded, narrowed, re-labeled/renamed, eliminated, or otherwise modified by ordinance of the City Council subsequent to that date, and (3) is not Residential Real Estate.

a. (k) "Taxpayer's Group" with respect to each Taxable Commercial Space, means the taxpayer, any current or former co-owner or co-tenant of the taxpayer, and any Related Person or Affiliate of the taxpayer or the taxpayer's current or former co-owner or co-tenant.

b. (l) "Tax Year" means the period from January 1 through December 31.

a. (m) "Vacant" means unoccupied, or unused for any business activity licensed by the City or, in the case of residentially zoned real property, uninhabited, for more than one-hundred eighty-three (183) days, whether consecutive or nonconsecutive, in a tax year. Notwithstanding the previous sentence, a person shall not be considered to have kept a building or structure Vacant during a Building Permit Application Period, Construction Period, Disaster Period and/or Conditional Use Application Period when such period is applicable to that particular person for that particular Taxable Commercial Space. In determining whether a person has kept Vacant any Taxable Commercial Space, those days within a Building Permit Application Period, Construction Period, Disaster Period, and Conditional Use Application Period shall be disregarded when such period is applicable to that particular person for that particular Taxable Commercial Space.

5D-040. IMPOSITION OF TAX.

(a) Except as otherwise provided in this Chapter, the City imposes an annual Vacancy Tax upon the privilege of keeping Vacant each Taxable Commercial Space within the City.

(b) The Vacancy Tax in a tax year shall be as follows:

(1) For the 2025 tax year, $250 per linear foot of Frontage.

(2) For the 2026 tax year, $250 per linear foot of Frontage for Taxable Commercial Space which was not kept Vacant in the 2025 tax year, and $500 per linear foot of Frontage for Taxable Commercial Space which was kept Vacant in the 2025 tax year.

(3) For the 2027 tax year and subsequent tax years:

(A) $250 per linear foot of Frontage for Taxable Commercial Space which is kept Vacant by any person during the tax year, but was not kept Vacant during the prior tax year;

(B) $500 per linear foot of Frontage for Taxable Commercial Space which is kept Vacant by any person during two consecutive tax years; and

(C) $1,000 per linear foot of Frontage for Taxable Commercial Space which is kept Vacant by any person during the tax year, in all situations in which neither subsection (b)(3)(A) nor subsection (b)(3)(B) of this Section applies.

(c) The Vacancy Tax shall be owed and payable by:

(1) the owner or owners of the Taxable Commercial Space kept Vacant, provided that the Taxable Commercial Space is unleased;

(2) the lessee or lessees, and not the owner, of the Taxable Commercial Space kept Vacant, when that Taxable Commercial Space is leased but not subleased; and

(3) the sublessee or sublessees, and not the owner or sublessor, of the Taxable Commercial Space kept Vacant, if that Taxable Commercial Space is subleased.

Not more than one tax shall be imposed under this Section by reason of multiple liable owners, lessees, or sublessees. If there are multiple liable owners, lessees, or sublessees, each such person shall be jointly and severally liable for the Vacancy Tax.

(d) A person shall be liable for the Vacancy Tax only if that person has kept Vacant any Taxable Commercial Space during a tax year. A person shall be deemed to have kept Vacant a Taxable Commercial Space during a tax year if that person and all Related Persons and Affiliates of that person, individually or collectively, have kept that Taxable Commercial Space Vacant for more than 183 days in that tax year.

(e) On January 1 of each year succeeding the first full year of the effective date of this Chapter, the amount of the Vacancy Tax shall be increased by the most recent change in the annual average of the Consumer Price Index ("**CPI**") for all urban consumers in the San Francisco-Oakland-San Jose areas, as published by the United States Government Bureau of Labor Statistics. However, no CPI adjustment resulting in a decrease of any tax imposed by this subsection shall be made.

5D-050. EXEMPTIONS AND EXCLUSIONS.

(a) For only so long as, and only to the extent that, the City is prohibited from imposing the Vacancy Tax, any person upon whom the City is prohibited under the Constitution or laws of the State of California or the Constitution or laws of the United States from imposing the Vacancy Tax shall be exempt from the Vacancy Tax.

(b) Any individual who has within the past eighteen (18) months became disabled to the degree that they qualify for federal or State disability income, shall be exempt from the Vacancy Tax.

(c) The City shall be exempt from the Vacancy Tax.

(d) The City Council may exempt from the Vacancy Tax any person or class of persons by duly enacted ordinance.

5D-060. COLLECTION AND ADMINISTRATION.

The Vacancy Tax may be collected in the same manner as the City's business license tax except that the City Council is hereby authorized by the voters to enact any of the following additional ordinances, without submitting them to the voters for approval:

(a) An ordinance prescribing procedures and rules for processing Vacancy Tax returns and appeals;

(b) An ordinance prescribing procedures and rules for enforcement and collection of the Vacancy Tax, which may include interest, fines and penalties;

(c) An ordinance which defines any word or phrase within this Vacancy Tax Ordinance which may otherwise be unclear, ambiguous or vague; and

(d) An ordinance exempting any person or class of persons from the Vacancy Tax.

5D-070. REVENUE MEASURE.

This Chapter is enacted solely to raise revenue for general municipal purposes, and is not intended for regulation.

5D-080. SUSPENSION OF COLLECTION.

The City Council shall have authority to temporarily suspend collection of all or a portion of the tax imposed by this Chapter, by resolution unanimously approved by all five (5) members of the entire City Council. A majority of the City Council may at any time also repeal or supersede such resolution. However, the authority to levy the Vacancy Tax imposed by this Chapter shall not expire or otherwise terminate, unless terminated by a duly enacted ordinance which is approved at a regular meeting of, and by unanimous vote of all five (5) of the seats comprising the entire City Council.

5D-090. AMENDMENT OF ORDINANCE.

(a) The following amendments to this Chapter must be approved by the voters of the City: increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result; imposing the tax upon activity of a nature not previously subject to the tax; or extending the effective date of this Chapter. Otherwise, the City Council is hereby authorized to and may amend this Chapter, by affirmative vote of not less than four (4) members of the City Council, without submitting the amendment to the voters for approval, provided that such ordinance amendment does not increase or decrease the tax rate approved by the voters. The People of the City of Avenal affirm that each and all of the following

actions shall not constitute an increase of the rate of a tax:

(1) The restoration of the rate of the tax to a rate which is no higher than the maximum allowed by this Chapter, if the City Council has acted to suspend or reduce the rate of the tax;

(2) An action which interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the text of this Chapter;

(3) The collection of the tax imposed by this Chapter, even if the City had, for some period of time, failed to collect the tax; or

(4) The establishment of a class of persons which are exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this Chapter).

5D-100. SEVERABILITY.

(a) Except as provided in subsection (b), if any section, subsection, sentence, clause, phrase, portion or word of this Chapter, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this Chapter. The People of the of City hereby declare that, except as provided in subsection (b), they would have adopted this Chapter and each and every section, subsection, sentence, clause, phrase and word not declared invalid or unconstitutional without regard to whether any other portion of this Chapter or application thereof would be subsequently declared invalid or unconstitutional.

(b) If the imposition of the Vacancy Tax in Section 5D-040 is held in its entirety to be facially invalid or unconstitutional in a final court determination which cannot be appealed, the remainder of this Chapter shall be void and of no force and effect, and it shall be deemed immediately repealed and removed from the municipal code.

5D-110. SAVINGS CLAUSE.

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

Section 3. CODE AMENDMENT. Section 3-6.03 of the Municipal Code of the City of Avenal is amended to read in its entirety as follows:

> For the privilege of occupancy in any hotel, each transient shall be subject to and shall pay a tax in the amount of fifteen (15) percent of the rent charged by the operator. Such tax shall constitute a debt owed by the transient to the City, which debt shall be extinguished only by payment to the operator of the hotel or to the City. The transient shall pay the tax to the operator at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax due is not paid to the operator of the hotel, the Tax Administrator may require that such tax shall be paid directly to the Tax Administrator.

Section 4. CODE ADOPTION. The following sections are hereby added into Chapter 6 of Title 3 of the Municipal Code of the City of Avenal and read in their entirety as follows:

> **3-6.18 ADMINISTRATION.**
>
> The City Council is hereby authorized by the voters to enact any of the following additional ordinances, without submitting them to the voters for approval:
>
> (a) An ordinance prescribing procedures and rules for processing tax returns and appeals;
>
> (b) An ordinance prescribing procedures and rules for enforcement and collection of the tax under this Chapter, which may include fines and penalties;
>
> (c) An ordinance which defines any word or phrase within this Chapter which may otherwise be unclear, ambiguous or vague; and
>
> (d) An ordinance exempting any person or class of persons from the tax imposed by this Chapter.
>
> **3-6.19 SUSPENSION OF COLLECTION.**
>
> The City Council shall have authority to temporarily suspend collection of all or a portion of the tax imposed by this Chapter, by resolution unanimously approved by all five (5) members of the entire City Council. A majority of the City Council may at any time also repeal or supersede such resolution. However, the authority to levy the tax imposed by this Chapter shall not expire or otherwise terminate, unless terminated by a duly enacted ordinance

which is approved at a regular meeting of, and by unanimous vote of all five (5) of the seats comprising the entire City Council.

3-6.20 AMENDMENT OF ORDINANCE.

(a) The following amendments to this Chapter must be approved by the voters of the City: increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result; imposing the tax upon activity of a nature not previously subject to the tax; or extending the effective date of this Chapter. Otherwise, the City Council is hereby authorized to and may amend this Chapter, by affirmative vote of not less than four (4) members of the City Council, without submitting the amendment to the voters for approval, provided that such ordinance amendment does not increase or decrease the tax rate approved by the voters. The People of the City of Avenal affirm that each and all of the following actions shall not constitute an increase of the rate of a tax:

(1) The restoration of the rate of the tax to a rate which is no higher than the maximum allowed by this Chapter, if the City Council has acted to suspend or reduce the rate of the tax;

(2) An action which interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the text of this Chapter;

(3) The collection of the tax imposed by this Chapter, even if the City had, for some period of time, failed to collect the tax; or

(4) The establishment of a class of persons which are exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this Chapter).

3-6.21 SEVERABILITY.

(a) Except as provided in subsection (b), if any section, subsection, sentence, clause, phrase, portion or word of this Chapter, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this Chapter. The People of the of City hereby declare that, except as provided in subsection (b), they would have adopted this Chapter and each and every section, subsection, sentence, clause, phrase and word not declared invalid or unconstitutional without regard to whether any other portion of this Chapter or application thereof would be subsequently declared invalid or unconstitutional.

(b) If the imposition of the tax in Section 3-6.03 is held in its entirety to be facially invalid or unconstitutional in a final court determination which cannot be appealed, the remainder of this Chapter shall be void and of no force and effect, and it shall be deemed immediately repealed and removed from the municipal code.

3-6.22 SAVINGS CLAUSE.

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

Section 5. CODE AMENDMENT. Section 3-1.22 of the Avenal Municipal Code is hereby amended to read in its entirety as follows:

3-1.22 LICENSE TAXES

(a) **Licensed tax: Fixed place of business.** Every person engaged at a fixed place of business in the City of Avenal in any trade, calling, occupation, vocation, profession or other means of livelihood, as an independent contractor and not as an employee of another, and not specifically licensed by other provisions of this Chapter, shall pay an annual license tax based upon the annual gross receipts of the year proceeding the tax year. Such tax shall be in the amount(s) provided in subsections (e) and (f) below.

(b) **Licensed tax: No fixed place of business**. Every person engaged at other than a fixed place of business in the City of Avenal in any trade, calling, occupation, vocation, profession or other means of livelihood, as an independent contractor and not as an employee of another, and not specifically licensed by other provisions of this chapter, shall pay an annual license tax. Said tax shall be in the amount(s) provided in subsections (e) and (f) below.

(c) **License tax: Flat amount**. Every person commencing, transacting and carrying on any business herein enumerated shall pay a license tax. Said tax shall be in the amount(s) provided in subsections (e) and (f) below.

(d) **Coin machine: Outside owner**. Every person commencing, transacting and carrying on at other than a fixed place of business in the City of Avenal the business of lending, renting, leasing, or otherwise distributing any coin operated machine while retaining title thereto, shall pay semi-annual license tax for each machine. Said tax shall be in the amount(s) provided in subsections (e) and (f) below.

(e) Schedule of Taxes: The taxes due and levied under this Chapter shall

be in the amounts specified as follows, which shall be subject to adjustments under subsection (f):

1. FIXED BUSINESS LICENSES:

Business Description & Tax	Minimum Tax	Min Tax-$500,000	$500,000- $1 million	$1 million -$2.5 million	Over $2.5 million
Retail Sales *(based on gross receipts)*	***If $40,000 or under:***	If more than $40,000:	If more than $500,000:	If more than $1 million:	If more than $2.5 million:
	$40.00	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Grocers *(based on gross receipts)*	***If $120,000 or under:***	If more than $120,000:		If more than $1 million:	
	$60.00	$60 + (Gross Receipts over $120,000 x .0005)		$500 + (Gross Receipts Over $1 mil x .00075)	
Automobile Sales *(based on gross receipts)*	***If $40,000 or under:***	If more than $40,000:	If more than $500,000:	If more than $1 million:	If more than $2.5 million:
	$40.00	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Wholesale Sales *(based on gross receipts)*	***If under $40,000:***	If more than $40,000:	If more than $500,000:	If more than $1 million:	If more than $2.5 million:
	$40.00	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Business/Personal Services	***If $40,000 or under:***	If more than $40,000:	If more than $500,000:	If more than $1 million:	If more than $2.5 million:
(gross receipts)	$40.00	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Professional/Semi-Professional Services (based on gross receipts)	***If $40,000 or under:***	If more than $40,000:	If more than $500,000:	If more than $1 million:	If more than $2.5 million:
	$40.00	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Recreation/Entertainment (based on gross receipts)	***If under $14,285:*** $60.00	If more than $14,285: $60 + (Gross Receipts over $14,285 x .0042)	If more than $500,000: $4,200 + (Gross Receipts over $500,000 x .0045)		If more than $2.5 million: $10,950 + (Gross Receipts Over $2.5 mil x .00475)
Contractors (Avenal gross receipts only)	If $40,000 or under: $40	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Hotel/Motel (based on gross receipts)	If $40,000 or under: $40	$40 + (Gross Receipts over $40,000 x .0010)			
Utility Companies *(based on gross receipts)*	If $40,000 or under: $40	$40 + (Gross Receipts over $40,000 x .0010)	$500 + (Gross Receipts over $500,000 x .0014)	$1200 + (Gross Receipts Over $1 mil x .0016)	$3600 + (Gross Receipts Over $2.5 mil x .0018)
Miscellaneous *(based on gross payroll)*	***If under $50,000:*** $60.00	If more than $50,000: $60 + (Gross Receipts over $50,000 x .0012)	If more than $500,000: $1,200 + (Gross Receipts over $1 mil x .0015)	If more than $2.5 million: $3,450 + (Gross Receipts Over $2.5 mil x .0024)	If more than $20 million: $45,450 + (Gross Receipts Over $20 mil x .0039)
Residential & Non-Residential Rental Property (based on gross receipts)	If under $13,950: $13.95	If over $13,950 or more: (Gross Receipts x .001395)			
Firearms Ammunition *(based on gross receipts)*	***If under $2,500:*** $60.00	***If $2,500 or more:*** ***$60 + $24 per thousand over $2,500***			
Ambulances Services *(based on the number of vehicles)*	***$149 per Vehicle***				
Limousines *(based on the number of vehicles)*	$180.00 per Vehicle				
Taxicabs *(based on the number of permits)*	$180 per Permit				
Transportation & Trucking	***$150 for first person employed;***				
Exempt	$10				

2. NON-FIXED BUSINESS LICENSES

Non-Fixed Business Licenses

Business Description	Business License Fee	
Non-Fixed Place of Business	$ 170.00	
Auto for Hire	$ 55.00	per vehicle (Semi-Annually)
Bail Bond Broker	$ 105.00	
Bingo Games	$ 55.00	(Non-Profit)
Card Room License	$ 90.00	up to 2 tables (Quarterly)
Card Table	$ 45.00	per additional table
Carnivals	$ 325.00	Plus concessions fees
Circus	$ 325.00	Plus concessions fees
Concession	$ 25.00	Every Concession stand
Flea Markets	$ 110.00	
Fortune Tellers	$ 110.00	
Junk Dealers	$ 325.00	
Newspaper	$ 55.00	
Pawnbrokers	$ 110.00	
Photo	$ 110.00	
Public Dance	$ 25.00	
Exempt Status	$10.00	
Contractors	$100.00 for first $100,000 in gross receipts and $1.00 for every $1,000 thereafter.	

(f) On January 1 of each year following the effective date of this ordinance, the business license tax rates for all business categories, including both fixed and non-fixed locations, shall be adjusted for inflation based on the most recent change in the annual average of the Consumer Price Index (CPI) for All Urban Consumers for All Items in the San Francisco-Oakland-San Jose areas, as published by the United States Bureau of Labor Statistics. However, no CPI adjustment shall result in a decrease of any tax imposed under this section.

Section 6. CODE ADOPTION. The following sections are hereby added into Article 1 of Chapter 1 of Title 3 of the Municipal Code of the City of Avenal and read in their entirety as follows:

3-1.25 ADMINISTRATION.

The City Council is hereby authorized by the voters to enact any of the following additional ordinances, without submitting them to the voters for approval:

(a) An ordinance prescribing procedures and rules for processing tax returns and appeals;

(b) An ordinance prescribing procedures and rules for enforcement and collection of the tax under this Chapter, which may include fines and penalties;

(c) An ordinance which defines any word or phrase within this Chapter which may otherwise be unclear, ambiguous or vague; and

(d) An ordinance exempting any person or class of persons from the tax imposed by this Chapter.

3-1.30 SUSPENSION OF COLLECTION.

The City Council shall have authority to temporarily suspend collection of all or a portion of the tax imposed by this Chapter, by resolution unanimously approved by all five (5) members of the entire City Council. A majority of the City Council may at any time also repeal or supersede such resolution. However, the authority to levy the tax imposed by this Chapter shall not expire or otherwise terminate, unless terminated by a duly enacted ordinance which is approved at a regular meeting of, and by unanimous vote of all five (5) of the seats comprising the entire City Council.

3-1.35 AMENDMENT OF ORDINANCE.

(a) The following amendments to this Chapter must be approved by the voters of the City: increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result; imposing the tax upon activity of a nature not previously subject to the tax; or extending the effective date of this Chapter. Otherwise, the City Council is hereby authorized to and may amend this Chapter, by affirmative vote of not less than four (4) members of the City Council, without submitting the amendment to the voters for approval, provided that such ordinance amendment does not increase or decrease the tax rate approved by the voters. The People of the City of Avenal affirm that each and all of the following actions shall not constitute an increase of the rate of a tax:

(1) The restoration of the rate of the tax to a rate which is no higher than the maximum allowed by this Chapter, if the City Council has acted to suspend or reduce the rate of the tax;

(2) An action which interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the text of this Chapter;

(3) The collection of the tax imposed by this Chapter, even if the City had, for some period of time, failed to collect the tax; or

(4) The establishment of a class of persons which are exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this Chapter).

3-1.40 SEVERABILITY.

(a) Except as provided in subsection (b), if any section, subsection, sentence, clause, phrase, portion or word of this Chapter, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this Chapter. The People of the of City hereby declare that, except as provided in subsection (b), they would have adopted this Chapter and each and every section, subsection, sentence, clause, phrase and word not declared invalid or unconstitutional without regard to whether any other portion of this Chapter or application thereof would be subsequently declared invalid or unconstitutional.

(b) If the imposition of the tax in Section 3-6.03 is held in its entirety to be facially invalid or unconstitutional in a final court determination which cannot be appealed, the remainder of this Chapter shall be void and of no force and effect, and it shall be deemed immediately repealed and removed from the municipal code.

3-1.45 SAVINGS CLAUSE.

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

Section 7. CEQA REVIEW. The City Council hereby finds that this Ordinance is

not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15060(c)(2), 15061(b)(3) and 15378(b)(2) and (4). The City Manager (or designee) is hereby directed to ensure that a *Notice of Exemption* is filed pursuant to CEQA Guidelines section 15062 [14 C.C.R. § 15062].

Section 8. NO LIABILITY. The provisions of this Ordinance shall not in any way be construed as imposing any duty of care, liability or responsibility for damage to Person or property upon the City of Avenal, or any official, employee or agent thereof.

Section 9. PENDING ACTIONS. Nothing in this Ordinance or in the codes hereby adopted shall be construed to affect any suit or proceeding pending or impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or Ordinance or code repealed by this Ordinance, nor shall any just or legal right or remedy of any character be lost, impaired or affected by this Ordinance.

Section 10. SEVERABILITY. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The People and City Council of the City of Avenal hereby declare that each would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 11. CONSTRUCTION. The People and the City Council intend this Ordinance to supplement, not to duplicate or contradict, applicable State and federal law and this Ordinance shall be construed in light of that intent. To the extent the provisions of the Avenal Municipal Code as amended by this Ordinance, if any, are substantially the same as provisions in the Avenal Municipal Code existing prior to the effectiveness of this Ordinance, then those amended provisions shall be construed as continuations of the earlier

Section 12. EFFECTIVE DATE. Pursuant to Elections Code § 9217, this Ordinance shall be deemed adopted on the date when the final vote is declared by the City Council and this Ordinance shall go into effect ten (10) days after that date, contingent upon approval by a majority of the voters voting on the measure in the **November 5, 2024** election.

Section 13. CERTIFICATION; PUBLICATION. Upon approval by the voters, the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause it to be published according to law.

THE FOREGOING ORDINANCE was approved by the City Council of the City of Avenal, State of California, on **July 24, 2024** at a meeting of said Council duly and convened on said day by the following vote:

AYES:	**Ramirez, Hernandez, Gravelle, Verdugo, Preciado**
NOES:	**None.**
ABSTAIN:	**None.**
ABSENT:	**None.**

Alvaro Preciado, Mayor

ATTEST:

María A. Ortiz, City Clerk

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CLERKS CERTIFICATE

City of Avenal }
County of Kings }
State of California }

I, Maria A. Ortiz, City Clerk of the City of Avenal, hereby certify that this is a full, true and correct copy of **Ordinance No. 2024-01** duly passed by the City Council of the City of Avenal at a meeting thereof held on the **25th day of July, 2024**, by the vote as set forth therein.

DATED: **July 25, 2024**

ATTEST:

María A. Ortiz, City Clerk