

**RESOLUTION NO. CC-2303-033**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON TUESDAY, MARCH 7, 2023, DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW.**

WHEREAS, a General Municipal Election was held and conducted in the City of Redondo Beach, California, on Tuesday, March 7, 2023, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted by All-Mail Ballot and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the City Charter and California State law; and

WHEREAS, the City Clerk canvassed the returns of the election and has certified the results to the City Council, which are received, attached, and made a part hereof as Exhibit "A".

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the whole number of ballots cast by mail voter ballots (VBM) was 10,821 ballots cast in the City.

SECTION 2. That the names of persons voted for at the election for Member of the City Council, District 3 are as follows:

Candace Allen Nafissi  
Paige Kaluderovic

That the name of the person voted for at the election for Member of the City Council, District 5 is as follows:

Scott K. Behrendt

That the name of person voted for at the election for City Clerk is as follows:

Eleanor Manzano

That the name of persons voted for at the election for City Treasurer are as follows:

Eugene J. Solomon  
Matthew Kilroy

That the names of persons voted for at the election for Member of the Board of Education are as follows:

Byung Cho  
Jerome Chang  
Raymur Flinn

That the measures voted upon at the election are as follows:

**MEASURE CT**

To fund general municipal expenses, shall the City tax cannabis or hemp businesses at annual rates from 3% to 9% of gross receipts on retail establishments, and from 1% to 3% of gross receipts on cultivation, distribution, manufacturing and testing labs; which is expected to generate an estimated \$300,000 to \$900,000 annually and will be levied until repealed by the voters?

**MEASURE CA1**

**PROPOSED CHARTER AMENDMENT.** Shall Sections 19, 19.1, 19.7 and 19.9, of City Charter Article XIX for public works contracts; competitive bidding, when not required; progress payments; municipal purchases be amended to increase dollar thresholds; authorize, by ordinance, future revisions adopted by 4/5 vote by no more than 25%, and not more than 5 years between amendments; to define maintenance and repairs by ordinance or resolution; to decrease progress payments from 10% to 5%; and further defining municipal purchases?

**MEASURE CA2**

**PROPOSED CHARTER AMENDMENT.** Shall Section 20.1, Article XX Approval of Demands be amended to remove “supplies, materials, property or services for which payment is claimed, have been actually delivered or rendered” and replace with “amount is legally due”?

**MEASURE CA3**

**PROPOSED CHARTER AMENDMENT.** Shall the Charter of the City of Redondo Beach be amended to use gender neutral language throughout the Charter?

**MEASURE CA4**

**PROPOSED CHARTER VIII AMENDMENT.** Shall Section 8.3(c), Mayor, presiding office; regarding contracts when the City Council has authorized the City Manager, or other officer or other employees to approve and sign a written contract on behalf of the City?

**MEASURE CA5**

**PROPOSED CHARTER XVIII AMENDMENT.** Shall Section 18.4, Majority vote: Runoff elections. Replacing runoff elections for elections for elective offices of the City with ranked choice voting, also known as instant runoff voting be adopted?

SECTION 3. That the number of votes given at each precinct in the City to the candidates and questions for the above-named offices and measures are as listed in Exhibit "A" attached hereto and incorporated herein.

SECTION 4. That the City Council does declare and determine that Paige Kaluderovic was elected as Councilmember, District Three for the full term of four years; Scott K. Behrendt was elected as Councilmember, District Five for the full term of four years; Eleanor Manzano was elected as City Clerk for the full term of four years; Eugene J. Solomon was elected as City Treasurer for the full term of four years; Byung Cho and Raymur Flinn were elected as Members of the Board of Education for a full term of four years.

SECTION 5. That as a result of the election, a majority of the voters voting on the aforementioned **Measure CT**, adopted Ordinance No. 3248-22, an Ordinance of the People of the City of Redondo Beach, California amending the Redondo Beach Municipal Code to authorize the City of Redondo Beach to impose a general tax on cannabis and industrial hemp business activities within the City, that the measure was carried, and shall be deemed adopted upon the date that the votes are declared by the legislative body and shall go into effect 10 days after that date; attached hereto and incorporated herein as Exhibit "B".

SECTION 6. That as a result of the election, a majority of the voters voting on **Measures CA1, CA2, CA3, CA4, and CA5** did vote in favor of them, and that the measures were carried, shall be deemed adopted and ratified; attached hereto and incorporated herein as Exhibit "C".

SECTION. 7. That the City Council does hereby direct the City Clerk to file one certified copy of said charter amendments -- Measures CA1, CA2, CA3, CA4, and CA5, with the Secretary of State, one certified copy with the Los Angeles County Registrar-Recorder for recordation, and one certified copy of said charter amendments in the archives of the City of Redondo Beach in accordance with the provisions of the California Government Code Section 34460 as soon as practicable after the adoption of this resolution.

SECTION 8. That the City Clerk shall enter on the records of the City Council of the City, a statement of the result of the election, showing: (1) The whole number of ballots cast in the City; (2) The names of the persons voted for; (3) The measures voted upon; (4) For what office each person was voted for; (5) The number of votes given at each precinct to each person, and for and against each measure; (6) The total number of votes given to each person, and for and against each measure. (Exhibit "A")

SECTION 9. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to

it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

SECTION 10. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED AND ADOPTED this 21st day of March, 2023.

DocuSigned by:  
*Nils H. Nehrenheim*  
DC2A3D6CA98045B...

For William C. Brand, Mayor  
Nils H. Nehrenheim,  
Mayor Pro Tempore

ATTEST:

APPROVED AS TO FORM:

DocuSigned by:  
*Michael W. Webb*  
669049EDE03D402...

Michael W. Webb, City Attorney

DocuSigned by:  
*Eleanor Manzano*  
72F2AC716C214CF...

Eleanor Manzano, CMC, City Clerk

ATTEST:

STATE OF CALIFORNIA                    )  
COUNTY OF LOS ANGELES            )       SS  
CITY OF REDONDO BEACH            )

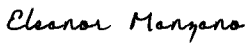
I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. CC-2303-033 was duly passed, approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 21<sup>st</sup> day of March 2023, by the following vote:

AYES:       NEHRENHEIM, LOEWENSTEIN, HORVATH, OBAGI, JR., EMDEE

NOES:       NONE

ABSENT:     NONE

ABSTAIN:    NONE

DocuSigned by:  
  
72F2AC716C214CF...  
\_\_\_\_\_  
Eleanor Manzano, CMC  
City Clerk

**EXHIBIT "A"**  
**CITY CLERK'S CERTIFICATE OF CANVASS**

## Official Election Results - March 7, 2023

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do certify that I have canvassed the returns of the General Municipal Election held on March 7, 2023, and find that the number of votes given at each precinct and the number of votes given in the City to persons voted for, the respective offices for which the persons were candidates, and measures as follows:

	Dist. 1		Dist. 2		Dist. 3		Dist. 4		Dist. 5			
	Pct 5	Pct 14	Pct 19	Pct 70	Pct 22	Pct 95	Pct 32	Pct 56	Pct 42	Pct 58	Totals	%
<b>FOR CITY COUNCIL DISTRICT 3</b>												
Candace Allen Nafissi					827 *	504					1331	48.52%
Paige Kaluderovic**					740 *	672					1412	51.48%
Totals:					1567	1176					2743	100.00%
<b>FOR CITY COUNCIL DISTRICT 5</b>												
Scott K. Behrendt**									736 *	901	1637	100.00%
Totals:									736	901	1637	100.00%
<b>FOR CITY CLERK</b>												
Eleanor Manzano**	783	1004	947	766	1273 *	937	623	907	758	907	8905	100.00%
Totals:	783	1004	947	766	1273	937	623	907	758	907	8905	100.00%
<b>FOR CITY TREASURER</b>												
Eugene J. Solomon**	523	677	735	543	771 *	478	328	589	295	413	5352	53.03%
Matthew Kilroy	344	446	331	314	719 *	655	339	413	576 *	603	4740	46.97%
Totals:	867	1123	1066	857	1490	1133	667	1002	871	1016	10092	100.00%
<b>BOARD OF EDUCATION</b>												
Byung Cho**	460	653	544	468	852 *	756	394	561	528 *	559	5775	34.55%
Jerome Chang	456	545	600	419	761	435	351	527	441	553	5088	30.44%
Raymur Flinn**	491	657	544	485	825 *	694	392	627	512	623	5850	35.00%
Totals:	1407	1855	1688	1372	2438	1885	1137	1715	1481	1735	16713	100.00%
<b>MEASURES</b>												
<b>Measure CT</b>												
Yes**	713	898	820	676	1196	858	549	809	637 *	826	7982	76.20%
No	187	295	277	225	356 *	295	130	227	254	247	2493	23.80%
Totals:	900	1193	1097	901	1552	1153	679	1036	891	1073	10475	100.00%
<b>Measure CA1</b>												
Yes**	644	774	745	584	1011 *	727	494	707	582 *	730	6998	73.69%
No	163	329	238	228	378 *	309	147	257	219	230	2498	26.31%
Totals:	807	1103	983	812	1389	1036	641	964	801	960	9496	100.00%
<b>Measure CA2</b>												
Yes**	666	891	793	643	1073 *	813	527	773	611 *	762	7552	78.20%
No	149	229	210	183	332 *	256	119	200	212	215	2105	21.80%
Totals:	815	1120	1003	826	1405	1069	646	973	823	977	9657	100.00%
<b>Measure CA3</b>												
Yes**	559	745	687	584	981 *	732	484	709	568 *	706	6755	66.99%
No	303	409	360	276	508 *	363	186	314	292	317	3328	33.01%
Totals:	862	1154	1047	860	1489	1095	670	1023	860	1023	10083	100.00%
<b>Measure CA4</b>												
Yes**	630	830	737	602	1005 *	783	514	733	590 *	733	7157	72.35%
No	218	315	283	247	445 *	302	144	265	248	268	2735	27.65%
Totals:	848	1145	1020	849	1450	1085	658	998	838	1001	9892	100.00%

**EXHIBIT "A"**  
**CITY CLERK'S CERTIFICATE OF CANVASS**


	Dist. 1		Dist. 2		Dist. 3		Dist. 4		Dist. 5					
	Pct 5	Pct 14	Pct 19	Pct 70	Pct 22	Pct 95	Pct 32	Pct 56	Pct 42	Pct 58	Totals	%		
Measure CA5														
Yes**	665	854	819	633	1111	*	804	522	772	651	*	794	7625	76.67%
No	182	302	203	214	354	*	291	137	234	191		212	2320	23.33%
Totals:	847	1156	1022	847	1465		1095	659	1006	842		1006	9945	100.00%

\* vote(s) added pursuant to timely receipt of cured ballot envelope(s) post-completion of digital tally, per Elections Code

\*\*Winner of Contest

1% Manual Tally verified with digital tally Precinct Results Report

District	1	2	3	4	5	Total
Total Votes Casted	2147	2051	2818	1781	2024	10821
Total Registered Voters	9889	9474	9747	9442	9813	48365
% Percent	21.7%	21.6%	28.9%	18.9%	20.6%	22.4%

  
Eleanor Manzano, City Clerk

3/20/2023

**EXHIBIT “B”  
ORDINANCE NO. 3248-22**

**AN ORDINANCE OF THE CITY OF REDONDO BEACH,  
CALIFORNIA ADDING CHAPTER 7 (CANNABIS  
BUSINESS TAX) TO TITLE 6, OF THE REDONDO BEACH  
MUNICIPAL CODE ESTABLISHING A TAX ON  
CANNABIS AND HEMP BUSINESS ACTIVITIES WITHIN THE  
CITY**

WHEREAS, the City Council desires to submit a Cannabis Business Tax measure to the voters of the City at a General Municipal Election to be held on Tuesday, March 7, 2023 has been called by Resolution No. 2210-079, adopted on October 11, 2022.

THE PEOPLE OF THE CITY OF REDONDO BEACH DO ORDAIN AS FOLLOWS:

**SECTION 1. CODE AMENDMENT.** Chapter 7 is added to Title 6, of the Redondo Beach City Municipal Code to read as follows:

**“CHAPTER 7  
CANNABIS BUSINESS TAX**

- 6-7.01 Title.
- 6-7.02 Authority and purpose.
- 6-7.03 Intent.
- 6-7.04 Definitions.
- 6-7.05 Tax imposed.
- 6-7.06 Registration, reporting, and remittance of tax.
- 6-7.07 Payments and communications –timely remittance.
- 6-7.08 Payment – when taxes deemed delinquent.
- 6-7.09 Notice not required by City.
- 6-7.10 Penalties and interest.
- 6-7.11 Refunds and credits.
- 6-7.12 Refunds and procedures.
- 6-7.13 Personal cultivation not taxed.
- 6-7.14 Administration of the tax.
- 6-7.15 Appeal procedure.
- 6-7.16 Enforcement –action to collect.
- 6-7.17 Apportionment.
- 6-7.18 Constitutionality and legality.
- 6-7.19 Audit and examination of premises and records.
- 6-7.20 Other licenses, permits, taxes or charges.
- 6-7.21 Payment of tax does not authorize unlawful business.



- 6-7.22 Deficiency determinations.
- 6-7.23 Failure to report – nonpayment, fraud.
- 6-7.24 Tax assessment –notice requirements.
- 6-7.25 Tax assessment – hearing, application, and determination.
- 6-7.26 Relief from taxes-disaster relief.
- 6-7.27 Conviction for violation – taxes not waived.
- 6-7.28 Violation deemed misdemeanor.
- 6-7.29 Severability.
- 6-7.30 Remedies cumulative.
- 6-7.31 Amendment or modification.

#### **6-7.01 Title.**

This ordinance shall be known as the Cannabis Business Tax Ordinance. This ordinance shall be applicable in the City of Redondo Beach, California which shall be referred to herein as “City.”

#### **6-7.02 Authority and Purpose.**

The purpose of this Ordinance is to adopt a tax, for revenue purposes, pursuant to Sections 37101, and 37100.5 of the Revenue and Taxation Code, upon cannabis and hemp businesses that engage in business in the City. The Cannabis Business Tax is levied based upon business gross receipts. It is not a sales and use tax, a tax upon income, or a tax upon real property and shall not be calculated or assessed as such. The Cannabis Business Tax shall not be separately identified or otherwise specifically assessed or charged to any member, customer, patient, or caretaker. The Cannabis Business Tax is a general tax enacted solely for general, governmental purposes of the City and not for specific purposes. All the proceeds from the tax imposed by this chapter shall be placed in the City's general fund and be available for any lawful City purpose.

#### **6-7.03 Intent.**

The intent of this Ordinance is to levy a tax on all cannabis or industrial hemp businesses that operate in the City, regardless of whether such business would have been legal at the time this chapter was adopted. Nothing in this chapter shall be interpreted to authorize or permit any business activity that would not otherwise be legal or permissible under laws applicable to the activity at the time the activity is undertaken.

#### **6-7.04 Definitions.**

The following words and phrases shall have the meanings set forth below when used in this chapter:

(a) An "arm's length transaction" is a sale entered into in good faith and for valuable consideration at a sales price that reflects the fair market value in the open market between two informed and willing parties, neither under any compulsion to participate in the transaction.

(b) "Business" shall include all activities engaged in or caused to be engaged in within the City, including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood, whether or not carried on for gain or profit, but shall not include the services rendered by an employee to his or her employer.

(c) "Calendar year" means January 1 through December 31 of the same year.

(d) "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" shall not include "industrial hemp," unless otherwise specified.

(e) "Cannabis product" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. "Cannabis product" also means cannabis products as defined by Section 11018.1 of the California Health and Safety Code and is not limited to medicinal cannabis products.

(f) "Canopy" means all areas occupied by any portion of a cannabis or industrial hemp plant whether contiguous or noncontiguous on any one site. When plants occupy multiple horizontal planes (as when plants are placed on shelving above other plants) each plane shall be counted as a separate canopy area.

(g) "Cannabis business" means any business activity involving cannabis or industrial hemp, including but not limited to cultivating, transporting, distributing, manufacturing, compounding, converting, processing, preparing, storing, packaging, delivering, testing, dispensing, retailing, and wholesaling of cannabis, cannabis products, industrial hemp, industrial hemp products or of ancillary products and accessories, whether or not carried on for gain or profit.

(h) "Cannabis business tax" means the tax due pursuant to this chapter for engaging in a cannabis business in the City.

(i) “Commercial cannabis cultivation” means cultivation of cannabis or industrial hemp undertaken in the course of conducting a cannabis business.

(j) “Commercial cannabis permit” means a permit, license, certificate, or other approval issued by the City to a person to authorize that person to operate a cannabis business or engage in business as a cannabis business within the City.

(k) “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis or industrial hemp and includes, but is not limited to, the operation of a nursery.

(l) “Employee” means each and every person engaged in the operation or conduct of any business, whether as owner, member of the owner's family, partner, associate, agent, manager, or solicitor, and each and every other person employed or working in such business for a wage, salary, commission, barter or any other form of compensation.

(m) “Engaged in business as a cannabis business” means the commencing, conducting, operating, managing, or carrying on of a cannabis business, whether done as owner, or by means of an officer, agent, manager, employee, or otherwise, whether operating from a fixed location in the City or coming into the City from an outside location to engage in such activities. A person shall be deemed engaged in business within the City if:

1. Such person or person's employee maintains a fixed place of business within the City for the benefit or partial benefit of such person;
2. Such person or person's employee owns or leases real property within the City for business purposes;
3. Such person or person's employee regularly maintains a stock of tangible personal property in the City for sale in the ordinary course of business;
4. Such person or person's employee regularly conducts solicitation of business within the City; or
5. Such person or person's employee performs work or renders services in the City.

The foregoing specified activities shall not be a limitation on the meaning of “engaged in business.”

(n) “Evidence of doing business” means evidence such as, without limitation, use of signs, circulars, cards, or any other advertising media, including the use of internet or telephone solicitation, or representation to a government agency or to the public that such person is engaged in a cannabis business in the City.

(o) “Gross Receipts,” except as otherwise specifically provided, means, whether designated as a sales price, royalty, rent, membership fee, ATM service fee, delivery fee, slotting fee, any other fee, vaping room service charge, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, services and property of any kind or nature) received or payable for sales of goods, wares or merchandise, or for the performance of any act or service of any nature for which a charge is made or credit allowed (whether such service, act or employment is done as part of or in connection with the sale of goods, wares, merchandise or not), without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, losses or any other expense whatsoever. In the event the business is involved in a “non-arms” length transaction the gross receipts will be subject to the fair market value using a methodology approved by the Tax Administrator. However, the following shall be excluded from Gross Receipts:

1. Cash discounts were allowed and taken on sales;
2. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
3. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
4. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;
5. Cash value of sales, trades or transactions between departments or units of the same business located in the City of Redondo Beach and if authorized by the Tax Administrator in writing in accordance with Section 6-7.14 (B);
6. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they

shall be included in the amount of gross receipts for the period when they are recovered;

7. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded;
8. Retail sales of non-cannabis products, such as t-shirts, sweaters, hats, stickers, key chains, bags, books, posters, rolling papers, cannabis accessories such as pipes, pipe screens, vape pen batteries (without cannabis or industrial hemp) or other personal tangible property which the Tax Administrator has excluded in writing by issuing an administrative ruling per Section 6-7.14 shall not be subject to the cannabis business tax under this chapter.
9. Payments made by the tax-reporting cannabis business (Seller) to a cannabis business (Buyer) for the difference in the original acquisition price and subsequent renegotiated or finalized selling price of products or services sold to a specific end customer. This type of transaction is referred to as a “Billback”. The tax-reporting cannabis business must provide supporting documentation to substantiate the transaction in order to be eligible for an exemption.
10. Any business which sells industrial hemp and/or hemp products or offers services or activities related to industrial hemp or hemp products and /or which is not required to obtain a cannabis or industrial hemp permit or license from the City or the State for the purpose of cultivating, growing, drying, curing, manufacturing, processing, packaging, transporting, distributing, testing or selling of industrial hemp either wholesale or retail shall be exempt from the cannabis tax provided that such business does not generate more than 50% of their total gross receipts in the reporting period from the business from industrial hemp activities. However, the exemption may be amended by the City Council by resolution or ordinance pursuant to Section 6-7.05 (B) to increase or decrease the percentage of the business’s hemp and/or hemp products gross receipts reporting from zero to one hundred percent. To the extent the gross receipts from the hemp activities do not meet the relevant percentage to be included, this exclusion shall reduce the gross receipts to zero for the sole purpose of calculating the cannabis tax.

(p) “Industrial hemp” means a crop that is limited to types of the plant

Cannabis sativa L. having no more than three-tenths of 1 percent tetrahydrocannabinol (THC) contained in the dried flowering tops, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound,

manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin produced therefrom. However, should the federal or state legislative body increase or decrease the percentage of tetrahydrocannabinol (THC) then this new limit shall be applicable to the tax unless modified by resolution or ordinance of the City Council pursuant to Section 67.31.

(q) "Industrial hemp products" means any raw hemp that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. "Hemp product" also means hemp products as defined by Section 11018.5 of the California Health and Safety Code.

(r) "Lighting" means a source of artificial light that is primarily used for promoting the biological process of plant growth. Lighting does not include sources of light that primarily exist for the safety or convenience of staff or visitors to the facility, such as emergency lighting, walkway lighting, or light admitted via small skylights, windows, or ventilation openings.

(s) "Medicinal cannabis" or "medicinal cannabis product" means cannabis or a cannabis product, intended to be sold or sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, for a medicinal cannabis patient in California who possesses a physician's recommendation, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71.

(t) "Nursery" means a facility or part of a facility that is used only for producing clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis or industrial hemp.

(u) A "non-arm's length transaction" is a transaction that does not meet the definition of an "arm's length transaction." In other words, the transaction is not a sale entered into in good faith and that reflects fair market value in the open market. One example of a non-arm's length transaction would be when a cultivator sells cannabis goods to a cannabis distributor at a sales price that is lower than what the same cultivator would to other cannabis distributors, or which does not reflect the fair market value in the open market.

(v) "Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, whether organized as a nonprofit or forprofit entity, and includes the plural as well as the singular number.

(w) "Processing" means a cultivation site that conducts only trimming, drying, curing, grading, packaging, or labeling of cannabis, industrial hemp and nonmanufactured cannabis products.

(x) "Retailer" means a person as defined in Section 6-7.04 (V) who sells cannabis, cannabis products, hemp and/or hemp products at their place of business or by delivery to an end user or customer for use or consumption rather than to another person or business for resale.

(y) "Sale" "Sell" and "to sell" means and includes any sale, exchange, or barter either as a retailer or wholesaler by a person as defined by Section 6-7.04 (V). It shall also mean any transaction whereby, for any consideration, title to cannabis, cannabis products, industrial hemp and/or industrial hemp products are transferred from one person to another and includes the delivery of cannabis, cannabis products, industrial hemp and/or industrial hemp products pursuant to an order placed for the purchase of the same, but does not include the return of cannabis, cannabis products, industrial hemp and/or industrial hemp products to the licensee from whom the cannabis, cannabis product, industrial hemp and/or industrial hemp product was purchased.

(z) "State" means the State of California.

(aa) "State license," "license," or "registration" means a state license issued pursuant to California Business & Professions Code Section 26050, and all other applicable state laws, required for operating a cannabis business.

(bb) "Tax Administrator" means the City Treasurer of the City of Redondo Beach or his/her designee(s).

(cc) "Testing Laboratory" means a cannabis business that (i) offers or performs tests of cannabis, cannabis products, industrial hemp and/or industrial hemp products (ii) offers no service other than such tests, (iii) sells no products, excepting only testing supplies and materials, (iv) is accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state and (v) is registered with the Department of Cannabis Control or other state agency.

#### **6-7.05 Tax Imposed.**

- A. Beginning on the effective date of this Chapter there is imposed upon each person who is engaged in business as a cannabis business a cannabis business tax. Such tax is payable regardless of whether the person has been issued a commercial cannabis business license, permit, or certificate to operate lawfully in the City or is operating unlawfully. The City's

acceptance of a cannabis business tax payment from a cannabis business operating illegally shall not constitute the City's approval or consent to such illegal operations.

- B. The City Council may, by resolution or ordinance, increase or decrease the rate of the cannabis business tax, including the initial rate of cannabis business tax. The City Council may, by resolution or ordinance, increase or decrease the rate of the medicinal cannabis business tax, including the initial rate of the medicinal cannabis business tax, independent of other cannabis business tax activities. In addition, the City Council may, by resolution or ordinance, increase or decrease the rate of the cannabis business tax on hemp or hemp products, including the initial rate of the tax on hemp or hemp products independent of other cannabis activities. Furthermore, the City Council may set varied rates using classifications, sub-classifications, a tiered rate structure, graduated rates, or any other means not prohibited by law.

Notwithstanding the foregoing, in no event shall the City Council set the tax rate to be lower than which is specified in Section 6-7.05 (C)

(1),(2),(3),(4),(5) except for those cannabis activities that qualify under Section 6-7.04 (O)(10) or set any adjusted rate that exceeds the maximum rates calculated pursuant to this chapter.

- C. The minimum rate of the cannabis business tax shall be calculated as follows:

1. For every person engaged in commercial cannabis cultivation, including cultivation of industrial hemp, in the City of Redondo Beach shall pay an annual commercial cannabis business tax at the rates specified below in Section 6-7.05 (C)(1)(a):

- a. Until amended and/or repealed by the voters except for those cannabis business that qualify under Section 6-7.04 (O)(10) the minimum annual rate shall be:

- i. One percent (1%) in a facility that uses exclusively artificial lighting.
- ii. One percent (1%) in a facility that uses a combination of natural and artificial supplemental lighting as defined in Section 6-7.04 (R) of this chapter.

- iii. One percent (1%) in a facility that uses no artificial lighting.

- iv. One percent (1%) for any nursery regardless of it is indoor, mixed light and/or outdoor.



2. For every person engaged in the operation of a testing laboratory for cannabis, cannabis products, industrial hemp and/or industrial hemp products the person shall be subject to the minimum tax rate of one percent (1%) of gross receipts.
3. For every person engaged in retail sales of cannabis, cannabis products, industrial hemp, and/or industrial hemp products, including as a retailer (dispensary) or non-storefront retailer (retail delivery business), or microbusiness, the person shall be subject to the minimum tax rate of three percent (3%) of gross receipts.
4. For every person engaged in distribution of cannabis, cannabis products, industrial hemp and/or industrial hemp products, the person shall be subject to the minimum tax rate of one percent (1%) of gross receipts.
5. For every person engaged in manufacturing or processing of cannabis, cannabis products, industrial hemp and/or industrial hemp products, or any other type of cannabis business not described in Section 6-7.05 (C) (1), (2), (3), or (4) the person shall be subject to the minimum tax of one percent (1%) of gross receipts.

D. Upon the effective date of this Chapter the maximum rate of the cannabis business tax shall be calculated as follows:

1. For every person engaged in commercial cannabis cultivation, including cultivation of industrial hemp, in the City of Redondo Beach shall pay an annual commercial cannabis business tax at the rates specified below in Section 6-7.05 (D)(1)(a):

- a. Until amended and/or repealed by the voters except for those cannabis business that qualify under Section 6-7.04 (O)(10) the maximum annual rate shall be:

- i. Three percent (3%) in a facility that uses exclusively artificial lighting.

- ii. Three percent (3%) in a facility that uses a combination of natural and artificial supplemental lighting as defined in Section 6-7.04 (R) of this chapter.

- iii. Three percent (3%) in a facility that uses no artificial lighting.

- iv. Three percent (3%) for any nursery regardless of it is indoor, mixed light and/or outdoor.
- 2. For every person engaged in the operation of a testing laboratory for cannabis, cannabis products, industrial hemp and/or industrial hemp products the person shall be subject to the maximum tax rate not to exceed three percent (3%) of gross receipts.
- 3. For every person engaged in retail sales of cannabis, cannabis products, industrial hemp, and/or industrial hemp products, including as a retailer (dispensary) or non-storefront retailer (retail delivery business), or microbusiness, the person shall be subject to the maximum tax rate not to exceed nine percent (9%) of gross receipts.
- 4. For every person engaged in distribution of cannabis, cannabis products, industrial hemp and/or industrial hemp products, the person shall be subject to the maximum tax rate not to exceed three percent (3%) of gross receipts.
- 5. For every person engaged in manufacturing or processing of cannabis, cannabis products, industrial hemp and/or industrial hemp products, or any other type of cannabis business not described in Section 6-7.05 (D) (1), (2), (3), or (4) the person shall be subject to the maximum tax rate not to exceed three percent (3%) of gross receipts.
- E. Persons subject to the cannabis business tax shall register with the City and if applicable pay the registration fee adopted by resolution or ordinance by the City Council.

**6-7.06 Registration, reporting and remittance of tax.**

- A. Registration of Cannabis Business. All cannabis businesses shall be required to annually register as follows:
  - 1. All persons engaging in business as a cannabis business, whether an existing, newly established or acquired business shall register with the Tax Administrator within thirty (30) calendar days of commencing operation and shall annually renew such registration within 30 calendar days of the business registration anniversary date of each year thereafter. In registering, such persons shall furnish to the Tax Administrator a sworn statement, upon a form prescribed by the Tax Administrator, setting forth the following information:

- i. The name of the business
  - ii. The names and addresses of each owner
  - iii. The exact nature or kind of business;
  - iv. The place where such business is to be carried on; and
  - v. Any additional information which the Tax Administrator may require.
- B. An annual registration fee in accordance with the current and approved City fee schedule shall be presented with the sworn statement submitted under this chapter. This fee shall not be considered a tax and may be adjusted annually by resolution or ordinance of the City Council.
- C. The cannabis business tax imposed by this chapter shall be paid, in arrears, on a monthly basis. Each person owing a cannabis business tax shall on or before the last day of the month following the close of each month file with the Tax Administrator a statement ("tax statement") of the tax owed for that calendar month and the basis for calculating that tax. The Tax Administrator may require that the tax statement be submitted on
  - a form prescribed by the Tax Administrator. The tax for each calendar month shall be due and payable on the same date that the tax statement is due.
- D. Upon cessation of a cannabis business, tax statements and payments shall be immediately due for all calendar months up through the calendar month during which cessation occurred.
- E. In the event that there is a change in ownership of any cannabis business:
  - a The new owner is required to submit an updated registration form to the Tax Administrator;
  - b The new owner is subject to an audit by the Tax Administrator; and
  - c Unless otherwise provided by law, it is the joint and several liability of both the seller and buyer to remit any taxes, interest, penalties, and fees due up until the date of sale; otherwise, enforcement action may be taken pursuant to Section 6-7.16 of this chapter against both the seller and/or buyer in an amount to be determined by the Tax Administrator.
- F. The Tax Administrator may, at his or her discretion, establish alternative reporting and payment periods for any taxpayer as the Tax Administrator deems necessary to ensure effective collection of the cannabis business

tax. The Tax Administrator may also require that a deposit, to be applied against the taxes for a calendar month, be made by a taxpayer at the beginning of that calendar month. In no event shall the deposit required by the Tax Administrator exceed the tax amount he or she projects will be owed by the taxpayer for the calendar month. The Tax Administrator may require that a taxpayer make payments via a cashier's check, money order, wire transfer, or similar instrument.

**6-7.07            Payments and communications – timely remittance.**

Whenever any payment, statement, report, request, or other communication is due, it must be received by the Tax Administrator on or before the due date. A postmark will not be accepted as timely remittance. If the due date would fall on a Saturday, Sunday or a holiday observed by the City, the due date shall be the next regular business day on which the City is open to the public.

**6-7.08            Payment - when taxes deemed delinquent.**

Unless otherwise specifically provided under other provisions of this chapter, the taxes required to be paid pursuant to this chapter shall be deemed delinquent if not received by the Tax Administrator on or before the due date as specified in Sections 67.06 and 6-7.07.

**6-7.09            Notice not required by the City.**

The City may as a courtesy send a tax notice to the cannabis business which owes the City a cannabis business tax. However, the Tax Administrator is not required to send a delinquency or other notice or bill to any person subject to the provisions of this chapter. Failure to send such notice or bill shall not affect the validity of any tax or penalty due under the provisions of this chapter.

**6-7.10            Penalties and interest.**

A.     Any person who fails or refuses to pay any cannabis business tax required to be paid pursuant to this chapter on or before the due date shall pay penalties and interest as follows:

1.     A penalty equal to ten percent (10%) of the amount of the tax, in addition to the amount of the tax, plus interest on the unpaid tax calculated from the due date of the tax at the rate of one percent (1%) per month.

2.     If the tax remains unpaid for a period exceeding one calendar month beyond the due date, an additional penalty equal to twenty-five percent (25%) of

the amount of the tax, plus interest at the rate of one percent (1%) per month on the unpaid tax and on the unpaid penalties.

3. Interest shall be applied at the rate of one percent (1%) per month on the first day of the month for the full month and will continue to accrue monthly on the tax and penalty until the balance is paid in full.

B. Whenever a check or electronic payment is submitted in payment of a cannabis business tax and the payment is subsequently returned unpaid by the bank for any reason, the taxpayer will be liable for the tax amount due plus any fees, penalties, and interest as provided for in this chapter, and any other amount allowed under state law.

C. The Tax Administrator may waive the penalties imposed upon any person under this Section 6-7.10 if:

1. The person requests a waiver of penalties by submitting a written request for waiver to the Tax Administrator no later than December 31, of the second calendar year following the calendar year in which the tax became delinquent; and

2. The person provides evidence satisfactory to the Tax Administrator that the failure to pay timely was due to circumstances beyond the control of the person and occurred notwithstanding the exercise of ordinary care and in the absence of willful neglect; and the person paid the delinquent taxes, penalties, accrued interest, and fees owed prior to applying to the Tax Administrator for a waiver.

D. The waiver provisions specified in Section 6-7.10 (C) shall not apply to interest accrued on the delinquent taxes and a waiver shall be granted only once during any twenty-four-month period. The Tax Administrator's decision on a request for a waiver of penalties is final and conclusive and not subject to appeal under Section 67.15.

#### **6-7.11 Refunds and credits.**

A. No refund shall be made of any tax collected pursuant to this chapter, except as provided in Section 6-7.12.

B. No refund of any tax collected pursuant to this chapter shall be made because of the discontinuation, dissolution, or other termination of a business.

#### **6-7.12 Refunds and procedures.**

A. Whenever the amount of any cannabis business tax, penalty or interest has been overpaid, paid more than once, or has been erroneously collected or received by

the City under this chapter, it may be refunded to the claimant who paid the tax provided that a written claim for refund signed under the penalty of perjury is filed with the Tax Administrator within one (1) year of the date the tax was originally due or paid, whichever came first. A person may only file a claim for refund if the person paid the tax. No person shall be entitled to a refund unless the person can support the claim by written records sufficient to show entitlement thereto. The Tax Administrator's decision on a claim for refund is final and conclusive and not subject to appeal under Section 67.15.

B. The Tax Administrator, his or her designee which may include a third party, or any other City officer charged with the administration of this chapter shall have the right to examine and audit all the books and business records of the claimant in order to determine the eligibility of the claimant to the claimed refund. No claim for refund shall be allowed if the claimant refuses to allow such examination of claimant's books and business records after requested by the Tax Administrator to do so. The Tax Administrator may collect a fee adopted by resolution by the City Council to pay for the cost of examination and audit should the books and records be provided in a form insufficient to allow the Tax Administrator to make a determination on the claim for refund.

C. In the event that the cannabis business tax was erroneously paid in an amount in excess of the tax due, and the error is attributable to the City, the City shall refund the amount of tax erroneously paid; provided that (i) a claim for refund has been timely filed with the Tax Administrator; and (ii) the refund cannot exceed, under any circumstance, the amount of tax overpaid during the twelve months preceding the last month for which the claim states the tax was overpaid.

#### **6-7.13 Personal Cultivation Not Taxed.**

The provisions of this chapter shall not apply to personal cannabis cultivation or personal use of cannabis, to the extent those activities are authorized in the "Medicinal and Adult Use Cannabis Regulation and Safety Act," as may be amended. This chapter shall not apply to personal use of cannabis that is specifically exempted from state licensing requirements, that meets the definition of personal use or equivalent terminology under state law, and provided that the individual receives no compensation whatsoever related to that personal cultivation or use.

#### **6-7.14 Administration of the tax.**

A. It shall be the duty of the Tax Administrator to collect the taxes, interest, penalties, fees, and perform the duties required by this chapter.

B. For purposes of administration and enforcement of this chapter generally, the Tax Administrator may from time to time promulgate such administrative interpretations, rules, and procedures consistent with the purpose, intent, and express

terms of this chapter as he or she deems necessary to implement or clarify such provisions or aid in enforcement.

C. The Tax Administrator may take such administrative actions as needed to administer the cannabis business tax, including but not limited to:

1. Provide to all cannabis business taxpayers forms for the reporting of the tax;
2. Provide information to any taxpayer concerning the provisions of this chapter;
3. Receive and record all taxes remitted to the City as provided in this chapter;
4. Maintain records of taxpayer reports and taxes collected pursuant to this chapter;
5. Assess penalties and interest to taxpayers pursuant to this chapter;
6. Determine amounts owed under and enforce collection pursuant to this chapter.

#### **6-7.15 Appeal procedure.**

A taxpayer aggrieved by a decision of the Tax Administrator with respect to the amount of tax, interest, penalties, and fees, if any, due under this chapter may appeal only if a hearing was requested and attended pursuant to Section 6-7.25. An appeal may be made by filing a notice of appeal with the City Clerk within thirty (30) calendar days of the serving or mailing of the Tax Administrator's decision of the amount due. Upon receipt of a timely notice of appeal, the City Clerk, or his or her designee, shall fix a time and place for hearing such appeal with a hearing officer or other appointed body by the City Council. The City Clerk, or his or her designee, shall give at least ten (10) calendar days' notice of the appeal hearing in writing to such taxpayer at the last known place of address. The hearing officer or other appointed body shall render a written decision that shall be served on the taxpayer at the last known place of address. The decision of the hearing officer or other appointed body shall be final and conclusive. Any amount found to be due by the hearing officer or other appointed body shall be immediately due and payable upon the service of the decision. If no notice of appeal is filed within the time prescribed in this Section, the Tax Administrator's decision with respect to the amount of tax, interest, penalties, and fees due is final and conclusive.

#### **6-7.16 Enforcement - action to collect.**

A. Any taxes, interest, penalties, and/or fees required to be paid under the provisions of this chapter shall be deemed a debt owed to the City. Any person owing

money to the City under the provisions of this chapter shall be liable in an action brought in the name of the City for the recovery of such debt. The provisions of this chapter shall not be deemed a limitation upon the right of the City to bring any other action including criminal, civil and equitable actions, based upon the failure to pay the tax, interest, penalties, and/or fees imposed by this chapter or the failure to comply with any of the provisions of this chapter.

#### **6-7.17           Apportionment.**

If a person subject to the tax is operating both within the City and outside the City, it is the intent of the City to apply the cannabis business tax so that the measure of the tax fairly reflects the proportion of the taxed activity actually carried on in the City. To the extent federal or state law requires that any tax due from any taxpayer be apportioned, the taxpayer may indicate said apportionment on his or her tax return. The Tax Administrator may promulgate administrative procedures for apportionment as he or she finds useful or necessary.

**6-7.18 Constitutionality and legality.** This tax is intended to be applied in a manner consistent with the United States and California Constitutions and state law. None of the tax provided for by this chapter shall be applied in a manner that causes an undue burden upon interstate commerce, a violation of the equal protection or due process clauses of the Constitutions of the United States or the State of California or a violation of any other provision of the California Constitution or state law. If a person believes that the tax, as applied to him or her, is impermissible under applicable law, he or she may request that the Tax Administrator release him or her from the obligation to pay the impermissible portion of the tax.

#### **6-7.19           Audit and examination of premises and records.**

A.     For the purpose of ascertaining the amount of cannabis business tax owed or verifying any representations made by any taxpayer to the City in support of his or her tax calculation, the Tax Administrator or his/her designees which may include a third party shall have the power to inspect any location where commercial cannabis activity occurs and to audit and examine all books and records (including, but not limited to bookkeeping records, access to space utilized for cannabis related activities, METRC data, and/or point-of-sale data, state and/or federal income tax returns, excise tax returns, and other records relating to the gross receipts of the business) of persons engaged in cannabis businesses. In conducting such investigation, the Tax Administrator, or his/her designees which may include a third party shall have the power to inspect space utilized for cannabis related activities, any equipment or software, such as computers, software systems, platforms, and databases (including METRC), and/or point of sale systems, to include any keys or access codes for access to and use of the equipment and/or software, that may contain such records.



B. It shall be the duty of every person liable for the collection and payment to the City of any tax imposed by this chapter to keep and preserve, for a period of at least four (4) years, all records as may be necessary to determine the amount of such tax as he or she may have been liable for the collection of and payment to the City, which records the Tax Administrator or his/her designee which may include a third party shall have the right to inspect at all reasonable times.

#### **6-7.20 Other licenses, permits, taxes, fees, or charges.**

A. Nothing contained in this chapter shall be deemed to repeal, amend, be in lieu of, replace or in any way affect any requirements for any commercial cannabis permit, City license, permit, or other certificate required by, under or by virtue of any provision of any other Chapter of this code or any other ordinance or resolution of the City, nor be deemed to repeal, amend, be in lieu of, replace or in any way affect any tax, fee or other charge imposed, assessed or required under any other Chapter of this code or any other ordinance or resolution of the City. Any references made or contained in any other Chapter of this code to any licenses, permits, certificates, taxes, fees, or charges, or to any schedule of license, permit, certificate, or fees, shall be deemed to refer to the licenses, permits or certificates, and their respective taxes, fees or charges, or schedule of fees, provided for in other Chapters of this code.

B. A commercial cannabis permit issued under the Redondo Beach Municipal Code may be revoked, suspended or not renewed in the event that the business holding that permit has failed to (i) make a deposit required by the Tax Administrator pursuant to Section 6-7.06 or (ii) timely pay all taxes, interest and penalties owed by that business under this chapter.

#### **6-7.21 Payment of tax does not authorize unlawful business.**

A. The payment of a cannabis business tax required by this chapter, and its acceptance by the City, shall not entitle any person to carry on any cannabis business unless the person has complied with all of the requirements of this code and all other applicable state laws.

B. No tax paid under the provisions of this chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any local or state law.

#### **6-7.22 Deficiency determinations.**

If the Tax Administrator is not satisfied that any statement filed as required under the provisions of this chapter is correct, or that the amount of tax is correctly computed, he or she may compute and determine the amount to be paid and make a deficiency determination upon the basis of the facts contained in the statement or upon the basis of any information in his or her possession or that may come into his or her possession within

four (4) years of the date the tax was originally due and payable. One or more deficiency determinations of the amount of tax due for a period or periods may be made. When a person discontinues engaging in a cannabis business, a deficiency determination may be made at any time within four (4) years thereafter as to any liability arising from engaging in such cannabis business whether or not a deficiency determination is issued prior to the date the tax would otherwise be due. Whenever a deficiency determination is made, a notice shall be given to the person concerned in the same manner as notices of assessment are given under Sections 6-7.24 and 6-7.25.

#### **6-7.23 Failure to report—nonpayment, fraud.**

A. Under any of the following circumstances, the Tax Administrator may make and give notice of an assessment of the amount of tax owed by a person under this chapter at any time:

1. If the person has not filed a complete statement required under the provisions of this chapter;
2. If the person has not paid the tax due under the provisions of this chapter;
3. If the person has not, after demand by the Tax Administrator, filed a corrected statement, or furnished to the Tax Administrator adequate substantiation of the information contained in a statement already filed, or paid any additional amount of tax due under the provisions of this chapter; or
4. If the Tax Administrator determines that the nonpayment of any cannabis business tax due under this chapter is due to fraud, a penalty of twentyfive percent (25%) of the amount of the tax shall be added thereto in addition to penalties and interest otherwise payable under this chapter and any other penalties allowed by law.

B. The notice of assessment shall separately set forth the amount of any tax known by the Tax Administrator to be due or estimated by the Tax Administrator, after consideration of all information within the Tax Administrator's knowledge concerning the business and activities of the person assessed, to be due under each applicable provision of this chapter and shall include the amount of any penalties or interest accrued on each amount to the date of the notice of assessment. The notice shall state that the person has thirty (30) calendar days from the date of the notice to make a written request for an informal hearing before the Tax Administrator. The notice shall also state that if the person fails to timely request an informal hearing within the time allowed, the amount determined by the Tax Administrator is final and conclusive and is immediately due and payable.

#### **6-7.24 Tax assessment - notice requirements.**

The notice of assessment shall be served upon the person either by personal delivery, by overnight delivery by a nationally-recognized courier service, or by a deposit of the notice in the United States mail, postage prepaid thereon, addressed to the person at the address of the location of the business or to such other address as he or she shall register with the Tax Administrator for the purpose of receiving notices provided under this chapter; or, should the person have no address registered with the Tax Administrator for such purpose, then to such person's last known address. For the purpose of Section 6-7.24, a service by overnight delivery shall be deemed to have occurred one (1) calendar day following deposit with a courier and service by mail shall be deemed to have occurred three (3) days following deposit in the United States mail.

#### **6-7.25 Tax assessment - hearing, application, and determination.**

Within thirty (30) calendar days after the date of service of the notice of assessment the person may apply in writing to the Tax Administrator for an informal hearing on the assessment. If application for an informal hearing is not made within the time herein prescribed, the tax assessed by the Tax Administrator shall become final and conclusive. Within thirty (30) calendar days of the receipt of any such application for an informal hearing, the Tax Administrator shall cause the matter to be set for an informal hearing before him or her, or his/her designee, no later than thirty (30) calendar days after the receipt of the application, unless a later date is agreed to by the Tax Administrator and the person requesting the informal hearing. Notice of such informal hearing shall be given by the Tax Administrator to the person requesting such informal hearing no later than five (5) calendar days prior to such informal hearing. A hearing under this section shall be informal and need not follow any formal rules of evidence. At such hearing said applicant may appear and offer evidence why the assessment as made by the Tax Administrator should not be confirmed and fixed as the tax due. After such hearing the Tax Administrator shall determine and reassess (if necessary) the proper amount of tax, interest, penalties, and fees to be charged and shall give written notice of the decision to the person in the manner prescribed in Section 6-7.24 for giving notice of assessment. No appeal of a notice of assessment may be made under Section 6-7.15 unless an informal hearing is timely requested, and the person attends the hearing. If the person fails to appear at the informal hearing, the amount due determined by the Tax Administrator in the notice of assessment is final and conclusive. **6-7.26 Relief from taxes – disaster relief.**

A. If a person is unable to comply with any tax requirement imposed under this chapter due to a disaster impacting its cannabis business, the person may notify the Tax Administrator of its inability to comply and request relief from the tax requirement. For purposes of this chapter, “disaster” means fire, flood, storm, tidal wave, earthquake, or similar public calamity resulting in physical damage to real property, whether or not resulting from natural causes.

B. The person shall provide any information required by the Tax Administrator including, without limitation, why relief is requested, the time period for which the relief is requested, and the reason relief is needed for the specific amount of time. The person agrees to grant the Tax Administrator or his/her designee access to the location where the cannabis business has been impacted due to a disaster.

C. The Tax Administrator, in his/her sole discretion, may provide relief from the cannabis business tax requirement for businesses whose operations have been impacted by a disaster if such tax relief does not exceed twenty-five thousand (\$25,000) dollars. Such temporary relief may be granted for a reasonable amount of time, in the Tax Administrator's sole discretion, and the amount and duration of relief should be based upon how long it would reasonably take for the cannabis business to recover from the disaster. The Tax Administrator may require that the cannabis business follow certain conditions to receive temporary relief from the cannabis business tax requirement. The Tax Administrator's decision on a request for relief and the conditions that may be imposed for relief under this section are final and conclusive and not subject to appeal under Section 6-7.15. If such tax liability is twenty-five thousand and one (\$25,001) dollars or more than such relief shall only be approved by the City Council.

#### **6-7.27 Conviction for violation - taxes not waived.**

The conviction and punishment of any person for failure to pay the required tax shall not excuse or exempt such person from any civil action for the tax debt unpaid at the time of such conviction. No civil action shall prevent a criminal prosecution for any violation of the provisions of this chapter or of any state law requiring the payment of all taxes.

#### **6-7.28 Violation deemed misdemeanor.**

Each and every material violation of the provisions of this Chapter may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000.00) or imprisonment in the County jail for a period of not more than six (6) months, or by both such fine and imprisonment. Each day a material violation is committed or permitted to continue shall constitute a separate offense.

#### **6-7.29 Severability.**

If any provision of this chapter, or its application to any person or circumstance, is determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have no effect on any other provision of this chapter or the application of this chapter to any other person or circumstance and, to that end, the provisions hereof are severable.

### **6-7.30 Remedies cumulative.**

All remedies and penalties prescribed by this chapter, or which are available under any other provision of this code and any other provision of law or equity are cumulative. The use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this chapter.

### **6-7.31 Amendment or modification.**

Except as set forth in Section 6-7.31, this chapter may be amended or modified but not repealed by the City Council without a vote of the people. However, as required by Article XIII C of the California Constitution, voter approval is required for any amendment that would expand, extend, or increase the rate of any tax levied pursuant to this chapter beyond the maximums set forth in this chapter. The people of the City of Redondo Beach affirm that the following actions shall not constitute an increase of the rate of a tax:

A. The restoration or adjustment of the rate of the tax to a rate that is no higher than that allowed by this chapter, in those circumstances where, among others, the City Council has previously acted to reduce the rate of the tax or is incrementally implementing an increase authorized by this chapter;

B. An action that interprets or clarifies (i) the methodology of applying or calculating the tax or (ii) any definition applicable to the tax, so long as the interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the provisions of this chapter; or

C. The collection of the tax imposed by this chapter even if the City had, for some period of time, failed to collect the tax.”

**SECTION 2. SEVERABILITY.** If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The people of the City of Redondo Beach 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 be declared invalid.

**SECTION 3. ENVIRONMENTAL COMPLIANCE.** The City Council hereby finds and determines that this ordinance is exempt from the California Environmental Quality Act, Public Resources Code Sections 21000 et seq. (“CEQA”) and 14 Cal. Code Re. Sections 15000 et seq. (“CEQA Guidelines”). The calling and noticing of an election for the submission of a ballot measure to voters is not a project within the meaning of CEQA Guidelines 15378. The tax submitted to the voters is a general tax that can be used for any governmental purpose; it is not a commitment to any particular action or actions.

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 generated by the tax were used for a purpose that would have such an effect, the City of Redondo Beach would undertake the required CEQA review for that particular project. Therefore, pursuant to CEQA Guideline Section 15060 CEQA analysis is not required.

**SECTION 4. EFFECTIVE DATE.** Pursuant to the California Constitution, Article XIII C(2)(b) and California Elections Code § 9217, if a majority of the voters voting in the election on this measure vote in favor of the adoption of this measure, this ordinance shall be deemed valid and binding and shall be considered adopted upon the date that the vote is declared by the City Council and shall go into effect ten (10) days after that date.

This Ordinance was approved and adopted by the People of the City of Redondo Beach at the City's March 7, 2023, municipal election.

YES   X    
NO

This Ordinance was approved by Declaration of the vote by the City Council of Redondo Beach, California on March 21, 2023.

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Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:

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Michael W. Webb, City Attorney

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Eleanor Manzano, CMC, City Clerk

**RESOLUTION CC-2303-033**  
**EXHIBIT “C”**

**CHARTER AMENDMENT MEASURE CA1**

THE PEOPLE OF THE CITY OF REDONDO BEACH CALIFORNIA, HEREBY AMEND SECTIONS 19, 19.1, 19.7, AND 19.9 OF ARTICLE XIX OF THE CHARTER OF THE CITY OF REDONDO BEACH TO READ AS FOLLOWS:

(NOTE: New provisions or language added to the existing charter section are shown in **BOLDFACE type**; words and figures deleted from the existing charter section are shown in ~~strikeout type~~.)

Sec. 19. Public works, contracts.

Every contract involving an expenditure of more than ~~fifty~~ **two hundred** thousand dollars (\$~~5200~~,000.00) for public works projects, including the construction of improvements of public buildings, streets, drains, sewers, utilities, parks and playgrounds shall be let either to: (1) the lowest responsible bidder, after notice by publication in the official newspaper by one or more insertions, the first of which shall be published at least ten (10) days before the time for opening bids; or (2) the best value design-builds entity or best value design-build-operate entity responding to a request for proposals.

Public works projects of ~~fifty~~ **two hundred** thousand dollars (\$~~5200~~,000.00) or less may be let to contract by informal bid procedures as shall be set by the City Council by ordinance.

Public works projects of ~~fifteen~~ **sixty** thousand dollars (\$~~4560~~,000.00) or less may be performed by employees of the City by force account, by negotiated contract or by purchase order.

**The Council may by ordinance with four-fifths (4/5ths) vote amend each of the above dollar limits by no more than twenty-five percent (25%), and no less than five (5) years between amendments.**

The Council may reject any and all bids received whenever in the opinion of the City Council:

- (a) The bid or bids do not strictly comply with the notice and specifications.
- (b) The Council finds and determines that the proposed project or purchase should be abandoned.
- (c) The Council finds and determines that the materials may be purchased more reasonably on the open market and the work done cheaper by day or City labor.
- (d) The Council determines that the bids are higher than anticipated and a new call for bids would result in savings to the City.
- (e) The Council determines that it would be in the best interest of the City to delay the work or purchase for an indefinite period of time.
- (f) The best interests of the City would be served by a rejection of all bids.
- (g) The proposal is not suitable for the project.

\*19—as amended by election 4-11-67, 3-7-89 and 3-6-01.



Sec. 19.1. Competitive bidding, when not required.

It shall not be necessary for the City Council to publish notice calling for bids or to receive bids as required in Article XIX, Section 19, in the following cases:

(a) Where the proposed work consists of maintenance or repair, **as defined by the City Council by ordinance or resolution.**

(b) When the City Council, upon recommendation of the City Manager, finds and determines that the work may be done more reasonably either on a daily basis or by the use of City labor, and/or materials may be purchased as cheaply on the open market.

(c) When the City Council by four-fifths (4/5) vote expressed in its official minutes finds and determines that an emergency exists and it is necessary to immediately contract for such work and/or materials in order to protect and preserve life or property.

(d) When the proposed services are not competitive or are to be furnished by a public utility.

~~(e) On all purchases of supplies or materials under \$5,000.00, providing such purchases are approved by the City Manager.~~

**\*19.1—COMPETITIVE BIDDING, WHEN NOT  
REQUIRED—as amended by election 4-13-65.**

Sec. 19.7. Contracts, progress payments.

All contracts entered into by or on behalf of the City of Redondo Beach may provide for percentage payments at various stages of the work contracted for provided, however, that at least ~~ten (10)~~ **five (5)** per cent of the total sums payable by the City of Redondo Beach under any **public works** contract shall be withheld until the work is approved by the department head and accepted by the City Council. The City Council shall not accept complete performance under any contract until satisfactory evidence is furnished that all labor and material liens have been completely satisfied by the contractor.

Sec. 19.9. Municipal purchases.

The City Council by ordinance, upon recommendation of the City Manager, shall provide for the purchase of all **equipment, materials, supplies, labor, or services** by the City through the City Manager or through some official, employee or department recommended by him, subject to other provisions of this Charter, and in accordance with such regulations as may be deemed advisable by the City Manager and the City Council.

## CHARTER AMENDMENT MEASURE CA2

THE PEOPLE OF THE CITY OF REDONDO BEACH CALIFORNIA, HEREBY AMEND SECTION 20.1 OF ARTICLE XX OF THE CHARTER OF THE CITY OF REDONDO BEACH TO READ AS FOLLOWS:

(NOTE: New provisions or language added to the existing charter section are shown in **BOLDFACE type**; words and figures deleted from the existing charter section are shown in ~~strikeout type~~.)

Sec. 20.1. Approval of demands.

All demands shall, prior to payment, be approved by the City Manager and the City Clerk. Prior to the approval of any demands by them, they shall satisfy themselves that the **amount is legally due** ~~supplies, materials, property or services for which payment is claimed, have been actually delivered or rendered~~, that the payment, authorized by law, is just and fair, and that appropriation for the same has been made. All payrolls shall be certified by the respective department heads and approved by the City Manager.

## CHARTER AMENDMENT MEASURE CA3

THE PEOPLE OF THE CITY OF REDONDO BEACH CALIFORNIA, HEREBY AMEND  
TWENTY-SIX SECTIONS OF THE CHARTER OF THE CITY OF REDONDO BEACH TO  
READ AS FOLLOWS:

(NOTE: New provisions or language added to the existing charter section are shown in **BOLDFACE type**; words and figures deleted from the existing charter section are shown in ~~strikeout type~~.)

### Article VI. City Council

#### Sec. 6. Number and term.\*

The City Council shall consist of five (5) members elected from the City by districts, at the times and in the manner in this Charter provided, and who shall serve for a term of four (4) years. All members shall take office on the first day of the month following the general municipal election; except that a person elected at a run-off election shall take office after the canvass of votes and upon installation pursuant to law. Each member shall serve until ~~his~~ **such member's** successor is elected and qualified.

\*6—as amended by election 3-5-85.

#### Sec. 6.1. Eligibility.\*

No person shall be eligible to file as a candidate for or hold office as a member of the City Council unless such person shall be registered to vote at an address within the district ~~he~~(~~she~~) **such person** seeks to represent at the time of filing ~~his~~(~~her~~) nomination papers, and shall have been a resident of the City for at least thirty (30) days immediately preceding the date of such filing. In addition, the candidate for City Council either by election or appointment, shall have been a resident of the district which such person seeks to represent for at least thirty (30) days immediately prior to filing ~~his~~(~~her~~) **such person's** nomination papers or the date of ~~his~~(~~her~~) **such person's** appointment.

\*6.1—as amended by election 6-6-78 and 3-7-95.

#### Sec. 6.4. Vacancies; special election.\*

Any vacancy in the City Council, or any elective office, shall be filled as follows:

(a) If less than two (2) years remain in the unexpired term of the vacant office, such vacancy shall be filled by appointment by the majority of the remaining members of the City Council within thirty (30) days following the vacancy. The Mayor shall not have the right to veto any Council appointment made pursuant to this section, but may vote to break a tie. If the Council fails to fill the vacancy as provided herein, the Mayor shall make such appointment within fifteen (15) days following the Council's failure to fill the vacancy. Any appointee shall hold office until the first day of the month following the next General Municipal Election and until ~~his~~ **such appointee's** successor is elected and qualified.

(b) If two (2) years or more remain in the unexpired term of the vacant office, the City Council shall forthwith order a special election to be held to fill the vacancy for the remainder of the unexpired term.

\*6.4—as amended by election 4-12-55 and 11-2-82.

#### Sec. 6.5. Vacancy, declared by Council.

If a member of the City Council is absent from all regular meetings of the City Council for four (4) consecutive regular meetings from and after the last regular City Council meeting, attended by such ~~Councilman~~ **Councilmember** unless by permission of the City Council as evidenced by its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be a resident of the district from which ~~he~~ **such Councilmember** was elected, ~~his~~ **such Councilmember's** office shall become vacant and shall be so declared by the City Council.

### Article VII. Districts

#### Sec. 7. City Council districts.\*

The City shall be divided into five (5) districts, within its corporate limits, for all elections of ~~Councilmen~~ **Councilmembers**. Council districts shall be as nearly equal in population as practicable and in compliance with State and Federal law. Council districts in existence upon the effective date of the Charter Amendment shall continue to exist until altered as provided in Section 7.1.

\*7, 7.1—as amended by election 4-12-55 and 11-2-82.

### Article VIII. The Mayor

#### Sec. 8. Mayor, election, term and compensation.\*

The Mayor shall be elected from the City at large and shall serve for a term of four (4) years and until ~~his~~ **the Mayor's** successor is elected and qualified. ~~He~~ **The Mayor** shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of ~~his~~ **the Mayor's** official duties and shall receive a salary which shall be set by ordinance in the same manner and subject to the same conditions as the salaries of ~~councilmen~~ **Councilmembers** pursuant to the provisions of Government Code Section 36516 as it now exists or as it may be hereafter amended by the State Legislature.

\*8—as amended by election 4-13-65 and 4-11-67.

#### Sec. 8.1. Mayor, eligibility.\*

No person shall be eligible to file as a candidate or hold office as Mayor unless such person shall be a registered voter of the City of Redondo Beach at the time of filing ~~his~~ **his** ~~(her)~~ **such person's** nomination papers and shall have been a resident of the City for at least thirty (30) days immediately preceding the date of such filing or appointment.

\*8.1—as amended by election 6-6-78 and 3-7-95.

Sec. 8.3. Mayor, presiding officer.

~~He~~**The Mayor** shall be the executive head of the City of Redondo Beach for the purposes hereinafter set forth:

- (a) ~~He~~**The Mayor** shall preside over the meetings of the City Council.
- (b) ~~He~~**The Mayor** shall be the representative of the City for all ceremonial purposes.
- (c) ~~He~~**The Mayor** shall sign, on behalf of the City, all contracts, ordinances, resolutions and warrants except as hereinafter set forth.
- (d) ~~He~~**The Mayor** shall approve all bonds as to amounts.
- (e) ~~He~~**The Mayor** shall perform such other duties as may be prescribed by this Charter or as may be assigned to ~~him~~**the Mayor** by the City Council.

Sec. 8.4. Mayor, veto power.

The Mayor shall have the right to veto any action of the City Council, provided, however, that in the case of a resolution or ordinance the Mayor shall exercise the veto power in writing, expressing ~~his~~**the Mayor's** reasons therefor, and ~~he~~**the Mayor** shall have five (5) days, after the delivery to the office of the Mayor of such resolution or ordinance, in which to exercise the veto. The City Council may override the action of the Mayor by four (4) affirmative votes.

Article IX. Legislative Department

Sec. 9.1. Departmental interference.\*

Neither the City Council, nor any of its members, nor the Mayor of the City shall order or request, directly or indirectly, the appointment of any person to an office or employment, or ~~his~~**the removal of any person** therefrom by the City Manager, or by any of the elective officers or other department heads in the administrative service of the City. The City Council and the Mayor shall conduct all business with the administrative branch of the municipal government solely through the City Manager. Neither the City Council, nor any members thereof, nor the Mayor shall give orders to any subordinates of the City Manager, either publicly or privately; provided that the foregoing shall not prevent the City Council, and the members thereof, or the Mayor from:

- (a) Contacting officers and employees of the City for the purpose of inquiry or obtaining information, or
- (b) Contacting officers and employees for the purpose of advising said officers and employees of citizen complaints relating to the operation of government.

\*9.1, 9.3—as amended by election 3-8-83.

Sec. 9.10. Ordinances and resolutions.\*

Except as hereinafter specified, no ordinance shall be adopted by the City Council on the day of its introduction, nor within five (5) days thereafter, nor at any time other than at a regular or adjourned regular meeting. At the time of introduction of an ordinance or resolution, it shall be read in full unless, after the reading of the title thereof, the further reading thereof is waived by motion of the City Council regularly made and approved by a majority consent of the ~~councilmen~~**Councilmembers** present. After the introduction of an ordinance and for a period of not less than five (5) days prior to the adoption of such ordinance, a copy of the ordinance shall be posted at the City Hall. At the time of adoption of an ordinance it shall be read in full unless, after the reading of the title thereof, the further reading thereof is waived by motion of the City

Council regularly made and approved by majority consent of the ~~councilmen~~ **Councilmembers** present. In the event that any ordinance is materially altered after its introduction, the same shall not be finally adopted except at a regular or adjourned regular meeting, held not less than five (5) days after the date upon which such ordinance was so altered. The correction of typographical or clerical errors shall not constitute the making of an alteration within the meaning of the foregoing.

Unless a greater number of votes is required by other provisions of this Charter or by the laws of this State under which any action is taken by the City Council, the affirmative votes of at least three (3) members of the City Council shall be required for the enactment of any ordinance or resolution, or for the making or approving of any order for the payment of money.

\*9.10—ORDINANCES AND RESOLUTIONS—as amended by election 4-11-67.

#### Article X. Elective Officers

Sec. 10.1. Compensation of elective officers, other than Mayor and City Council.

The elective officers of said City shall receive at stated times a compensation for their services in their respective capacities, to be fixed by ordinance adopted by the City Council. The compensation for such services shall not be increased or diminished as to any such officer after ~~his-such person's~~ election and during ~~his-such person's~~ term of office, nor within thirty (30) days prior to the date when nomination papers for the position may be filed, provided, however, that in the event of an emergency and in the event any law is adopted by the Legislature of the State of California permitting an increase during the period of any emergency of the salaries of elective officers, then and in that event the City Council may by ordinance increase the salaries of such elective officers in accordance with the provisions of the general law then in effect. In the event of an appointment to fill the vacancy in the unexpired term of any elective official, the City Council may, prior to the time of such appointment, adopt an ordinance, as an emergency ordinance, providing for the compensation of such appointee during the balance of the unexpired term and thereafter the salary or compensation of such appointee shall not be increased or decreased except in the manner hereinabove provided for elective officials.

Sec. 10.2. Elective offices, vacancies, leaves of absence, temporary appointments.\*

In the event any elective official described in Article X, Section 10, is unable by reason of illness to perform the duties of ~~his-such elective official's~~ office, the City Council shall grant, without the necessity of any written request for such leave by the official, to such official a leave of absence with pay, for a period of not to exceed six (6) months. Upon the granting of such leave of absence the City Council shall make a temporary appointment for the duration of the leave of absence. In the event any elective official of the City of Redondo Beach ~~absents himself-is absent~~ from said City for thirty (30) consecutive days or in the event that such elective official does not perform ~~his-such elective official's~~ duties for thirty (30) consecutive days, unless such elective official has the permission of the City Council to **be absent himself** from the City for thirty (30) consecutive days or to refrain from performing ~~his-such elective official's~~ duties for longer than such period, such permission being expressed in the official minutes of the City Council, or in the event such official is convicted of a crime involving moral turpitude, or otherwise ceases for any reason to be eligible to hold ~~his-such official's~~ office, **his such** office shall become vacant and shall be so declared to the City Council.

\*10.2—as amended by election 6-3-86.

### Sec. 10.3. Eligibility.\*

No person shall be eligible to file as a candidate or hold office as City Clerk, City Treasurer, or City Attorney under Article X unless such person shall be a registered voter of the City of Redondo Beach at the time of filing ~~his(her)~~ **such person's** nomination papers and shall have been a resident of the City for at least thirty (30) days immediately preceding the date of such filing or appointment.

\*10.3—as added by election 4-13-65; as amended by election 6-6-78, 3-5-85 and 3-7-95.

## Article XI. Elective Officers, Powers and Duties

### Sec. 11. City Clerk.\*

The City Clerk shall have the power and be required to:

- (a) Be represented at all meetings of the Council ~~by himself or his~~, **personally or through a** deputy. Record and maintain a true and correct record of all of the proceedings of the City Council in books devoted solely to such purposes. Such books shall have a comprehensive index to enable persons readily to ascertain matters contained therein;
- (b) Compile and maintain ordinance and resolution books, in which shall be recorded all City Ordinances and Resolutions with the certificate of the Clerk annexed thereto to each said resolution or ordinance, together with a statement that the same is a true and correct copy, giving the numbers of said ordinance or resolutions and, as to an ordinance, a statement that the same has been published according to the requirements of this Charter;
- (c) Be the custodian of the seal of the City of Redondo Beach;
- (d) Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of official records;
- (e) Provide all elective officials with certificates of election properly authenticated to by himself and appointive officers with certificates of appointment;
- (f) Have charge of the administration of the financial affairs of the City under the direction of the City Manager and in connection therewith shall have the power and be required to:
  - (1) Prepare and assemble the budget expense and capital estimates for the City Manager;
  - (2) Supervise all expenditures and disbursements to insure that budget appropriations are not exceeded;
  - (3) Provide and maintain a general accounting system for the City government and each of its offices, departments and agencies; keep books for and prescribe the financial forms to be used by each office, department and agency;
  - (4) Supervise the maintenance of current inventories of all property, real and personal, by the respective officers in charge thereof and periodically to audit the same;
  - (5) Submit to the City Council, through the City Manager, a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City; and, as of the end of each fiscal year, submit a financial statement and report; and
  - (6) To approve, except as to correctness, together with the City Manager, before payment, all bills, invoices, payrolls, demands or charges against the City government.

No person shall be eligible for office of City Clerk unless ~~he~~ **such person** shall have successfully completed, with a passing grade, at least 15 units consisting of the following courses: elementary accounting; intermediate accounting; advanced accounting; auditing; cost accounting; and municipal and governmental accounting. Said courses shall have been completed at a collegiate institution, either in residence or in extension, or in a recognized

private school of equal educational standards. Five years experience in municipal accounting, in a responsible position, may be substituted for the educational requirements.

11

\*11—as amended by election 4-13-65.

#### Sec. 11.1. City Treasurer.\*

The City Treasurer shall be the custodian of all public funds belonging to or under the control of the City, or of any office, department or agency thereof, and shall have the power and be required to:

- (a) Receive and have custody of all moneys collected by the City from any source;
- (b) Deposit all moneys received in such depositories as may be designated by resolution of the City Council;
- (c) Disburse moneys on demands properly audited and approved in the manner provided for in this Charter or by ordinance of the City of Redondo Beach;
- (d) Prepare and submit to the City Clerk monthly written reports of all receipts, disbursements and funds balances, copies of which reports shall be filed with the City Manager;
- (e) Prepare and submit to the City Manager monthly reports as to the failure of any department heads, officers and/or employees within the City failing to promptly turn over moneys to the Treasurer as required by this Charter or by ordinances of said city and have the authority to audit all moneys collected by the City from any source in order to prepare these monthly reports;
- (f) Collect City taxes and license fees;
- (g) Invest and reinvest funds according to State law; provided, however, that the City Council may adopt investment guidelines by resolution.

The City Treasurer may appoint deputies for whose acts ~~he and his bondsmen~~ **the City Treasurer and the City Treasurer's bond agents** are responsible. The deputies shall hold office at the pleasure of the City Treasurer. The effective date of this Charter Amendment shall be April 1, 1983.

\*11.1—as amended by election 11-2-82 and 11-4-14.

#### Sec. 11.2. City Attorney.\*

No person shall be eligible for the office of City Attorney unless ~~he~~ **such person** shall have been admitted to practice as an attorney at law before the Supreme Court of the State of California, and shall have been engaged in the active practice of law in the State of California for at least five (5) years preceding ~~his~~ **such person's** appointment or election.

The City Attorney shall devote ~~his~~ **the City Attorney's** full time to the duties of office and shall not engage in private legal practice during ~~his~~ **the** term of office, except to carry to conclusion any matters for which ~~he~~ **the City Attorney** has been retained prior to taking office.

The City Attorney shall have the power and shall be required to:

- (a) Represent and advise the City Council and all city officers in all matters of law pertaining to the respective offices/duties.
- (b) Represent and appear for the city and any city officer, employee or former city officer or employee, in any and all actions or proceedings in which the city or such officer or employee, in or by reason of ~~his~~ **such person's** official capacity is concerned or is a party. The City Council, at the request of the City Attorney, may employ other attorneys to assist in any litigation or other matter of interest to the city.



(c) Prosecute on behalf of the People any and all criminal cases arising from violations of this Charter or city ordinances; ~~he~~**the City Attorney** shall prosecute violations of State misdemeanors, unless otherwise directed by the City Council.

(d) Attend all meetings of the City Council, unless excused, and give ~~his~~**the City Attorney's** advice or opinion orally or in writing whenever requested to do so by the City Council or by any boards or officers of the city.

(e) Approve the form of all bonds given to, and all contracts made by, the city, endorsing ~~his~~**the City Attorney's** approval thereon in writing.

(f) Prepare any and all proposed ordinances or resolutions for the city and amendments thereto.

(g) On vacating office, surrender to ~~his~~**the City Attorney's** successor all books, papers, files, and documents pertaining to the city's affairs.

The City Attorney may appoint such assistant city attorneys or deputy city attorneys who shall serve ~~him~~**the City Attorney**. Such assistant city attorneys or deputy city attorneys shall not be included in the classified service and shall be subject to removal by the ~~city attorney~~**City Attorney**.

The City Attorney shall perform such other duties of a legal nature as the Council may by ordinance require or as provided by the Constitution and general laws of the State.

\*11.2—as amended by election 4-15-75 and 6-5-84.

## Article XII. City Manager

### Sec. 12.1. Method of appointment.

The City Manager shall be chosen on the basis of ~~his~~**the City Manager's** executive and administrative qualifications and experience in the field of city management. ~~He~~**The City Manager** shall be paid a salary commensurate with ~~his~~**the City Manager's** responsibilities as the chief administrative officer of the City. The first City Council elected after the effective date of this Charter shall, within ninety (90) days after taking office, appoint a City Manager. Any City Manager appointed shall be employed by contract for a period of not less than one (1) year and not more than three (3) years, provided that such contract may be renewed from time to time for similar periods.

### Sec. 12.3. Powers and duties.\*

The City Manager shall be the chief administrative officer and the head of the administrative branch of the City government. ~~He~~**The City Manager** shall be responsible directly to the City Council for the proper administration of all affairs of the City, and ~~he~~**the City Manager** shall have power and be required to:

(a) Appoint, remove and assign, and supervise and direct the activities of all non-elected department heads and employees of the City, subject to the provisions of this Charter and the ordinances, Civil Service Rules and Regulations of the City and directives of the City Council; provided, however, that the City Manager shall not have any such or other authority over the City Attorney, City Treasurer or City Clerk, except as specifically provided in section 11(f) of this Charter, or over their Assistants and Deputies appointed in accordance with the provisions of this Charter and provided, further, that the City Attorney, City Treasurer and City Clerk shall

supervise and direct the day-to-day work assignments of the employees assigned to their respective departments.

- (b) Prepare the budget annually and submit it to the City Council and be responsible for its administration after the adoption of the budget.
- (c) Prepare and submit to the City Council at the end of each fiscal year a complete report on the finances and administrative activities of the City for the preceding year, including all ~~of his~~ activities as City Manager.
- (d) Keep the City Council advised of the financial condition and future needs of the City and make such recommendations as may seem ~~to him to be~~ desirable and ~~to~~ in the best interests of said City.
- (e) Appoint and remove, subject to the provisions of this Charter and the Civil Service ordinances, rules and regulations of the City of Redondo Beach, all department heads of the City except as herein otherwise provided, and pass upon and approve all proposed appointments and removals of subordinate employees by department heads.
- (f) Perform such other duties as may be prescribed by this Charter or required of ~~him~~ **the City Manager** by the City Council not inconsistent with this Charter.
- (g) Attend all of the meetings of the City Council and have the right to participate in the deliberations of the City Council, but shall not have a vote at such meetings.
- (h) ~~He~~ **The City Manager** shall appoint, subject to the approval of the City Council, one of the other city officers as Manager pro tempore during any temporary absence or disability of the City Manager.

\*12.3—as amended by election 3-4-97.

#### Sec. 12.4. Assistant City Manager.

In the event the City Council provides for the appointment of an Assistant City Manager ~~he~~ **such Assistant City Manager** shall be appointed by and be under the supervision and direction of the City Manager and may be removed at any time by the City Manager. In the event an Assistant City Manager is appointed, the provisions of Subdivision (h) of Section 12.3 shall be inoperative.

### Article XVI. Redondo Beach Unified School District

#### Sec. 16.1. Board members.\*

The government and control of the public schools shall be vested in the Board of Education, consisting of five (5) members. No person shall be eligible to hold the office of member of the Board of Education unless ~~he(he)~~ **such person** shall have been a resident of the territory included in the Redondo Beach Unified School District for at least thirty (30) days immediately preceding the date of filing ~~his(her)~~ **such person's** declaration of candidacy. They shall be elected at large by the registered voters of the district and shall serve for a four (4) year term, without compensation, except necessary expenses when acting as a designated representative of the Board of Education as provided in the Education Code of the State of California.

\*16.1—as amended by election 4-10-73, 4-19-77, 6-678, 3-2-93, and 3-7-95.

#### Sec. 16.3. Elections.\*

The election of members of the Board of Education members shall be held in the Redondo Beach School District on the first Tuesday after the first Monday in March of each succeeding

odd-numbered year to fill the offices of members whose terms expire on March 31st next succeeding the election. Each person elected at a regular biennial governing board member election shall hold office for a term of four years from April 1st next succeeding his **such person's** election. Board of Education elections shall be consolidated with General Municipal Elections.

\*16-3—as amended by election 4-10-73, 6-6-78, and 3-2-93.

## Article XVII. Taxation and Budget

### Sec. 17.7. Budget preparation.

Annually, the City Manager shall require the heads of each department to submit to ~~him~~ **the City Manager** not later than April 1st, detailed estimates of the estimated revenues and expenditures of their departments for the ensuing fiscal year. The City Manager shall hold such conferences with the department heads as may be necessary to permit ~~him~~ **the City Manager** to accurately determine department needs in the light of anticipated municipal revenues and efficient operation of the departments.

## Article XVIII. Elections

### Sec. 18. General municipal elections.\*

General Municipal Elections to fill elective offices shall be held in said City on the first Tuesday after the first Monday in March of each succeeding odd-numbered year to fill the offices of persons whose terms expire on March 31st next succeeding the election. Each person elected at a General Municipal Election shall hold office for a term of four years from April 1st next succeeding his **such person's** election. General Municipal Elections shall be consolidated with Board of Education elections.

\*18—as amended by election 4-10-73 and 6-6-78.

## Article XIX. General Provisions

### Sec. 19.9. Municipal purchases.

The City Council by ordinance, upon recommendation of the City Manager, shall provide for the purchase of all materials by the City through the City Manager or through some official, employee or department recommended by ~~him~~ **the City Manager**, subject to other provisions of this Charter, and in accordance with such regulations as may be deemed advisable by the City Manager and the City Council.

## Article XXVI.

(Added by election 4-15-75)

### Sec. 26. Mayor and City Council.

No person shall serve more than two full terms as ~~Councilman~~ **Councilmember** from any combination of districts, or Mayor. If a person serves a partial term in excess of two years, it shall be considered a full term for the purpose of this provision. Previous and current terms of office shall be counted for the purpose of applying this provision to future elections although all persons presently in office shall be permitted to complete their present terms.

## CHARTER AMENDMENT MEASURE CA4

THE PEOPLE OF THE CITY OF REDONDO BEACH CALIFORNIA, HEREBY AMEND SECTION 8.3 OF ARTICLE VIII OF THE CHARTER OF THE CITY OF REDONDO BEACH TO READ AS FOLLOWS:

(NOTE: New provisions or language added to the existing charter section are shown in **BOLDFACE type**; words and figures deleted from the existing charter section are shown in ~~strikeout type~~.)

Sec. 8.3. Mayor, presiding officer.

~~He~~ **The Mayor** shall be the executive head of the City of Redondo Beach for the purposes hereinafter set forth:

(a) ~~He~~ **The Mayor** shall preside over the meetings of the City Council.

(b) ~~He~~ **The Mayor** shall be the representative of the City for all ceremonial purposes.

(c) ~~He~~ **The Mayor** shall sign, on behalf of the City, all contracts, ordinances, resolutions and warrants except **when the City Council has authorized the City Manager, or other officer or other employee to approve and sign a written contract on behalf of the City** as hereinafter set forth.

(d) ~~He~~ **The Mayor** shall approve all bonds as to amounts. (e) ~~He~~ **The Mayor** shall perform such other duties as may be prescribed by this Charter or as may be assigned to him by the City Council.

## CHARTER AMENDMENT MEASURE CA5

THE PEOPLE OF THE CITY OF REDONDO BEACH CALIFORNIA, HEREBY AMEND SECTION 18.4 OF ARTICLE XVIII OF THE CHARTER OF THE CITY OF REDONDO BEACH TO READ AS FOLLOWS:

(NOTE: New provisions or language added to the existing charter section are shown in **BOLDFACE type**; words and figures deleted from the existing charter section are shown in ~~strikeout type~~.)

Sec. 18.4. Majority vote: ~~Runoff elections.~~ **Instant runoff election.**

A. ~~Except as provided in this Section with regard to runoff elections, a~~ **The City Council must by ordinance provide for an instant runoff voting system in the elections of each city elective office listed in Article VI, Article VIII, and Article X. A majority (more than half), of the votes cast for all candidates, or a majority of the operative votes on continuing ballots in subsequent rounds, is required for the election of a candidate to each such office as determined by an instant runoff voting system process detailed in the ordinance the council must enact.** ~~for each City elective office is required for the election of the candidate to such office. In the event no candidate for an elective office receives a majority of the votes cast for all candidates for such office, the two (2) candidates receiving the highest numbers of votes cast for any such office shall thereby qualify as candidates for such office at a runoff election to be held not later than seventy (70) days after such election. In the event that any person qualifies pursuant to law to become a write-in candidate for such office at the runoff election, the candidate who receives a plurality of all the votes cast for such office in the runoff election shall be elected.~~

B. Notwithstanding the foregoing, members of the Board of Education shall continue to be elected by a plurality of votes cast.

\*18.4—as added by election 11-4-80; as amended by election 11-6-84 and 3-7-95.