

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA ESTABLISHING THE COMPOSITION OF THE ADVISORY COMMITTEE PROVIDED FOR BY MEASURE AA (ORDINANCE NO. 649), SETTING THE TERMS OF OFFICE OF THE COMMITTEE MEMBERS, AND DEFINING THE SCOPE OF THE COMMITTEE'S RESPONSIBILITIES

WHEREAS, on August 6, 2012, the City Council approved the submittal of Measure AA to the City voters at the November 6, 2012, Election. Measure AA proposed to raise revenue to offset severe state budget cuts and provide funding for such things as repair, maintenance and improvement of streets, sidewalks, public facilities, parks, libraries and other services in the City of Commerce. The revenue would be raised by approving an ordinance enacting a one-half of one percent ($\frac{1}{2}\%$) transactions and use (i.e. "sales tax") tax within the City; and

WHEREAS, on November 6, 2012, Measure AA was duly approved by the voters of the City of Commerce; and

WHEREAS, Measure AA (Ordinance No. 649) provides for the establishment of an Advisory Committee that will review and report on the receipt of and expenditure of funds from the sales tax revenues generated by Measure AA; and

WHEREAS, Section 3.09 of Ordinance No. 649 (Measure AA) states, in part, that:

Additionally, there shall be a committee consisting of no fewer than five seats to review and report on the receipt of revenue and expenditure of funds from the tax authorized by this chapter. The committee members shall be either City residents or representatives of City businesses. Within 90 days of the operative date of this chapter, the City Council shall adopt a resolution establishing the composition of the committee, setting the terms of office of the committee members, and defining the scope of the committee's responsibilities, which at a minimum shall include reviewing the annual auditor's report and making recommendations to the City Council for use of the tax revenue. The committee's report and recommendations shall be completed by a date to allow for it to be considered as part of each annual budget process. The committee's report and recommendation shall be a matter of public record and shall be considered and reported by the City Council at a public meeting; and

WHEREAS, on April 23, 2013, the City Council of the City of Commerce held a workshop in order to consider and decide upon the key issues related to the establishment of the Measure AA Advisory Committee.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:

Section 1. Composition and Term. The Advisory Committee shall be composed as follows and shall have the following terms:

- a. The Committee members shall serve at the pleasure of the City Council and will be composed of seven (7) members.
- b. Five (5) of the Committee members will be residents and registered voters of the City. Each City Councilmember will be provided the opportunity to appoint one resident to serve as a member of the Committee. The term for the resident members will be for four (4) years, to correspond with the appointing Council member's term; nevertheless, the appointments shall be reviewable annually by the Council.
- c. Two of the Committee members will be representatives of businesses that are located in the City. The City Council will appoint the business representative members. The term for the business members will be for four (4) years; nevertheless, the appointments shall be reviewable annually by the Council.

Section 2. Meetings. The Advisory Committee meetings shall proceed as follows:

- a. The Committee meetings will be subject to the Ralph M. Brown Act.
- b. The Committee shall elect a Chairperson and a Vice Chairperson.
- c. The Committee shall adopt rules of conduct for their meetings; they shall comply, as much as practicable with the Robert's Rules of Order.
- d. The Committee shall meet as many times as necessary throughout the year, but no fewer than two times per year.
- e. The Committee shall meet with the City Council as required by the Council and/or as deemed necessary by the Committee.

Section 3. Scope of Duties. The Advisory Committee's duties shall be as follows:

- a. The Committee shall review the annual auditor's report of the Measure AA sales tax revenues.
- b. The Committee shall make recommendations to the City Council for use of the Measure AA sales tax revenues. Such recommendations shall be completed and presented to the City Council in time for the Council's consideration as part of each annual City budget process.
- c. The Committee's recommendations to the Council for use of the Measure AA sales tax revenues shall be consistent with the following criteria:
 - (i) 70% shall be used for one-time infrastructure/capital items (addressing current deficiencies). Such projects may include street projects (including, but not limited to sidewalk, alleys, traffic signals, signs, storm drains, utilities); public facilities projects (including, but not limited to building repairs, technological enhancements, maintenance, retrofit); environmental quality of life projects (including, but not limited to air, water, pollution abatement/control, housing retrofit projects); and major capital equipment replacement/investments (capital equipment in excess of \$5,000).
 - (ii) 10% shall be maintained as reserves.
 - (iii) 10% shall be used for economic development activities/projects.
 - (iv) 5% shall be used to cover the City's administrative costs in connection with the implementation of Measure AA and the projects paid for by the Measure.
 - (v) 2.5% shall be used for City beautification activities and/or projects.
 - (vi) 2.5% shall be used for public safety activities.
 - (vii) City staff shall provide the Committee with a list of potential projects/activities that satisfy the above criteria.

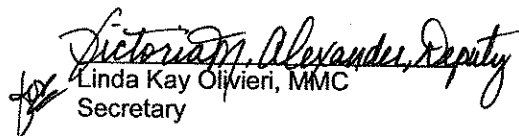
Section 4. The City Clerk shall certify to the adoption of this Resolution and thereupon and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 7th day of May, 2013.



Joe Aguilar, Chairperson

ATTEST:


Linda Kay Olivieri, MMC
Secretary

Resolution Establishing Committee Measure AA