

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE TO AMEND SECTION 5.04.110 (LICENSE TAX – IMPOSED) OF CHAPTER 5.04 (BUSINESS LICENSE TAX) OF TITLE 5 (BUSINESS LICENSES AND REGULATIONS) OF THE SUNNYVALE MUNICIPAL CODE**

WHEREAS, Section 5.04.110 of the Sunnyvale Municipal Code was submitted to the voters of the City of Sunnyvale as Measure D at the General and Special Municipal Election held on November 8, 2005, and was passed by the voters with 51.21% of the vote; and

WHEREAS, Section 5.04.110(e) of the Sunnyvale Municipal Code provides that for the business license tax due January 1, 2009 and thereafter, the amount of the tax and cap shall be indexed annually based upon the San Jose/San Francisco/Oakland MSA (Metropolitan Statistical Area) Consumer Price Index; and

WHEREAS, in February 2018, the Bureau of Labor Statistics of the United States Department of Labor published new geographic area samples for the Consumer Price Index (CPI) to reflect the data from the 2010 Decennial Census on the distribution of the urban population; and

WHEREAS, as a result of the 2018 geographic revisions, the San Jose/San Francisco/Oakland MSA has been revised and renamed the San Francisco-Oakland-Hayward CBSA (Core Based Statistical Area); and

WHEREAS, the City Council may lawfully update Section 5.04.110(e) of the Sunnyvale Municipal Code without voter approval as long as such amendment will not result in an escalation of the business license tax obligation beyond what was authorized by the voters in the 2005 election; and

WHEREAS, the City Council finds that the San Francisco-Oakland-Hayward CBSA is the successor to the San Jose/San Francisco/Oakland MSA and provides a substantially equivalent statistical analysis of consumer price escalation in the greater Bay Area geographic region that includes the City of Sunnyvale.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. SECTION 5.04.010 AMENDED. Section 5.04.010 of Chapter 5.04 (Business License Tax) of Title 5 (Business Licenses and Regulations) of the Sunnyvale Municipal Code is hereby amended to read as follows:

**Section 5.04.110. License Tax - Imposed.**

There is hereby imposed a yearly license tax upon every person transacting, engaging in, or carrying on any business within the city. The amount of the tax is calculated as follows:

(a)-(d) [Text unchanged]

(e) (For the tax due January 1, 2009 and thereafter) The amount of the tax and cap shall be indexed annually, based upon the ~~San Jose/San Francisco/Oakland MSA~~ San Francisco/Oakland/Hayward Consumer Price Index for the September to September period for the preceding year, or comparable successor index established by the Bureau of Labor Statistics of the United States Department of Labor. The indexed amounts shall be set forth each year in the city's master fee resolution.

SECTION 2. CEQA - EXEMPTION. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project which has the potential for causing a significant effect on the environment.

SECTION 3. CONSTITUTIONALITY; SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision or decisions shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it 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 4. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

SECTION 5. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

Introduced at a regular meeting of the City Council held on \_\_\_\_\_, 2018, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council held on \_\_\_\_\_, 2018, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:  
RECUSAL:

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk  
Date of Attestation: \_\_\_\_\_

\_\_\_\_\_  
Mayor

(SEAL)

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney