ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

58 September 15, 2026

EDWARD YEN
EXECUTIVE OFFICER

RESOLUTION NO. 022-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWAIIAN GARDENS, CALIFORNIA CALLING FOR THE PLACEMENT OF A GENERAL TAX MEASURE ON THE NOVEMBER 3, 2026 GENERAL MUNICIPAL ELECTION BALLOT FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF A PROPOSED ORDINANCE AMENDING SECTION 5.04.100 OF CHAPTER 5.04 AND VARIOUS SECTIONS OF ARTICLES I AND II OF CHAPTER 5.06 OF THE CITY'S MUNICIPAL CODE AS IT RELATES TO BUSINESS LICENSE TAXES; REQUESTING THE COUNTY OF LOS ANGELES TO CONSOLIDATE SAID ELECTION WITH THE STATEWIDE GENERAL ELECTION OF EVEN DATE; AND SETTING RULES AND DEADLINES FOR ARGUMENTS AND REBUTTALS FOR AND AGAINST THE MEASURE.

WHEREAS, pursuant to Section 5.04.100 of Chapter 5.04 and Chapter 5.06 of the Hawaiian Gardens Municipal Code, the City of Hawaiian Gardens ("City") currently imposes a business license tax on various businesses within the City based upon a variety of metrics, including flat rates, number of employees and gross receipts for multiple specific classes of businesses ("License Tax"); and

WHEREAS, the City Council desires to propose an amendment to Section 5.04.100 of Chapter 5.04 and various sections of Articles I and II of Chapter 5.06 of the Hawaiian Gardens Municipal Code to update and simplify the City's License Tax rate structure by reducing the number of categories and implementing a gross receipts model for most businesses and a flat annual tax rate for contractors so that the tax rates will be based only upon three classes of business: (i) all businesses other than contractors will pay an annual $50 baseline flat rate plus a rate of ninety-five cents ($0.95) per $1,000 of gross receipts earned by the business above $30,000, (ii) contractor businesses will pay a single flat rate of $175 annually, and (iii) exempt businesses that will not pay the tax, as more specifically set forth herein, for the purpose of raising revenue to provide City services and supplement the General Fund; and

WHEREAS, the proposed amendment to the License Tax ordinance has been designed to update and simplify the Business License Tax rate structure and to better align the City's tax rates with the current types and distribution of businesses located within the City; and

WHEREAS, pursuant to Section 9222 of the California Elections Code and Section 37101 of the California Government Code, the City Council has the authority to place a measure on the ballot regarding the imposition, extension or increase in a local business license tax to be considered by the voters at a Municipal Election; and

WHEREAS, the License tax is a general tax, the revenue of which will be placed in the City's general fund and will be used to pay for important general City services such as public safety services, street operations and maintenance, parks and recreation services and general municipal services to the public; and

WHEREAS, on November 6, 1996, the voters of the State of California approved Proposition 218, an amendment to the State Constitution which requires that all general taxes which are imposed, extended or increased must be submitted to the electorate and approved by a majority vote of the qualified electors voting in the election; and

WHEREAS, the proposed amendments which adjust the rate of the License Tax constitute a tax "increase" subject to Proposition 218; and

WHEREAS, pursuant to Proposition 218 (California Constitution, Article XIII C, § 2(b)), the general rule is that any local election for the approval of an increase to a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government; and

WHEREAS, the next regularly scheduled general election at which City Council members are to be elected is November 3, 2026; and

WHEREAS, pursuant to Government Code section 53724 ("Proposition 62"), a two-thirds (2/3) vote of all members of the City Council is required to place the Measure on the November 3, 2026 ballot; and

WHEREAS, the ordinance to be considered by the qualified voters and the terms of approval, collection and use of the License Tax are described and provided for in the ordinance/measure attached hereto as Exhibit "A" (the "Measure") and by this reference made an operative part hereof, in accordance with all applicable laws; and

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the City the precincts, polling places, voting centers and election officers of the two elections be the same, and that the Los Angeles County election department canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election; and

WHEREAS, it is also desirable to establish deadlines and rules for the submission of written arguments and rebuttals for and against the Measure in accordance with applicable California Elections Code procedures.

NOW, THEREFORE, the City Council of the City of Hawaiian Gardens hereby finds, determines and resolves as follows:

SECTION 1. Recitals. The foregoing recitals are true and correct and are hereby incorporated and made an operative part of this Resolution.

SECTION 2. Submission of Ballot Measure. Pursuant to Article XIIIC, section 2(b), California Elections Code section 9222, California Government Code section 53724, and any other applicable requirements of the laws of the State of California relating to the City, the City Council, **by at least a two-thirds (2/3) vote of all members**, hereby orders the Measure to be submitted to the voters of the City at the General Municipal Election to be held on **Tuesday, November 3, 2026.**

SECTION 3. Ballot Question. The City Council, pursuant to its right and authority, hereby orders that the Measure shall be presented and printed upon the ballot submitted to the qualified voters in the manner and form set forth in this Section 3. On the ballot to be submitted to the qualified voters at the General Municipal Election to be held on Tuesday, November 3, 2026, in addition to any other matters required by law, there shall be printed substantially the following ballot question:

"Shall the measure to help fund general City services, such as public safety, street operations and maintenance, and parks and recreation services, by updating and simplifying the City's business license tax to levy a maximum annual $50 flat rate plus $0.95 per $1,000 of gross receipts above $30,000 for all businesses other than contractors, and a $175 flat rate for contractors, generating approximately $563,810 until ended by voters, all funds being local, be adopted?"	**YES**
	NO

SECTION 4. Election Procedures.

A. The ballots to be used at the election shall be in the form and content as required by law.

B. Pursuant to the requirements of Section 10403 of the Elections Code, the Board of

Supervisors of the County of Los Angeles is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 3, 2026, for the purpose of submitting to the voters the question relating to the City's Measure.

C. The election services which the City of Hawaiian Gardens requests the Registrar of Voters, or such other official as may be appropriate, to perform and which such officer is hereby authorized and directed to perform, if said Board of Supervisors consents, include: the preparation, printing and mailing of sample ballots; the establishment or appointment of precincts, polling places, voting centers, and election officers, the preparation, printing, mailing and furnishing of vote-by-mail ballots, making such publications as are required by law in connection therewith; the furnishing of ballots, voting booths and other necessary supplies or materials for polling places and voting centers; the canvassing of the returns of the election and the furnishing of the results of such canvassing to the City Clerk of the City of Hawaiian Gardens; and the performance of such other election services as may be requested by the City Clerk.

D. The City Clerk is authorized, instructed and directed to procure and furnish, or cause to be procured and furnished through the County of Los Angeles, any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

E. The polls, vote centers and/or vote-by-mail drop-off boxes shall be open and the procedures for submitting votes-by-mail or votes at polls and vote centers shall be in accordance with those times and procedures established by the County of Los Angeles, except as otherwise provided in the Elections Code of the State of California.

F. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections in the City.

G. Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form, and manner as required by law.

H. All ballots shall be tallied at a central counting place and not at the precincts. Said central counting place shall be at a County center as designated by the Registrar of Voters.

I. The Los Angeles County Registrar of Voters is hereby authorized to canvass the returns of said election.

J. The City Clerk of the City of Hawaiian Gardens shall receive the canvass from the County as it pertains to the election on the Measures, and shall certify the results to the City Council, as required by law.

SECTION 5 Arguments and Impartial Analysis.

A. The City Council authorizes (i) the City Council or any member(s) of the City Council, (ii) any individual voter eligible to vote on the above measure, (iii) a bona fide association of such citizens or (iv) any combination of voters and associations, to file a written argument in favor of or against the Measure, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California, which arguments may be changed until and including **August 14, 2026,** after which no arguments for or against the Measure may be submitted to the City

Clerk. Arguments in favor of or against the Measure shall each not exceed 300 words in length. Each argument shall be filed with the City Clerk, signed, and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument.

B. The City Clerk shall comply with all provisions of law establishing priority of arguments for printing and distribution to the voters, and shall take all necessary actions to cause the selected arguments to be printed and distributed to the voters.

C. Pursuant to Section 9280 of the Elections Code, the City Council directs the City Clerk to transmit a copy of the Measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the Measure, not to exceed 500 words in length, showing the effect of the Measure on the existing law and the operation of the Measure. The City Attorney shall transmit such impartial analysis to the City Clerk, who shall cause the analysis to be published in the voter information guide along with the Measure as provided by law. The Impartial Analysis shall be filed by the deadline set for filing of primary arguments as set forth in subsection (A) above. The impartial analysis shall include a statement indicating whether the Measure was placed on the ballot by a petition signed by the requisite number of voters or by the City Council. In the event the entire text of the Measure is not printed on the ballot, nor in the voter information portion of the sample ballot, there shall be printed immediately below the impartial analysis, in no less than 10-font bold type, the following: **"The above statement is an impartial analysis of Measure ____. If you desire a copy of the Measure, please call the election official's office at (562) 420-2641 and a copy will be mailed at no cost to you."**

D. That the provisions of this Section 5 herein shall apply only to the election to be held on November 3, 2026, and shall then be repealed.

SECTION 6. Rebuttals.

A. Pursuant to Section 9285 of the Elections Code of the State of California, when the Clerk has selected the arguments for and against the various City initiated measures which will be printed and distributed to the voters, the Clerk shall send copies of the argument in favor of the measures to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The authors or persons designated by them may prepare and submit rebuttal arguments not exceeding 250 words. The rebuttal arguments shall be filed with the City Clerk not later than **August 24, 2026.** Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

B. The provisions of this Section 6 herein shall apply only to the election to be held on November 3, 2026, and shall then be repealed.

SECTION 7. Placement on the Ballot. The full text of the Measure shall not be printed in the voter information guide, and a statement shall be printed in the ballot pursuant to Section 9223 of the Elections Code advising voters that they may obtain a copy of the Measure at no cost, upon request made to the City Clerk.

SECTION 8. Delivery of Resolution to County. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions. The City Council directs the City Clerk to deliver copies of this Resolution, including the Measure attached hereto as Exhibit "A",

to the Clerk of the Board of Supervisors of Los Angeles County and to the Registrar of Voters of Los Angeles County.

SECTION 9. Public Examination. Pursuant to California Elections Code section 9295, the Measure will be available for public examination for no fewer than ten (10) calendar days. The Clerk shall post notice in the Clerk's office of the specific dates that the examination period will run.

SECTION 10. CEQA. The City Council hereby finds and determines that the ballot Measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5).

SECTION 11. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 12. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF HAWAIIAN GARDENS ON THIS 22ND DAY OF JULY 2026.

MARIA TERESA DEL RIO, MAYOR

ATTEST:

PABLO RUBIO, CITY CLERK

APPROVED AS TO FORM:

NORMA TABARES, CITY ATTORNEY

CITY OF HAWAIIAN GARDENS
CITY CLERK'S OFFICE
CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF HAWAIIAN GARDENS)

I, Pablo Rubio, City Clerk of the City of Hawaiian Gardens, do hereby certify that **Resolution No. 022-2026** was duly and regularly passed and adopted by the City Council of the City of Hawaiian Gardens at its meeting on the **22nd day of July 2026,** by the following votes as the same appears on file and of record in the Office of the City Clerk.

AYES:	DE PAULA, FARFAN, VARGAS, ROA, DEL RIO
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

Pablo Rubio
City Clerk

Exhibit “A”
Business License Tax

[attached behind this page]

ORDINANCE NO. 2026-____

AN ORDINANCE OF THE PEOPLE OF THE CITY OF HAWAIIAN GARDENS, CALIFORNIA, AMENDING SECTION 5.04.100 OF CHAPTER 5.04 AND VARIOUS SECTIONS OF ARTICLES I AND II OF CHAPTER 5.06 OF TITLE 5 OF THE HAWAIIAN GARDENS MUNICIPAL CODE AS IT RELATES TO ADJUSTING THE RATES OF BUSINESS LICENSE TAXES WITHIN THE CITY.

(**NOTE**: Additions are highlighted in underline and deletions are highlighted in ~~strikeout~~)

THE PEOPLE OF THE CITY OF HAWAIIAN GARDENS DO ORDAIN AS FOLLOWS:

SECTION 1. Subject to the approval of a majority of the voters of the City of Hawaiian Gardens at the General Municipal Election so designated by the City Council in a separate resolution placing the proposal on the ballot for such election, section 5.04.100 of Chapter 5.04 of the Hawaiian Gardens Municipal Code is hereby amended to read as follows:

"Chapter 5.04 – BUSINESS LICENSES GENERALLY

. . . .

5.04.100 – ~~License for less than one year.~~ [Reserved]

~~When any business shall be commenced more than three months after the beginning of the license year, applicant shall pay three-fourths of the annual license fee as provided in this title. If commenced more than six months afterward, the applicant shall pay one-half of the fee provided, and if commenced more than nine months afterward, one-fourth of such fee. In no case shall any license fee be less than $30.00. This section shall not apply to businesses that, by Code, are limited to a duration other than that established by Section 5.04.090.~~

. . . . "

SECTION 2. Subject to the approval of a majority of the voters of the City of Hawaiian Gardens at the General Municipal Election so designated by the City Council in a separate resolution placing the proposal on the ballot for such election, the following sections of Articles I and II of Chapter 5.06 of the Hawaiian Gardens Municipal Code are hereby amended to read as follows:

"Chapter 5.06 – BUSINESS LICENSE ~~FEES~~TAXES

ARTICLE I. - LICENSE ~~FEES~~TAXES

5.06.010 - Generally.

Any applicant for a business license or for renewal of a business license for which the established ~~fee~~tax is on a basis other than a flat dollar amount shall submit an affidavit sworn under penalty of perjury setting forth the business's gross receipts ~~facts and information~~ for the preceding business license year, which are necessary to determine the correct ~~fee~~tax due and payable. ~~;~~ ~~if~~If the applicant has not previously conducted a business in the City and the ~~facts and information~~gross receipts for the preceding business license year are unknown, then the ~~necessary facts and information~~gross receipts shall be estimated by the Collector for the first business license ~~fee~~tax to be charged in accordance with this chapter.

5.06.020 - Annual license ~~fees~~taxes.

Annual license ~~fees~~taxes for doing business in the City as defined in this title shall be in accordance with this chapter.

5.06.030 - ~~Computation of employee fee~~Definitions.

~~Where~~ For purposes of this chapter~~e business license fee~~tax, ~~is based in whole or in part upon the number of persons employed,~~ the following definitions ~~formula~~ shall ~~be used for the computation of the license fee~~apply:

A. ~~Full-time: Every person(s) employed by any bona fide place of business for 40 hours or more during a seven-day period shall be calculated as one full employee. Every separate contract person(s) shall also be calculated as one full employee~~"Business" shall mean: a profession, art, trade, vocation, rental, lease, enterprise, establishment, occupation, or calling, which is conducted for the purpose of earning in whole, or in part, a profit or livelihood, whether or not a profit or livelihood is actually earned, whether paid in money, goods, labor, or otherwise, and whether or not the business has a fixed place of business in the City. "Business" shall also include commencing, transacting or carrying on any business in a home. For the purpose of this chapter, any person shall be deemed to be in business and subject to the provisions of this chapter who does one (1) act of selling, offering for sale or taking an order for any goods, wares, merchandise, article, thing or service, or offering or soliciting for compensation the rental of any automobile for hire, or furnishing or offering to furnish for compensation bail to any person in any criminal proceeding.

B. ~~Part-time: Every person(s) employed by any bona fide place of business for less than 40 hours during a seven-day period shall be calculated as one-half of an employee. Every separate seasonal and temporary person(s) shall also be calculated as one-half employee.~~ "Contractor" shall mean: Any business that contracts to perform, or performs, work in the City requiring a license under the California Contractors State License Law (Business and Professions Code section 7000 et seq.), including any business that engages in the construction, reconstruction, demolition, remodeling, repair or maintenance of any building, structure or physical improvement to land; and including any business undertaking or causing to be undertaken any development, improvement, alteration, or excavation of land. "Contractor" shall include general contractors, specialty contractors, and subcontractors licensed or required to be licensed as a contractor under the California Contractor State License Law; however, shall exclude any business with a professional license such as engineers, architects, land surveyors, construction managers, or environmental consultants.

C. ~~Fractions: In cases where the employee calculation results in a fraction of an employee, the fee shall be calculated by rounding up to the next higher number.~~ "Collector" or "License Collector" shall mean: the City's finance director or designee charged with the administration of this business license Code, including but not limited to any agents used by the Collector.

D. "Fixed place of business" shall mean: a place of business located in the City regularly kept open, with someone in charge thereof, for the transaction of the particular business engaged in during the hours customary to transact such business.

E. "Gross receipts" shall mean: the total amount of compensation actually received

or receivable from all sales and the total amount of compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as part of or in connection with the sale of materials, goods, wares, or merchandise. Included in "gross receipts" are all receipts, cash, credits, and property of any kind or nature, without any deduction for the cost of property sold, materials, labor, service, interest, losses, or other expenses whatsoever. Gross Receipts shall mean the gross receipts of the calendar year preceding the beginning of the annual license period.

The following are excluded from "gross receipts":

1. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser.

2. Receipts of refundable deposits, except that such deposits when forfeited and taken as income of the Business are not excluded.

3. Amounts collected for others where the Business is acting as an agent or trustee to the extent that such amounts are paid to those for whom they are collected, provided the agent or trustee has furnished the Collector with the names and addresses of the others and the amounts paid to them. The exclusion does not apply to any fees, percentages, or other payments retained by the agent or trustee.

4. Transactions between a partnership and its partners when the partnership itself has obtained a business license and paid business license tax under this chapter.

F. "Person" shall mean: all domestic and foreign corporations, associations, syndicates, joint stock corporations, partnerships of every kind, clubs, businesses, or common law trusts, societies and individuals.

5.06.040 ~~—~~ ~~Employee~~Gross receipts certification.

In all cases where the amount of the license ~~fee~~ tax to be paid by any person is based upon the gross receipts~~number of employees~~, or any other variable basis, such person before obtaining a license shall submit to the License Collector upon such form or in such manner as directed by the License Collector, a written statement certified to under penalty of perjury, the basis for determining the ~~number of employees~~gross receipts. The License Collector shall not be bound by this statement and may investigate, audit, or approve or disapprove the estimation therein contained. In the case of a dispute, the decision of the License Collector shall be final. The License Collector shall, on the basis of said certified statement or on the basis of any investigation or audit of the License Collector, set the license ~~fee~~ tax in accordance with the business license law.

5.06.050 - No Proration of Tax.

There shall be no proration of business license tax regardless of when any business is commenced during the license year.

5.06.~~050~~060 - Investigation.

The ~~City Administrator~~License Collector shall investigate all applications to the extent he/she deems necessary for him/her to perform his/her duties hereunder. Upon request by the ~~City Administrator~~License Collector, applicant shall make available for inspection all of the applicant's financial books, records and papers at any reasonable time before the application is granted or during the time the ~~permit~~business license is in effect, which books, records and papers will be inspected solely for the determination of factual accuracy of the information contained in the application. Failure to make any such information available within ten days at the ~~City Administrator's~~License Collector's request to inspect same shall automatically result in denial or revocation of the ~~permit~~business license.

5.06.~~060~~070 ~~—~~ Tax rate for ~~Retail, service, or wholesale~~Contractor ~~b~~Businesses.

License ~~fees~~taxes for a Contractor ~~retail, service and wholesale businesses with a fixed place of business in the City~~ shall be a flat annual amount of ~~three-tenths of one percent of the annual gross receipts or~~ $~~30.00~~175.00, regardless of when during the year or for how much of the year the Contractor conducts business within the City. ~~flat fee, whichever is greater, unless otherwise specified in this Code~~. ~~Businesses not specified under other sections shall be classified as a retail or wholesale business.~~

5.06.~~070~~080 ~~—~~ ~~Professional and semiprofessional~~Tax rate for ~~b~~Businesses Other Than Contractors.

License ~~fees~~taxes for conducting, managing, carrying on or engaging in any ~~professional and semiprofessional business or occupation with a fixed place of b~~Business in the City other than a Contractor, ~~unless otherwise specified in this Code,~~ shall be a flat annual amount of $50.00, plus $0.95 per $1,000.00 of annual gross receipts above $30,000.00. Businesses not specified as a "Contractor" ~~u~~under this chapter ~~other sections~~ shall be classified under this section ~~as a retail or wholesale business.~~ ~~include but not be limited to the following businesses and/or occupations:~~

~~A. Accountants, CPA or PA;~~

~~B. Acupressure;~~

~~C. Architects (including landscape);~~

~~D. Attorneys;~~

~~E. Chemists;~~

~~F. Chiropodists;~~

~~G. Chiropractors;~~

~~H. Dentists;~~

~~I. Engineers (all types);~~

~~J. Geologists;~~

~~K. Morticians;~~

~~L. Oculists;~~

~~M. Optometrists (nondispensing);~~

~~N. Osteopaths;~~

~~O. Psychiatrists;~~

~~P. Psychologists;~~

~~Q. Physicians;~~

~~R. Physiologists;~~

~~S. Physiotherapists;~~

~~T. Real estate;~~

~~U. Veterinarians.~~

~~The fee shall be three-hundredths of one percent of the annual gross receipts or $100.00 per partner or principal, whichever is greater.~~

5.06.090 – [Reserved]

~~**Adult business.**~~

~~Every person conducting or carrying on an adult business in the City, as defined in Chapter 5.40 of this Code, shall pay an annual license fee in an amount as set by resolution by the City Council.~~

~~**5.06.090 - Auction.**~~

~~Every person conducting or carrying on the business of an auction shall pay an annual license fee of $200.00 per year, or $100.00 per auction.~~

~~**5.06.100 - Auto wrecking yard.**~~

~~Every person conducting or carrying on the business of an auto wrecking yard in the City shall pay an annual license fee of $300.00.~~

~~**5.06.110 - Banks/financial loan institutions/collection agencies.**~~

~~Every person conducting or carrying on the business of banking, financial loan institutions and/or collection agencies in the City shall pay an annual license fee of $300.00.~~

~~**5.06.120 - Bingo.**~~

~~Every person conducting or carrying on the business of operating a bingo game in the City shall pay an annual permit fee of $50.00 and a license fee of one percent of the monthly gross receipts over $5,000.00, derived from the game of bingo. (See Chapter 9.64.)~~

~~**5.06.130 - Carnivals, arcades, fairs and circuses.**~~

Every person conducting, managing or carrying on any transient fair, carnival, arcade, theatrical performance or circus shall pay $300.00 per day while same is in operation.

5.06.140 - Christmas tree lots.

Every person conducting or carrying on the business of a Christmas tree lot as defined in Chapter 5.16 shall pay an annual permit fee of $50.00.

5.06.150 - Cocktail/beer bar.

Every person conducting, managing or carrying on the business of a cocktail/beer bar in the City shall pay an annual license fee of $200.00. Also see Section 18.20.015.

5.06.160 - Coin-operated amusement device.

A. Each business providing or operating an amusement device, vending machine or mechanical device within the City shall pay an annual license fee of $40.00 for the first device and $20.00 for each additional device. See Section 18.20.015.

B. No license fee shall be required for the operation or maintenance of any post office approved postage stamp machine or State approved lottery machine.

5.06.170 - Coin-operated machine device distributor.

Every person not having a fixed place of business within the City who owns or conducts the business consisting of contracting or leasing vending machines or mechanical devices located within the City shall pay an annual license fee of $30.00 per machine.

5.06.180 - Contractor, developer or subdivider.

Every person conducting the business of contracting, subcontracting, developing or subdividing within the City shall pay an annual license fee of $120.00.

5.06.190 - Dancing/entertainment.

Every person conducting or engaging in any dancing or entertainment business in the City shall pay an annual license fee of $300.00.

5.06.200 - General maintenance services.

A. Any person not having a fixed place of business in the City and who is doing business within the City by way of general repairs and/or maintenance services shall pay an annual license fee of $60.00.

B. A fee of $5.00 per employee shall be charged in addition to the annual fee.

5.06.210 - Reserved.

5.06.220 - Health club.

Every person engaged in the business of owning and/or managing a health club in the City, as defined in Chapter 5.20, shall pay an annual license fee of $50.00 plus $5.00 for each employee.

5.06.230 - Hospital.

Every person engaged in the business of owning and/or managing a hospital in the City shall pay an annual license fee as follows:

A. One to 100 beds—$250.00; plus

B. $5.00 for each bed over 100.

5.06.240 - House mover—Relocation of a home.

Every person conducting or carrying on the business of house moving in the City shall pay an annual license fee of $500.00.

5.06.250 - Manufacturing business.

License fees for the business of making, developing, assembling or packaging of any machines, devices, articles, things, commodities, goods, wares, merchandise, products, equipment material or substances within a fixed place of business in the City shall be according to the following schedule:

A. For the first person employed, $60.00; plus

B. For the next 19 persons employed, $5.00 each; plus

C. $4.00 per employee over 20 employees.

5.06.260 - Mobilehome park.

Every person engaged in the business of owning and/or managing a mobilehome park shall pay an annual license fee of $150.00 plus $6.00 per space in excess of 20 spaces, with a total maximum fee of $500.00.

5.06.270 - Motion picture theater.

License fees for motion picture theater businesses with a fixed place of business in the City shall be three-tenths of one percent of the gross annual receipts.

5.06.280 - Moving company (furniture).

Every person without a fixed place of business within the City engaged in moving furniture within the City shall pay an annual license fee of $85.00, except those persons moving fewer than five moving deliveries during a three-month period and after having signed an affidavit to that effect on a form provided by the License Collector, shall pay a license fee of $55.00.

5.06.290 - Newspaper distributor.

Every person engaged in the business of distributing, circulating or delivering newspapers in the City and not having a fixed place of business therein shall pay an annual license fee of $100.00.

5.06.300 - Newspaper racks.

Any person operating a newspaper rack shall pay an annual license fee of $20.00 for the first rack, and $5.00 for each additional rack. (Also see Chapter 12.10.)

5.06.310 - Outdoor advertising, bill posting.

Every person conducting or carrying on the business of outdoor advertising in the City by means of bill posting, sticking, tacking, affixing or painting bills or signs to or upon posts, fences, walls, billboards, vehicles, buildings or other structures shall pay an annual license fee of $300.00 or $30.00 per day, whichever is the lesser sum. This section shall not include any similar uses prohibited by any other section(s) of the Code.

5.06.320 - Peddlers/vendors/solicitors.

A. Every person without a fixed place of business within the City engaged in business or otherwise in the selling of goods, wares, merchandise, services or other things of value and not otherwise specifically licensed in this chapter shall pay an annual license fee of $60.00.

B. A fee of $5.00 per employee shall be charged in addition to the annual fee.

5.06.330 - Public self storage.

Every person conducting, engaged, or carrying on the business of any type of public self storage shall pay an annual license fee of $1.00 per storage unit including outdoor spaces or units.

5.06.340 - Public utilities.

All public utility companies not under franchise agreements shall pay an annual license fee of $300.00.

5.06.350 - Nonresidential property.

Every person engaged in the business of renting or leasing land, vacant lots, offices, stores, industrial plants or any building or structure of any kind on land located in the City and rented to a tenant for the purposes other than dwelling, sleeping or lodging shall pay an annual license fee of $50.00 plus $2.00 per $1,000.00 of annual rental receipts.

5.06.360 - Residential rental property.

Residential rental shall mean any business conducted or carried on by any person engaged in the business of renting or leasing a single building or structure of any kind to a single tenant for the purpose of dwelling, sleeping or lodging. The fee for such business shall be $30.00 for the first unit, plus $5.00 for each additional unit.

5.06.370 - Restaurant.

Every person conducting, engaged in or carrying on a restaurant in the City shall pay an annual license fee according to the following schedule:

A. One to ten stools/seats—$50.00;

B. Eleven to 30 stools/seats—$70.00; plus

C. $2.00 for each stool/seat over 30 stools/seats.

~~This section does not apply to fast food, take-out or similar types of restaurants.~~

~~5.06.380 - Retail delivery.~~

~~Every person without a fixed place of business within the City engaged in making retail deliveries within the City shall pay an annual license fee of $85.00, per vehicle, except those persons making fewer than five retail deliveries during any three-month period, and after having signed an affidavit to that effect on a form provided by the License Collector, shall pay a license fee of $55.00 per vehicle.~~

~~5.06.390 - Swap meet.~~

~~Every person conducting business or activity at which persons are admitted to display, exchange, barter, buy, sell or bargain for new or used goods or merchandise shall pay an annual fee of $800.00.~~

~~5.06.400 - Taxicab.~~

~~Every person operating a vehicle for the purpose of providing taxicab service in the City shall pay an annual license fee as follows:~~

~~A. $250.00 per operator; plus~~

~~B. $50.00 per vehicle if the City Council approves the permit;~~

~~C. Any investigation fee as required by Chapter 5.38. Said fees shall be set by City Council resolution.~~

~~5.06.410 - Wholesale delivery.~~

~~Every person in the business of wholesale delivery to any established place of business in the City of any goods, wares or merchandise and not having a fixed place of business in the City shall pay an annual license fee of $55.00 per vehicle.~~

ARTICLE II. - EXEMPTIONS

5.06.~~420~~100 - Endorsement required.

Exempt licenses must be endorsed. Whenever the License Collector shall issue any license granting any exemption provided for in this chapter, the person to whom such license is issued shall endorse thereon his/her signature in ink in the presence of the License Collector.

5.06.~~430~~110 - Nontransferable.

No business license ~~issued pursuant to this title~~ that is exempt pursuant to this chapter shall be transferable.

5.06.~~440~~120 - Duration.

Any exempt license shall be issued by the License Collector only for the minimum license period of any such business (see Chapter 5.04) and may be renewed for the same period under the same conditions and in the same manner as originally obtained.

5.06.~~450~~130 - Revocation.

At any time that it shall appear to the satisfaction of the License Collector that none of the conditions specified in this chapter as meriting exemption from license requirements exists as to any person to whom any such exemption has been allowed, the License Collector may revoke such exemption and the exempt license issued thereunder. The revocation shall be in accordance with the procedure set forth in Chapter 1.14.

5.06.~~460~~140 - No~~n~~t-for-profit organizations.

The provision of this business license law shall not be deemed or construed to require the payment of a license ~~fee~~tax to conduct, manage or carry on any business or require the payment of any license of any not-for-profit institution or organization so conducted, managed or carried on fully for the benefit of charitable purposes ~~or from which profit is not derived either directly or indirectly by any person~~. Nor shall any license tax be required for the conducting of any entertainment, concert, exhibition or lecture on scientific, historical, literary, religious or moral subject whenever the receipts of such entertainment, concert, exhibition or lectures are to be appropriated to any not-for-profit church or school or to any religious or benevolent purpose in the City; nor shall any license ~~or permit~~tax be required for the conducti~~n~~g~~on~~ of any recreation, entertainment, dance, concert, exhibition, or lecture by any not-for-profit religious, charitable, fraternal, educational, military, State, County or municipal organization or association, whenever the receipts of any such entertainment, dance, concert, exhibition or lecture are to be appropriated for the purpose and objectives for which such association or organization was formed ~~and from which profit is not derived either directly or indirectly by any person~~. The provisions of this business license law shall not be deemed or construed to require the payment of a license tax by any not-for-profit religious, charitable, fraternal, educational or military organization or association conducting ~~casual~~ sales, concerts, dances, entertainment, exhibitions or lectures or other activities for fundraising purposes and where the funds so derived are retained strictly for not-for-profit charitable, religious, educational, fraternal or military purposes and do not go to the benefit for use or profit of any person.

5.06.~~470~~150 - Public utilities.

All public utilities or privately-owned public utilities which are holders of a franchise from the City shall be exempt from the provisions of the business license law.

5.06.~~480~~160 - Emergency aid.

The performance of services of an emergency nature in order to protect the health, life or property or right or rights of anyone living, residing, owning property or being situated within the City ~~and where performed five or less times within said City during any fiscal year established by the calendar year~~ shall be exempt from the ~~provisions of the~~ business license tax~~law~~.

~~**5.06.490 - Infirm.**~~

~~The City Council may, upon written evidence received from a Hawaiian Gardens church, recognized civic association, or License Collector or other competent source that any person by reason of physical infirmity, unavoidable misfortune or unavoidable poverty merits exemption from the operation of any license required by any provision of this business license law, allow such person an exemption of 50 percent of one license for the conduct of any one business licensed by any provisions of this business license law.~~

5.06.~~500~~170 - ~~State and Federal~~Application for exemption.

A. Every person claiming to be entitled to an exemption from payment of any license ~~fee~~tax provided for in this ~~section~~chapter ~~upon the ground that such license fee is exempt under State or Federal law~~ shall file a verified statement with the License Collector disclosing the character of said business entitling it to such exemption. Said statement shall ~~S~~state the name and location of the company or firm claiming the exemption, the type of business conducted and facts establishing that said person, organization or firm comes within the applicable exemption ~~of the State or Federal law~~.

B. Additional information shall be supplied to the License Collector or City Attorney upon request in order to ascertain whether or not the claimant meets the qualifications for said exemption ~~of the State or Federal law~~. In case of dispute, the decision of the City Attorney shall be final.

5.06.~~505~~180 - Card club exemption.

A card club licensed under Chapter 5.92 of this title is exempt from the payment of any license ~~fee~~tax provided for in this chapter and shall instead be subject to those license fees specified in Chapter 5.92.

5.06.190 – Repeal or Amendment of Chapters 5.04 and 5.06.

Chapters 5.04 and 5.06 may be repealed or amended by the City Council without a vote of the People of the City of Hawaiian Gardens. However, as required by California Constitution Article XIIIC (Proposition 218), voter approval is required for any amendment or provision that would increase the maximum rate or methodology of any tax levied pursuant to these chapters. The People of the City of Hawaiian Gardens affirm that the following actions shall not constitute an increase of the rate or methodology of the business license tax requiring subsequent voter approval:

A. The reduction of the rate of the tax, and the restoration of the rate of the tax to a rate that is no higher than the maximum set by this voter-approved chapter, if the city council has previously acted to reduce the rate of the tax;

B. An ordinance amending the procedural provisions of chapters 5.04 or 5.06 including, but not limited to, the application process for business license issuance and renewal, the application process for business license tax exemptions, collection procedures for business license tax, hearing and appeal procedure, and penalties for non-compliance, so long as such ordinance does not increase the maximum rate or methodology of any tax levied pursuant to this chapter;

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

D. The establishment of a class of person or service that is exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception explicitly set forth in this chapter); and

E. Resuming collection of the tax imposed by this chapter, even if the City had, for some period of time, either suspended collection of the tax or otherwise failed to collect the tax, in whole or in part.

5.06.200 through 5.06.500 – [Reserved]."

SECTION 3. The License Tax set forth herein shall be collected and administered in the manner set forth in Chapters 5.04 and 5.06 of the Hawaiian Gardens Municipal Code.

SECTION 4. Pursuant to Article XIIIB of the California Constitution, the appropriation limit for the City of Hawaiian Gardens will be increased by the maximum projected aggregate collection authorized by the levy of this general tax, as indicated in Sections 1 and 2, in each of the years covered by this Ordinance plus the amount, if any, by which the appropriation limit is decreased by law as a result of the levy of the general tax set forth in this Ordinance.

SECTION 5. If any portion of this Ordinance is declared invalid by a court of law or other legal body with applicable authority, the invalidity shall not affect or prohibit the force and effect of any other provision or application of the Ordinance that is not deemed invalid. The voters of the City hereby declare that they would have circulated for qualification and/or voted for the adoption of this Section, and each portion thereof, regardless of the fact that any portion of the initiative may be subsequently deemed invalid.

SECTION 6. Pursuant to California Constitution Article XIIIC §(2)(b) and California Elections Code §9217, this Ordinance shall take effect only if approved by a majority of the eligible voters of the City of Hawaiian Gardens voting at the General Municipal Election to be held on November 3, 2026. The new taxing rate shall go into effect on January 1, 2027.

SECTION 7. The Mayor is hereby authorized to attest to the adoption of this Ordinance by the People voting thereon on November 3, 2026, by signing where indicated below.

I hereby certify that the foregoing Ordinance was PASSED, APPROVED AND ADOPTED by the People of the City of Hawaiian Gardens on the 3rd day of November, 2026.

_____
MARIA TERESA DEL RIO, Mayor

ATTEST:

_____
Pablo Rubio, City Clerk

APPROVED AS TO FORM:

_____
Norma Tabares, City Attorney