CITY OF IRWINDALE

5050 N. IRWINDALE AVE., IRWINDALE CA 91706 • PHONE: (626) 430-2200

NOTICE AND AGENDA FOR THE SPECIAL MEETING OF THE

CITY COUNCIL

July 29, 2026

SPECIAL MEETING – 10:00 A.M.

H. MANUEL ORTIZ - Mayor

ALBERT F. AMBRIZ - Mayor Pro Tem

MARK A. BRECEDA - Councilmember

LARRY G. BURROLA - Councilmember

MANUEL R. GARCIA - Councilmember

Via Zoom Webinar: https://us02web.zoom.us/j/87104592389

In the event that a Zoom broadcast is unavailable, staff will promptly notify the public through its social media platforms. The public meeting will proceed in accordance with The Brown Act.

Listen Over Phone: 1-669-900-6833; Webinar ID: 871-0459-2389

Spontaneous Communications: The public is encouraged to address the City Council on any matter listed on the agenda or on any other matter within its jurisdiction. The City Council will hear public comments on items listed on the agenda during discussion of the matter and prior to a vote. The City Council will hear public comments on matters not listed on the agenda during the Spontaneous Communications period.

Pursuant to provisions of the **Brown Act**, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: In compliance with the ADA and Government Code section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can be found on the City's website: https://www.irwindaleca.gov/DocumentCenter/View/8075/AB-2449-Reasonable-Accommodation-Policy. If you need special assistance to participate in a City Council or Commission meeting or other services offered by this City, including an electronic or printed copy of the City's reasonable accommodation policy, please contact City Hall at (626) 430-2200. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Note: Staff reports are available for inspection at the office of the Chief Deputy City Clerk, City Hall, 5050 N. Irwindale Avenue, during regular business hours (8:00 a.m. to 6:00 p.m., Monday through Thursday).

Compensation for Board Members: Compensation for the members of the Irwindale City Council is $750.16 a month. In accordance with Government Code Section 54952.3, Councilmembers will not receive any additional compensation or stipend for the convening of the regular meetings of the Successor Agency to the Irwindale Community Redevelopment Agency. Councilmembers will receive additional compensation of $50/meeting, not to exceed $150 per month, for the convening the regular meetings of the Irwindale Housing Authority and an additional compensation of $300/meeting for convening the regular meetings of the Irwindale Reclamation Authority.

Code of Ethics

As City of Irwindale Council Members, our fundamental duty is to serve the public good. We are committed to the principle of an efficient and professional local government. We will be exemplary in obeying the letter and spirit of Local, State and Federal laws and City policies affecting the operation of the government and in our private life. We will be independent and impartial in our judgment and actions.

We will work for the common good of the City of Irwindale community and not for any private or personal interest. We will endeavor to treat all people with respect and civility. We will commit to observe the highest standards of morality and integrity, and to faithfully discharge the duties of our office regardless of personal consideration. We shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of others.

We will inform ourselves on public issues, listen attentively to public discussions before the body, and focus on the business at hand. We will base our decisions on the merit and substance of that business. We will be fair and equitable in all actions, claims or transactions. We shall not use our official position to influence government decisions in which we have a financial interest or where we have a personal relationship that could present a conflict of interest, or create a perception of a conflict of interest.

We shall not take advantage of services or opportunities for personal gain by virtue of our public office that are not available to the public in general. We shall refrain from accepting gifts, favors or promises of future benefit that might compromise our independence of judgment or action or give the appearance of being compromised.

We will behave in a manner that does not bring discredit or embarrassment to the City of Irwindale. We will be honest in thought and deed in both our personal and official lives.

Ultimate responsibility for complying with this Code of Ethics rests with the individual elected official. In addition to any other penalty as provided by law, violation of this Code of Ethics may be used as a basis for disciplinary action or censure of a Council Member.

These things we hereby pledge to do in the interest and purposes for which our government has been established.

IRWINDALE CITY COUNCIL

SPECIAL MEETING

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **INVOCATION**

4. **ROLL CALL:** **Councilmembers: Mark A. Breceda, Larry G. Burrola, Manuel R. Garcia; Mayor Pro Tem Albert F. Ambriz; Mayor H. Manuel Ortiz**

5. **AB 2449 DISCLOSURES**

   Remote participation by a member of the legislative body for just cause or emergency circumstances

6. **SPONTANEOUS COMMUNICATIONS**

   Spontaneous communications are limited to the special meeting agenda items only.

7. **PUBLIC HEARINGS**

   At this time, members of the audience may ask to be heard regarding an item on Public Hearings.

   A. <u>Adopt Resolutions submitting to the voters Ordinance No. 822 amending Title 5 of the Irwindale Municipal Code to modernize the city's business license tax framework for existing and emerging businesses; establishing that businesses shall pay either a modified flat fee structured by business rate group classification on a gross receipts sliding scale or a gross receipts tax, whichever is higher, utilizing operating costs as an alternative basis if gross receipts fall below the minimum threshold; providing for a three-year transitional phased increase of the gross receipts tax rate to $0.55 in 2027, $0.75 in 2028, and $0.95 in 2029; authorizing the City Council to file written arguments for or against said measure; and directing the City Attorney to prepare an impartial analysis thereof.</u>
   Department: Administration

   Recommendation: It is recommended that the Irwindale City Council:

   1. Adopt Resolution No. 2026-59-3869, ordering the submission to the qualified electors of the City of a certain measure relating to a transactions and use (sales) tax at the consolidated General Municipal Election; and
   2. Adopt Resolution No. 2026-60-3870, setting priorities for filing written argument(s) and directing the City Attorney to prepare an impartial analysis regarding the proposed Measure; and
   3. Adopt Resolution No. 2026-61-3871, providing for the filing of rebuttal arguments for a Measure; and

4. If the Resolutions above are adopted, then conduct the First Reading, by Title only, Ordinance No. 822, an ordinance amending Title 5 of the Irwindale Municipal Code to modernize the proposed City's business license tax measure.

8. ADJOURNMENT

AFFIDAVIT OF POSTING

I, Laura M. Nieto, Chief Deputy City Clerk, certify that I caused the agenda for the special meeting of the City Council, to be held on July 29, 2026, be posted at the City Hall, Library, and Post Office on **Wednesday, July 28, 2026.**

Laura M. Nieto

Laura M. Nieto, MMC
Chief Deputy City Clerk

Item #7.A.

City of
IRWINDALE
AGENDA REPORT

Date:	July 29, 2026
To:	Honorable Mayor and Members of the City Council
From:	Julian A. Miranda, City Manager
Issue:	Adopt Resolutions submitting to the voters Ordinance No. 822 amending Title 5 of the Irwindale Municipal Code to modernize the city's business license tax framework for existing and emerging businesses; establishing that businesses shall pay either a modified flat fee structured by business rate group classification on a gross receipts sliding scale or a gross receipts tax, whichever is higher, utilizing operating costs as an alternative basis if gross receipts fall below the minimum threshold; providing for a three-year transitional phased increase of the gross receipts tax rate to \$0.55 in 2027, \$0.75 in 2028, and \$0.95 in 2029; authorizing the City Council to file written arguments for or against said measure; and directing the City Attorney to prepare an impartial analysis thereof.

Executive Director's Recommendation:

Recommendation: It is recommended that the Irwindale City Council:

1. Adopt Resolution No. 2026-59-3869, ordering the submission to the qualified electors of the City of a certain measure relating to a transactions and use (sales) tax at the consolidated General Municipal Election; and
2. Adopt Resolution No. 2026-60-3870, setting priorities for filing written argument(s) and directing the City Attorney to prepare an impartial analysis regarding the proposed Measure; and
3. Adopt Resolution No. 2026-61-3871, providing for the filing of rebuttal arguments for a Measure; and if the Resolutions above are adopted, then conduct the First Reading, by Title only, Ordinance No. 822, an ordinance amending Title 5 of the Irwindale Municipal Code to modernize the proposed City's business license tax measure.

Administrative Action:

Submitted/Prepared by:
Kambiz Borhani, Finance Director / City Treasurer

K. Borhani

Reviewed by:
Theresa Olivares, Assistant City Manager

Theresa Olivares

Adrian R. Guerra, City Attorney

Approved by:

Julian A. Miranda, City Manager

Background and Analysis:

This meeting is the continuation of the Public Hearing previously scheduled on July 22, 2026. This staff report provides supplemental analysis and recommendations for the continued item.

At its June 22, 2026 meeting, the Irwindale City Council voted to place a measure on the November 3, 2026, General Election ballot that would amend Title 5 of the Irwindale Municipal Code, Business Taxes, Licenses and Regulations, to modernize and increase the City's business license tax rate structure.

This action followed two City Council study sessions and community workshops conducted to review the findings of the Business License Tax Study prepared by HdL Companies. The workshops provided an opportunity for the City Council and the public to receive presentations regarding potential updates and modernization of the City's business license tax program, including several tax structure models developed by HdL.

As part of its analysis, HdL reviewed the City's existing business license tax data, current Municipal Code provisions, tax structure, and related administrative procedures. HdL also identified jurisdictions comparable to Irwindale for economic and financial benchmarking purposes and evaluated service delivery practices, business impacts, equity considerations, and the City's overall competitiveness. The findings were used to develop recommendations for a more equitable, sustainable, and administratively efficient business license tax program.

On June 10, 2026, the City Council held its first study session workshop, during which HdL presented a comprehensive report examining local business activity, comparing Irwindale's business license tax structure with those of comparable cities, and identifying alternative business tax models that could be considered should the City choose to modernize and standardize its program.

HdL presented three business license tax models for the City Council's consideration. The analysis demonstrated that many California cities utilize gross receipts-based tax structures and typically apply a uniform rate multiplier to calculate the amount of tax owed. Based on HdL's findings and recommendations, the City Council identified a single gross receipts-based tax structure as its preferred model. The proposed structure would establish a flat annual tax of $25 for businesses with up to $100,000 in gross receipts, thereby providing affordability for small businesses and startups, and a rate of $1.25 per $1,000 of gross receipts thereafter.

Accordingly, the City Council directed staff to proceed with preparing a draft update to Title 5 of the IMC, Business Taxes, Licenses and Regulations. Staff subsequently presented this draft to the City Council during a public hearing on July 22, 2026, which included testimony from members of the local business community. During this session, the Council deliberated on additional tax modeling scenarios and a potential three-year implementation phase-in, and directed staff to return with a proposal phasing in the new rates over a three-year pre-implementation, incorporating the exemption/flat-fee structure discussed, with final rates to be recommended by staff based on input received.

After further review, the staff proposes the following:

General Provisions & Rate Determination

- **Tax Calculation:** Apply the higher of the flat license fee or the gross receipts tax.
- **Cost Basis:** Use the cost of operations if gross receipts fall below operating costs or are not available.

Flat License Fee Restructuring

- **Base Rate Adjustments:** Increase the designated flat license fee for calendar year 2027.
- **Gross Receipts Sliding Scale:** Apply updated flat fees to baseline gross receipts thresholds.
- **Transition and Credit Mechanism:** Automatically transition businesses exceeding those thresholds to the gross receipts tax model.
- **Business Rate Type Updates:** Reassign classifications/categories from flat fees to gross receipts while establishing new categories and rates.

Gross Receipts Phase-In Implementation Schedule

The transition to the final gross receipts tax structure will occur progressively over a three-year period according to the following baseline schedule:

- **Calendar Year 2027:** Established at a rate of $0.55.
- **Calendar Year 2028:** Established at a rate of $0.75.
- **Calendar Year 2029:** Established at a rate of $0.95.

Upon City Council approval of the proposal, staff shall introduce the final ordinance for its first reading at the special meeting scheduled for August 5, 2026, at 5:00 p.m., thereby enabling its timely submission to Los Angeles County by the August 7, 2026 deadline for placement on the ballot for the November 3, 2026, General Municipal Election. This will include the required resolutions necessary for placing the business license tax on the November 3, 2026, General Municipal Election.

Fiscal Impact:

None.

Attachments:

None