



APPROVED: 01/04/2022

MINUTES OF THE SPECIAL MEETING OF THE CITY COUNCIL

December 22, 2021

1. **CALL TO ORDER**

Mayor Mora called the meeting to order via teleconference at 9:31 a.m.

2. **ROLL CALL**

Members present: Councilmembers Sarno, Trujillo, Zamora, Mayor Pro Tem Rodriguez, and Mayor Mora.

Members absent: None.

3. **PUBLIC COMMENTS:** None.

CITY COUNCIL

4. **NEW BUSINESS**

Approval of Sales Tax Sharing Agreement with the City of Vernon (Fashion Nova) (Finance)

Recommendation:

- Authorize the City Manager to execute a Sales Tax Sharing Agreement between the City of Vernon and the City of Santa Fe Springs regarding local sales tax proceeds generated in either jurisdiction from Fashion Nova.

Director of Finance, Travis Hickey provided a brief presentation on Item No. 4.

Mayor Mora inquired whether the taxes would begin next year or if they would be collected retroactively. Director Hickey responded that it would be retroactive to the beginning of the fiscal year (July 1st). City Manager Raymond R. Cruz added there would be complications if they were to collect funds from any period prior to July 1, 2021.

Council Member Sarno asked how long Fashion Nova's lease is with Goodman Birtcher. Director Hickey answered that he does not know but he can obtain that information. Council Member Sarno also asked if there were provisions in the agreement should Fashion Nova chose to leave any of their locations. Director Hickey responded that there are such provisions.

Council Member Trujillo asked if Fashion Nova is aware of the agreement between the two cities. City Manager Ray Cruz said that the City has never had an agreement with a private entity because it could lead to a slippery slope of collaborations with other private entities, and added that discussions have been made with Fashion Nova in the past. He also stated that he had spoken to Fashion Nova's attorney as recently as the previous night and elaborated on sales tax distribution differences.

Director Hickey pointed out that in addition to both City attorneys working on the agreement, it was also reviewed by Michael Colantuono, whose firm specializes in California with respect to tax related matters.

It was moved by Councilmember Zamora, seconded by Councilmember Trujillo, to authorize the City Manager to execute a Sales Tax Sharing Agreement between the City of Vernon and the City of Santa Fe Springs regarding local sales tax proceeds generated in either jurisdiction from Fashion Nova, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rodríguez, Mora

Nayes: None

Absent: None

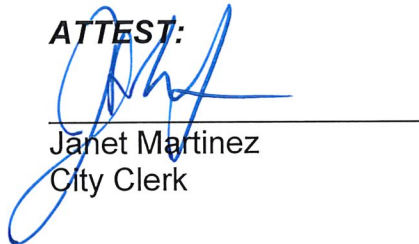
5. ADJOURNMENT

Mayor Mora adjourned the joint meeting at 9:42 a.m.



John M. Mora
Mayor

ATTEST:


Janet Martinez
City Clerk

1-5-22

Date