

CITY OF SAN DIEGO

Proposition D

(This proposition will appear on the ballot in the following form.)

PROP D

IF FINANCIAL REFORM CONDITIONS ARE MET, AUTHORIZES TEMPORARY ONE-HALF CENT SALES TAX. To help offset severe state cuts and help restore essential services, including police, fire and street resurfacing, shall the City of San Diego enact a temporary one-half cent sales tax for up to five years, only if the independent City Auditor certifies conditions have been met, including pension reforms and managed competition?

This proposition requires approval by a simple majority (over 50%) of the voters voting on the proposition.

The proposed ordinance follows the arguments.

OFFICIAL TITLE AND SUMMARY

AUTHORIZES TEMPORARY ONE-HALF CENT SALES TAX AFTER CERTAIN CONDITIONS ARE MET.

Authorizes the City of San Diego to impose a temporary one-half cent sales and use tax for up to five years, only after the City Auditor certifies that specific conditions have been met relating to City pensions, retiree health care, managed competition, and terminal leave for employees.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

State law authorizes the City to impose a sales tax increase for general purposes if it is approved by a two-thirds vote of the governing body and a majority of the City's voters. On August 4, 2010, six members of the eight-member City Council approved a temporary, one-half cent increase to the sales tax in the City of San Diego that may be imposed only if certain conditions are first met. This measure seeks voter approval of the proposed increase.

The tax increase would not be operative until the City Auditor certifies that the following conditions have been met:

1. The City adopting an ordinance eliminating retirement offsets for elected officials and those City employees not represented by a labor organization. "Retirement offsets" are the amount of an individual's retirement system contribution which the City agrees to pay on behalf of the individual.
2. The City adopting, by ordinance, a managed competition guide for various City services.
3. The Mayor completing a study of costs to the City of the Deferred Retirement Option Plan (DROP) program and presenting findings to the City Council. If the study finds DROP is not "cost neutral," the City will initiate "meet and confer" proceedings with labor unions to make DROP cost neutral.
4. The Mayor soliciting requests for qualifications from bidders to assume operations of the Miramar Landfill.

CITY ATTORNEY'S IMPARTIAL ANALYSIS (Continued)

5. The City adopting an ordinance eliminating terminal leave for City employees. Terminal leave allows employees to remain on the payroll when they end employment, using accrued leave, instead of taking a lump sum payment. Under the ordinance, upon separation from the City, an employee may only cash out accrued leave.
6. The City reducing the total cost of "retirement offsets" existing as of June 30, 2010 for employees represented by labor organizations.
7. The City reducing its retiree health care liability existing as of June 30, 2010.
8. The Mayor soliciting proposals from bidders to provide the City's information technology services.
9. The City establishing a second tier pension plan for new employees represented by the firefighters union, comparable to one in effect for new police officers.
10. The City adopting an ordinance that would allow all City employees to voluntarily select or switch from a current retirement plan to a new alternative Defined Contribution Plan. The new plan may be subject to IRS and other governmental approvals, but obtaining such approval is not part of this condition.

The tax would be operative the first day of the first calendar quarter commencing more than 110 days after the State Board of Equalization receives the City Auditor's certification. The City must deposit all revenues received from the tax increase into the City's general fund. Proceeds could be spent for any lawful governmental purpose. The authority to levy the tax would expire five years after the operative date described above, or December 31, 2017, whichever is earlier. The City could suspend or terminate the tax earlier.

FISCAL IMPACT STATEMENT

If the conditions contained in Proposition D are fully implemented, the total projected savings to the City could range from \$3.5 million to \$428 million over the next five years, and \$8.7 million to \$855 million over the next ten years. The implementation of these conditions and the realization of any associated fiscal impact are contingent upon the outcome of the meet and confer process, managed competition and outsourcing requirements of the measure. Some of the conditions are estimated to reduce the City's pension and health care liabilities by approximately \$200 million to \$500 million and reduce taxpayer financial exposure for pension and retiree health care costs by approximately \$20 million to \$50 million annually. The other conditions such as managed competition, outsourcing and benefit reductions could save taxpayers an additional \$626,000 to \$43 million annually. These projected fiscal impacts do not include the additional potential savings from the new Defined Contribution Pension Plan or the results of the Deferred Retirement Option Plan (DROP) Cost Neutrality Study. The estimated savings are based upon current budget information, previous City experience, the application of industry standards and actuarial calculations and are preliminary. Only if the independent City Auditor certifies that the conditions contained in Proposition D are satisfied, will the City's General Fund receive a net estimated \$102 million annually for five years in new sales tax revenue from the temporary one-half cent sales tax.

ARGUMENT IN FAVOR OF PROPOSITION D

Restore fire, paramedic, police and other essential City services.

Revenue from Proposition D will help maintain and restore essential City services such as fire, paramedic, police, library hours and pothole repair, end fire station brownouts, and help improve 911 emergency response times.

By law, funds from this temporary five-year measure can only be collected after the independent City Auditor verifies the City has initiated 10 financial and pension reforms that can produce hundreds of millions of dollars in savings.

City budget cuts totaling over \$180 million have led to rolling brownouts at fire stations, delays in 911 emergency response times, and loss of nearly 200 police, fire and paramedic positions.

But San Diego still faces an ongoing budget deficit of over \$70 million next year – caused in part by Sacramento seizing tens of millions of local tax dollars. By law, Proposition D's funds cannot be taken by Sacramento.

Mandatory financial reform first!

Proposition D establishes 10 fundamental financial reforms – among the most comprehensive ever undertaken by a California city, including reforming City pension and retirement benefits.

Because of the risk of further drastic service cuts, public employee unions are offering historic concessions. Implementing Proposition D reforms could reduce pension and healthcare liabilities by up to \$500 million and reduce taxpayer costs for pension and retiree healthcare by up to \$50 million annually.

Longtime adversaries – Mayor Jerry Sanders and Councilmember Donna Frye – along with firefighters, police, business and labor leaders concerned about protecting public safety, jobs and our economy, support Proposition D because it is the most fiscally responsible and realistic alternative to avoid further devastating cuts in public safety and other essential services.

www.PropDSanDiego.com

MAYOR JERRY SANDERS

CITY COUNCILMEMBER DONNA FRYE

FRANK DE CLERCQ

BRIAN R. MARVEL

President

President

San Diego City Firefighters

San Diego Police Officers Association

MEL KATZ

Former Chair, San Diego Regional Chamber of Commerce

Chair, San Diego Public Library Foundation

ARGUMENT AGAINST PROPOSITION D

NO on PROP D – The "Blank Check" Sales Tax

Prop D is misleading and harms San Diego taxpayers. Prop D gives city politicians a "blank check" tax increase with **no guarantees** on how the money will be spent.

Prop D: More WASTEFUL Spending

- **No Protections for Taxpayers:** Prop D does NOT include the fiscal reforms taxpayers deserve to end millions in wasteful spending each year in the city's budget.
- **Fails to Fix the Pension Crisis:** Prop D allows the city to continue to offer unaffordable pension benefits for city employees – and allows city politicians to continue receiving the biggest taxpayer subsidy for their personal pensions.

Prop D: Does NOT Protect Vital Services

- **No Guarantees for Police and Fire:** Not one penny of this tax is dedicated to pay for police, fire and other vital city services. Politicians can spend this money any way they want!
- **Money Will Go To Pension Fund:** As pension costs keep increasing in the city budget, more and more tax money will be diverted to the pension system to bailout politicians.

Prop D: LACKS Accountability for Reform

- **Weak and Deceptive Triggers:** Prop D lists several weak, meaningless and deceptive conditions that will be quickly used to trigger this sales tax.
- **Prop D Contains No Requirements for Managed Competition:** Prop D does not require implementation of competitive bidding – something voters overwhelmingly approved four years ago but politicians and unions have resisted. Prop D continues the practice of ignoring the will of the people.

Prop D: HURTS Working Families by Raising Taxes

- **More Burdens In a Tough Economy:** Prop D makes everything more expensive for city residents.

No Blank Check, No Bailouts, No More Wasteful Spending, **Vote No on Prop D.**

T.J. ZANE
Chair
San Diegans Against Government Waste

APRIL BOLING, CPA
Former Chair
Pension Reform Committee

KEVIN FAULCONER
Chair
City Audit Committee

CARL DeMAIO
Vice Chair
City Audit Committee

LANI LUTAR
President and CEO
San Diego County Taxpayers Association

PROPOSED ORDINANCE

AN ORDINANCE OF THE SAN DIEGO CITY COUNCIL AND THE PEOPLE OF THE CITY OF SAN DIEGO THAT REQUIRES SATISFYING REFORM CONDITIONS RELATED TO CERTAIN PENSION, RETIREE HEALTH CARE, MANAGED COMPETITION, AND OTHER FINANCIAL REFORMS BEFORE IMPOSING A TEMPORARY TRANSACTIONS (SALES) AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION.

WHEREAS, state law authorizes the City of San Diego to levy this one-half cent transactions (sales) and use tax following a two-thirds vote of the City Council approving the ordinance proposing the tax and approval by a majority of voters voting in an election on that issue; and

WHEREAS, the City is facing a multi-million dollar deficit as a result of the economic downturn; and

WHEREAS, the City has cut services and taken other actions to reduce the City deficit but the continuation of essential services is a risk; and

WHEREAS, on August 3, 2010, the City's Chief Financial Officer issued a memorandum entitled "Citywide reforms and associated savings and budget reductions – REVISED" in which she identified over \$153 million in annual savings the City would realize due to reforms and savings already made and an additional \$182 million in annual savings from budget reductions already taken for a total of \$335 million in savings; and

WHEREAS, the City wishes to ensure that the City has the financial resources necessary to preserve the public health, safety, and welfare of the City residents; and

WHEREAS, the City desires to offset severe state cuts and protect and restore essential services, including police, fire, lifeguards, and street resurfacing and continue to provide a variety of City services, including park and branch library services, and to maintain the City's infrastructure such as streets, sidewalks and public facilities; and

WHEREAS, the City Council desires to submit to the voters at the Municipal Special Election one proposition approving a temporary one-half of one percent transactions (sales) and use tax, expiring after five years; and

WHEREAS, the tax will not be operative until certain conditions related to pension, retiree health, managed competition, and other financial reforms have been satisfied; and

WHEREAS, the City will deposit all revenues it receives from the tax into the general fund of the City to be expended for any lawful governmental purpose; NOW, THEREFORE,

BE IT ORDAINED, by the Council and the People of the City of San Diego, as follows:

Section 1. TITLE. This ordinance shall be known as the Pension Reform, Financial Stabilization, and Sales Tax Ordinance. This ordinance shall be applicable in the incorporated territory of the City of San Diego (City).

Section 2. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the Board of Equalization receives the certification from the City of San Diego, City Auditor, that the conditions listed below have been satisfied.

A Conditions.

1. Ordinance to Eliminate Employee Retirement Offsets for Elected Officials and Unrepresented City Employees: An ordinance has been adopted to eliminate retirement offsets for elected officials and those City employees who are not represented by a labor organization. "Retirement offsets" means the amount of an individual's retirement system contribution which the City agrees to pay on behalf of the individual.

PROPOSED ORDINANCE (Continued)

2. Complete Managed Competition Guide: The City has adopted a Managed Competition Guide, by ordinance, to allow the City to implement a managed competition process pursuant to San Diego Charter section 117(c) involving services such as, solid waste collection, print shop and publishing services, auto and fleet maintenance, landscaping and facilities operations and maintenance.

3. Complete DROP Cost Neutrality Study. The Mayor has completed a Deferred Retirement Option Plan (DROP) cost neutrality study, presented the findings to the City Council and, if said findings are that DROP is not cost neutral, the City will initiate "meet and confer" to make DROP cost neutral. Cost neutral means that the present value of the City's share of costs for all compensation and benefit programs of the City of San Diego with DROP included is less than or equal to 102% of the present value of what those costs would be in the absence of DROP.

4. Solicit Request for Qualifications to Take Over Miramar Landfill Operations/Lease. The Mayor has solicited Requests for Qualifications from qualified bidders to assume the operations of the Miramar Landfill.

5. Eliminate Terminal Leave for all City Employees. The City has adopted an ordinance eliminating terminal leave for all City employees. Under the ordinance, upon separation from the City, an employee may only cash out accrued leave.

6. Reduce Retirement Offset for Represented City Employees. The City has reduced the total cost of Retirement Offsets existing as of June 30, 2010, for employees represented by labor organizations. "Retirement offsets" means the amount of an individual's retirement system contribution which the City agrees to pay on behalf of the individual.

7. Reduce Retiree Health Costs. The City's future unfunded retiree health care liability existing on June 30, 2010, has been reduced. For purposes of this section, "future unfunded retiree health care liability" means the actuarial accrued liability based upon the retiree health care plan in effect on June 30, 2010.

8. Solicit Proposals to Take Over Information Technology Services. The Mayor has solicited proposals from qualified bidders to provide information technology services to the City which are provided by the San Diego Data Processing Corporation.

9. Establish Second Tier Pension Plan for Firefighters. The City has established a second tier pension plan for new employees represented by San Diego City Firefighters, International Association of Fire Fighters, Local 145 comparable to the terms of the plan currently in place for new employees represented by San Diego Police Officers Association as set forth at San Diego Municipal Code section 24.0403(i).

10. Adopt Ordinance for Voluntary Defined Contribution Pension Plan. The City has adopted an ordinance creating an alternative Defined Contribution Plan intended to reduce City costs from the current City retirement plan. The ordinance would allow all City employees to voluntarily select or switch from a current City retirement plan to the alternative Defined Contribution Plan, which may be subject to IRS and other governmental agency approvals, but obtaining such approval is not part of this condition.

B. The independent City Auditor shall certify under this process:

1. The City Manager shall provide documentation to the independent City Auditor each time a reform measure has been satisfied.

2. The independent City Auditor shall review the documentation from the City Manager and any other information necessary to determine whether the reform measures have been met. Upon such determination, the independent City Auditor shall notify the City Manager within 10 business days of such determination. If the independent City Auditor determines that a reform measure has not been satisfied, he shall state the reason why the reform measure has not been met.

3. Within five calendar days of certifying that all reform measures have been satisfied, the independent City Auditor shall notify the State Board of Equalization to levy the sales tax.

C. Nothing contained herein is intended to waive or excuse compliance with the City Charter or other state, federal or local laws.

PROPOSED ORDINANCE (Continued)

Section 3. PURPOSE. This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with section 7251) of Division 2 of the Revenue and Taxation Code and section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

Section 4. CONTRACT WITH STATE. Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 5. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of one-half of one percent (0.50%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

Section 6. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.50%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

Section 9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

PROPOSED ORDINANCE (Continued)

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

C. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in section 6203.

Section 10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

Section 11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

PROPOSED ORDINANCE (Continued)

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

PROPOSED ORDINANCE (Continued)

Section 12. AMENDMENTS. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

Section 13. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 14. SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 15. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately upon the date the final canvas is issued by the San Diego County Registrar of Voters.

Section 16. TERMINATION DATE. The authority to levy the tax imposed by this ordinance shall expire five years after the operative date of this ordinance, or December 31, 2017, whichever is earlier. If the Council determines that the levy and collection of the tax is no longer necessary for the purposes for which the tax is imposed, the Council may suspend or terminate the imposition of the tax prior to that date.

Section 17. CODIFICATION. Upon adoption of this Ordinance by the voters, the City Clerk, in consultation with the City Attorney, is hereby authorized and directed to codify this Ordinance in the City's Municipal Code.