

BENICIA CITY COUNCIL CITY COUNCIL MEETING AGENDA

July 7, 2026
6:00 PM

Benicia City Hall, Council Chambers
250 East L Street, Benicia, CA 94510

COURTESY ZOOM PARTICIPATION

<https://us02web.zoom.us/j/88508047557?pwd=cHRsZlBrYlphU3pkODcycytmcFR2UT09>

Meeting ID: 885 0804 7557

Password: 449303

Phone: 1 669 900 9128

1. **CALL TO ORDER (6:00 P.M.)**

2. **CONVENE OPEN SESSION**

3. **ROLL CALL**

4. **PLEDGE OF ALLEGIANCE**

5. **REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC**

The fundamental rights of each member of the public can be found in the municipal code posted on the City's website and on a plaque that is posted at the entrance to this meeting per section 4.04.030 of the City of Benicia's Open Government Ordinance.

6. **ANNOUNCEMENTS**

6.A **MAYOR'S OFFICE HOURS**

RECOMMENDED ACTION: Mayor Young maintains an open office on the first and third Mondays of the month (except holidays) in the Mayor's office of City Hall from 4:30 to 6:00 p.m. No appointment is necessary. Other meeting times may be scheduled through City Hall by calling 707-746-4200.

7. **PROCLAMATIONS**

8. **APPOINTMENTS**

9. **PRESENTATIONS**

9.A **CALTRANS DISTRICT 4 (BAY AREA) UPCOMING CONSTRUCTION PROJECT - SURFACE REPLACEMENT ON THE WESTBOUND I-80 SECTION OF THE AL ZAMPA BRIDGE**

10. **ADOPTION OF AGENDA**

11. **OPPORTUNITY FOR PUBLIC COMMENTS**

How to Submit Public Comments for this City Council meeting:

Besides appearing in person and offering public comments, members of the public may provide public comment via Zoom, or to the City Clerk by email at lwolfe@ci.benicia.ca.us. Any comment submitted to the City Clerk should indicate to which item of the agenda the comment relates to. Specific information follows:

- Comments received by 2:00 pm on the day of the meeting will be electronically forwarded to the City Council and posted on the City's website.

12. WRITTEN COMMENT

13. PUBLIC COMMENT

14. CONSENT CALENDAR

Items listed on the Consent Calendar are considered routine and will be enacted, approved or adopted by one motion unless a request for removal or explanation is received from a Council Member, Staff or member of the public. Items removed from the Consent Calendar shall be considered immediately following the adoption of the Consent Calendar.

14.A MINUTES FROM THE JUNE 16, 2026 AND JUNE 23, 2026 REGULAR MEETINGS

[June 16, 2026 Regular City Council Meeting Minutes](#)

[June 23, 2026 Regular City Council Meeting Minutes](#)

14.B ADOPTION OF WORK PLAN FOR FISCAL YEAR 2026-27

RECOMMENDED ACTION: Adopt, by minute order only, the City Council's Work Plan for FY 2026-27 (Attachment 1) and direct staff to provide regular progress updates.

[Staff Report - City Council Work Plan 2026-27](#)

[1. FY 26-27 Work Plan](#)

14.C APPROVAL TO WAIVE THE READING OF ALL ORDINANCES INTRODUCED OR ADOPTED PURSUANT TO THIS AGENDA

15. BUSINESS ITEMS

15.A INTRODUCE BY TITLE ONLY AND WAIVE THE FIRST READING OF AN ORDINANCE ADDING A NEW CHAPTER 12.54 TO TITLE 12 (STREETS, SIDEWALKS AND PUBLIC PLACES) OF THE BENICIA MUNICIPAL CODE (BMC) AND AMENDING BMC SECTION 5.28.040 TO TITLE 5 (BUSINESS, TAXES, LICENSES AND REGULATIONS) TO REGULATE SIDEWALK VENDORS

RECOMMENDED ACTION: Conduct a public hearing and move to waive the first reading, read by title only, and introduce an Ordinance of the City Council of the City of Benicia (Attachment 1) adding a new Chapter 12.54 to Title 12 (Streets, Sidewalks and Public Places) and amending BMC section 5.28.040 to Title 5 (Business, Taxes, Licenses and Regulations) to regulate sidewalk vendors.

[Staff Report - Benicia Sidewalk Vending](#)

1. Draft Ordinance - Adding a New Chapter 12.54 to Title 12 (Streets, Sidewalks and Public Places)

15.B BUSINESS LICENSE TAX MODERNIZATION - CONSIDERATION OF PROPOSED BUSINESS LICENSE TAX MODELS, A PROPOSED MARINE TERMINAL BUSINESS LICENSE TAX, AND DIRECTION TO PREPARE A BALLOT MEASURE FOR THE NOVEMBER 3, 2026, GENERAL MUNICIPAL ELECTION

RECOMMENDED ACTION: RECOMMENDATION: There are multiple recommendations associated with this item. 1. Receive the presentation regarding the proposed Business License Tax modernization alternatives. 2. Select the preferred Business License Tax model (Model A or Model B). 3. Provide policy direction regarding: - The initial annual Business License Tax Cap. - The annual percentage increase to the Business License Tax Cap until reaching the Council-established permanent cap. - The permanent maximum annual Business License Tax Cap. - Whether the permanent maximum annual Business License Tax Cap should receive annual Consumer Price Index adjustments. - The proposed Marine Terminal Business License Tax rate. - Whether to establish a separate maximum annual Marine Terminal Business License Tax Cap. 4. Direct staff to prepare the ordinance, resolution calling the election, ballot measure language, and related election documents for future City Council consideration. 5. In the form of a motion, provide staff final direction on the Business License Tax model.

[Staff Report - Business License Tax](#)

16. ADJOURNMENT (8:00 P.M.)

Public Participation

The City of Benicia welcomes your interest and involvement in the City's legislative process. Persons wishing to address the Council, Board, Commission or Committee (CBCC) are asked to voluntarily complete a speaker request form, available at the entrance of Council Chambers, and submit it to the meeting Secretary/City Clerk. Speakers, addressing the CBCC at the time the item is considered, are requested to restrict their comments to the item as it appears on the agenda and stay within the three-minute time limit. The Brown Act does not permit the CBCC to take action on items brought up during the Public Comment period.

As a courtesy, and technology permitting, members of the public may participate remotely. Please be advised that those participating in the meeting remotely via Zoom do so at their own risk. Meetings will not be cancelled due to technical difficulties. The meeting can also be observed on Cable T.V. Broadcast - Check with your cable provider for your local government broadcast channel, or livestream online at www.ci.benicia.ca.us/agendas.

Americans with Disabilities Acts

The City of Benicia is committed to providing meeting facilities that are accessible to persons with disabilities. Meeting materials in alternative formats, a sign language interpreter, real-time captioning, assistive listening devices or other accommodations can be requested by calling (707) 746-4200 or by emailing ADACoordinator@ci.benicia.ca.us, at least four working days prior to a meeting. Assistive listening devices may be obtained at the meeting.

Meeting Procedures

Pursuant to Government Code Section 65009, if you challenge a decision of the CBCC in court, you may be limited to the issues raised during the meeting or in written correspondence delivered to the CBCC by the meeting. You may also be limited to a ninety (90) day statute of limitations when challenging certain administrative decisions, including any final decisions regarding planning or zoning.

The decision of the CBCC is final as of the date of its decision unless judicial review is initiated pursuant to Code of Civil Procedure Section 1094.5. Any such petition for judicial review is subject to the provisions of Code of Civil Procedure Section 1094.6

Public Records and Writings Received After Agenda Posting

A printed version of the agenda packet for this meeting is available at the Benicia Public Library during regular working hours. To the extent feasible, the agenda packet and any writing or documents related to an agenda item for this meeting provided to the CBCC, will be made available for public inspection on the City's web page at www.ci.benicia.ca.us under the heading "Agendas and Minutes." A complete recording of each meeting is available online at www.ci.benicia.ca.us/agendas.

Contact Your Council Members

Voicemail for Mayor and Council Members: (707) 746-4213

Mayor Steve Young: SYoung@ci.benicia.ca.us

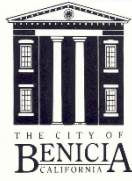
Vice Mayor Trevor Macenski: TMacenski@ci.benicia.ca.us

Council Member Kari Birdseye: KBirdseye@ci.benicia.ca.us

Council Member Lionel Largaespada: LLargaespada@ci.benicia.ca.us

Council Member Terry Scott: TScott@ci.benicia.ca.us

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MINUTES OF THE REGULAR MEETING – CITY COUNCIL JUNE 16, 2026 6:00 P.M.

City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded. These are action minutes; a full video is available online at www.ci.benicia.ca.us/agendas.

1) **CALL TO ORDER (6:00 P.M.)**

Mayor Young called the meeting to order at 6:00 p.m.

2) **CONVENE OPEN SESSION**

3) **ROLL CALL**

All Council Members were present.

4) **PLEDGE OF ALLEGIANCE**

COURTESY ZOOM PARTICIPATION

5) **REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC**

6) **ANNOUNCEMENTS**

6.A MAYOR'S OFFICE HOURS

7) **PROCLAMATIONS**

7.A PROCLAMATION - JUNETEENTH FREEDOM DAY 2026

Proclamation - Juneteenth Freedom Day 2026 

8) **APPOINTMENTS**

8.A MAYOR'S REAPPOINTMENT OF GREG WILSON TO THE ARTS AND CULTURE COMMISSION

1. Resolution - Greg Wilson - Arts and Culture Commission 

**RESOLUTION NO. 26- 42 - A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF BENICIA CONFIRMING THE MAYOR'S REAPPOINTMENT OF
GREG WILSON TO THE ARTS AND CULTURE COMMISSION FOR A FULL-
TERM ENDING JULY 31, 2030**

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8.B MAYOR'S REAPPOINTMENT OF NEEMA HEKMAT TO THE ARTS AND CULTURE COMMISSION

1. Resolution - Neema Hekmat - Arts and Culture Commission

RESOLUTION NO. 26- 43 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S REAPPOINTMENT OF NEEMA HEKMAT TO THE ARTS AND CULTURE COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.C MAYOR'S REAPPOINTMENT OF ELIZABETH O'BRIEN TO THE COMMUNITY SERVICES COMMISSION

1. Resolution - Elizabeth O'Brien - Community Services Commission

RESOLUTION NO. 26- 44 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S REAPPOINTMENT OF ELIZABETH O'BRIEN TO THE COMMUNITY SERVICES COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.D MAYOR'S APPOINTMENT OF HELENA FOWLER TO THE COMMUNITY SERVICES COMMISSION

1. Resolution - Helena Fowler - Community Services Commission

RESOLUTION NO. 26- 45 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF HELENA FOWLER TO THE COMMUNITY SERVICES COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.E MAYOR'S APPOINTMENT OF JESSICA DE TRANE TO THE COMMUNITY SERVICES COMMISSION

1. Resolution - Jessica De Trane - Community Services Commission

RESOLUTION NO. 26- 46 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF JESSICA DE TRANE TO THE COMMUNITY SERVICES COMMISSION FOR A PARTIAL-TERM ENDING JULY 31, 2029

8.F MAYOR'S APPOINTMENT OF BARBARA MCBRIDE TO THE COMMUNITY SUSTAINABILITY COMMISSION

1. Resolution - Barbara McBride - Community Sustainability Commission

RESOLUTION NO. 26- 47 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF

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BARBARA MCBRIDE TO THE COMMUNITY SUSTAINABILITY COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.G MAYOR'S APPOINTMENT OF CAROLINE PILOTTE TO THE COMMUNITY SUSTAINABILITY COMMISSION

1. Resolution - Caroline Pilotte - Community Sustainability Commission 

RESOLUTION NO. 26- 48 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF CAROLINE PILOTTE TO THE COMMUNITY SUSTAINABILITY COMMISSION FOR A STUDENT TERM ENDING JULY 31, 2027

8.H MAYOR'S APPOINTMENT OF CHRISTOPHER MILNE TO THE ECONOMIC DEVELOPMENT BOARD

1. Resolution - Christopher Milne - Economic Development Board 

RESOLUTION NO. 26- 49 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF CHRISTOPHER MILNE TO THE ECONOMIC DEVELOPMENT BOARD FOR A FULL-TERM ENDING JULY 31, 2030

8.I MAYOR'S APPOINTMENT OF JUDY SHEPARD-HALL TO THE ECONOMIC DEVELOPMENT BOARD

1. Resolution - Judy Shepard-Hall - Economic Development Board 

RESOLUTION NO. 26- 50 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF JUDY SHEPARD-HALL TO THE ECONOMIC DEVELOPMENT BOARD FOR A PARTIAL-TERM ENDING JULY 31, 2028

8.J MAYOR'S APPOINTMENT OF WARREN RITTER TO THE ECONOMIC DEVELOPMENT BOARD

1. Resolution - Warren Ritter - Economic Development Board 

RESOLUTION NO. 26- 51 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF WARREN RITTER TO THE ECONOMIC DEVELOPMENT BOARD FOR A PARTIAL-TERM ENDING JULY 31, 2029

8.K MAYOR'S APPOINTMENT OF SIMONE ST. CLARE TO THE HISTORIC PRESERVATION REVIEW COMMISSION

1. Resolution - Simone St. Clare - Historic Preservation Review Commission 

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RESOLUTION NO. 26- 52 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF SIMONE ST. CLARE TO THE HISTORIC PRESERVATION REVIEW COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.L MAYOR'S APPOINTMENT OF LYNN TRACY NERLAND TO THE HISTORIC PRESERVATION REVIEW COMMISSION

[1. Resolution - Lynn Tracy Nerland - Historic Preservation Review Commission](#)



RESOLUTION NO. 26- 53 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF LYNN TRACY NERLAND TO THE HISTORIC PRESERVATION REVIEW COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.M MAYOR'S REAPPOINTMENT OF MISTY BOSTATER TO HOUSING AUTHORITY

[1. Resolution - Misty Bostater - Housing Authority](#)



RESOLUTION NO. 26- 54 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S REAPPOINTMENT OF MISTY BOSTATER TO HOUSING AUTHORITY FOR A TENANT-TERM ENDING JULY 31, 2028

8.N MAYOR'S APPOINTMENT OF CYNTHIA PAPPAS TO INDUSTRIAL SAFETY CITIZEN OVERSIGHT COMMISSION

[1. Resolution - Cynthia Pappas - Industrial Safety Citizen Oversight Commission](#)



RESOLUTION NO. 26- 55 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF CYNTHIA PAPPAS TO INDUSTRIAL SAFETY CITIZEN OVERSIGHT COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.O MAYOR'S APPOINTMENT OF MICHAEL CLARKE TO LOCAL TAX OVERSIGHT BOARD

[1. Resolution - Michael Clarke - Local Tax Oversight Board](#)



RESOLUTION NO. 26- 56 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF MICHAEL CLARKE TO LOCAL TAX OVERSIGHT BOARD FOR A FULL-TERM ENDING JULY 31, 2030

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8.P MAYOR'S REAPPOINTMENT OF JARROD SLATE TO PLANNING COMMISSION

1. Resolution - Jarrod Slate - Planning Commission

RESOLUTION NO. 26- 57 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S REAPPOINTMENT OF JARROD SLATE TO PLANNING COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

8.Q MAYOR'S APPOINTMENT OF TERENCE BENNETT TO PLANNING COMMISSION

1. Resolution - Terence Bennett - Planning Commission

RESOLUTION NO. 26- 58 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA CONFIRMING THE MAYOR'S APPOINTMENT OF TERENCE BENNETT TO PLANNING COMMISSION FOR A FULL-TERM ENDING JULY 31, 2030

On motion of Mayor Young, Council approved the adoption of Resolutions 26-42 through 26-58, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

9) PRESENTATIONS

9.A NEW POET LAUREATE

10) ADOPTION OF AGENDA

On motion of Vice Mayor Macenski, seconded by Council Member Birdseye, Council approved the Adoption of the Agenda, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

11) OPPORTUNITY FOR PUBLIC COMMENTS

12) WRITTEN COMMENT

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13) PUBLIC COMMENT

None.

14) CONSENT CALENDAR

14.A MINUTES FROM THE MAY 5, 2026 AND JUNE 2, 2026 REGULAR MEETINGS

May 5, 2026 Regular City Council Meeting Minutes 
June 2, 2026 Regular City Council Meeting Minutes 

Council pulled items 14.B, 14.C, and 14.G pulled for discussion.

14.B APPROVAL OF AGREEMENT WITH KARLA'S JANITORIAL & SUPPLIERS, LLC. FOR CITYWIDE CUSTODIAL SERVICES

Staff Report - Approval of Agreement for Citywide Custodial Services 

RESOLUTION NO. 26- 59 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING AN AGREEMENT WITH KARLA'S JANITORIAL & SUPPLIERS, LLC FOR CITYWIDE CUSTODIAL SERVICES, AUTHORIZING THE CITY MANAGER OR FINANCE DIRECTOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY, AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO APPROVE TWO OPTIONAL ONE-YEAR EXTENSIONS, IF WARRANTED

Council and Staff discussed why the lowest bidder was not chosen.

Public Comment:
None

On motion of Mayor Young, seconded by Vice Mayor Macenski, Council approved the adoption of Resolution 26-59, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

1. Resolution - Approval of Agreement for Citywide Custodial Services 
2. Agreement - Citywide Custodial Services Karla's Janitorial 
3. Notice of Exemption - 2026 Citywide Pavement Rehabilitation Project 

14.C AWARD OF CONSTRUCTION CONTRACT, APPROVE A NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL

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QUALITY ACT, AND APPROVE A BUDGET AMENDMENT FOR THE 2026 CITYWIDE PAVEMENT REHABILITATION PROJECT

RESOLUTION NO. 26- 60 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AWARD OF CONSTRUCTION CONTRACT, APPROVE A NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND APPROVE A BUDGET AMENDMENT FOR THE 2026 CITYWIDE PAVEMENT REHABILITATION PROJECT

Council and Staff discussed the whether the pricing that was quoted would be stable.

Public Comment:
None

On motion of Council Member Scott, seconded by Vice Mayor Macenski, Council approved the adoption of Resolution 26-60, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

14.D AWARD OF CHEMICAL PURCHASE ORDERS FOR WATER AND WASTEWATER TREATMENT DIVISIONS FOR FISCAL YEAR 2026-2027 AND APPROVING A BUDGET AMENDMENT

Staff Report - Award of Chemical Purchase Orders for Water and Wastewater Treatment for FY27 

1. Resolution - Chemical Purchase Orders - Water Wastewater Treatment FY27 

2. Chemical Pool Bid Summary FY26-27 

RESOLUTION NO. 26- 61 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING BIDS AND APPROVING PURCHASE ORDERS TO THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDERS FOR FURNISHING CHEMICALS FOR WATER AND WASTEWATER TREATMENT FOR FISCAL YEAR 2026-2027, AUTHORIZING A BUDGET AMENDMENT, AND AUTHORIZING THE CITY MANAGER OR FINANCE DIRECTOR TO SIGN THE PURCHASE ORDERS ON BEHALF OF THE CITY

14.E ADOPT A RESOLUTION SUPPORTING SENATE BILL 1087 (CABALDON), SUSTAINABLE COMMUNITIES STRATEGY MODERNIZATION ACT

Staff Report - Supporting Senate Bill 1087 (Cabaldon), Sustainable Communities Strategy Modernization Act 

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1. Resolution - Supporting Senate Bill 1087 (Cabaldon), Sustainable Communities Strategy Modernization Act 
2. Letter of Support for Senate Bill 1087 
3. Senate Bill 1087 Fact Sheet 

RESOLUTION NO. 26- 62 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA SUPPORTING SENATE BILL 1087 (CABALDON), SUSTAINABLE COMMUNITIES STRATEGY MODERNIZATION ACT

14.F APPROVAL OF MASTER SERVICES AGREEMENT WITH HINDERLITER DE LLAMAS AND ASSOCIATES FOR SALES AND USE TAX SERVICES

- Staff Report Master Services Agreement with HdL.pdf 
2. HdL - Master Services Agreement with Schedule A.pdf 
1. Resolution - HdL Sales and Use Tax Services.pdf 

RESOLUTION NO. 26- 63 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING A MASTER SERVICES AGREEMENT WITH HINDERLITER DE LLAMAS AND ASSOCIATES FOR SALES AND USE TAX SERVICES AND AUTHORIZING THE CITY MANAGER OR FINANCE DIRECTOR TO EXECUTE THE AGREEMENT

14.G APPROVAL OF A THREE-YEAR RENEWAL AGREEMENT WITH OPENGOV, INC. FOR EXISTING CITYWIDE PERMITTING AND LICENSING SOFTWARE SYSTEM

RESOLUTION NO. 26- 64 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING A THREE-YEAR RENEWAL AGREEMENT WITH OPENGOV, INC. FOR CITY-WIDE PERMITTING & LICENSING SOFTWARE AND AUTHORIZING THE CITY MANAGER OR FINANCE DIRECTOR TO EXECUTE THE AGREEMENT

Council and Staff discussed the issue of the expansion of capabilities.

Public Comment:
None

On motion of Council Member Scott, seconded by Vice Mayor Macenski, Council approved the adoption of Resolution 26-64, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young
Noes: (None)

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14.H APPROVAL TO WAIVE THE READING OF ALL ORDINANCES INTRODUCED OR ADOPTED PURSUANT TO THIS AGENDA

On motion of Vice Mayor Macenski, seconded by Council Member Birdseye, Council approved the adoption of the Consent Calendar, as amended, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

15) **BUSINESS ITEMS**

15.A UPDATES TO THE BENICIA MASTER FEE SCHEDULE

RESOLUTION NO. 26- 65 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING UPDATES TO THE BENICIA MASTER FEE SCHEDULE (EXHIBIT A) CHANGES

Suzanne Thorsen, Development Services Director, Assistant City Manager, reviewed the staff report.

Council and Staff discussed the Tiny Tots program fees, the ADU user fees, not charging the user a fee for downloading the pre-approved plans (Council consensus), the annual affordable housing monitoring fee, monitoring process for affordable housing units, and the public works administrative fee mark-up.

Public Comment:

None

Council approved the resolution, as amended, to make the ADU pre-approved plans at no cost, and remove the affordable housing monitoring fees and bring them back at a later date.

[Staff Report - Master Fee Updates](#) 

[1. Resolution - Master Fee Updates](#) 

On motion of Vice Mayor Macenski, seconded by Mayor Young, Council approved the adoption of Resolution 26-65, as amended, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

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15.B FIRE DEPARTMENT AMENDMENTS TO THE BENICIA MASTER FEE SCHEDULE

RESOLUTION NO. 26- 66 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AMENDING THE BENICIA MASTER FEE SCHEDULE

Josh Chadwick, Fire Chief, reviewed the staff report. He clarified a typo correcting the ISO Group III fee of \$19,593.

Council and Staff discussed the issue of response charges.

Public Comment:
None

On motion of Vice Mayor Macenski, seconded by Council Member Birdseye, Council approved the adoption of Resolution 26-66, as amended, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Vice Mayor Macenski, Council Member Scott, Mayor Young
Noes: Council Member Largaespada

Staff Report - Fire Department Amendments to the Benicia Master Fee Schedule



1. Resolution - Benicia Master Fee Schedule Amendments
2. Updated Fees Table

16) CITY COUNCIL TASK FORCE GROUPS: ADVOCACY, COLLABORATION AND TRANSITION (ACT)

16.A AD HOC "ACT" TASK FORCE GROUPS UPDATES

Ad Hoc "ACT" Task Force Groups Updates

Public Comment:

Citizen, Families in Transition - The citizen stated the non-profit group is in desperate need of 6-10 volunteers to keep the program going.

17) **COUNCIL MEMBER COMMITTEE REPORTS**

17.A COUNCIL MEMBER COMMITTEE REPORTS

Council Member Committee Reports

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18) ADJOURNMENT (8:30 P.M.)

Mayor Young adjourned the meeting at 7:24 p.m.

City Clerk

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MINUTES OF THE REGULAR MEETING – CITY COUNCIL JUNE 23, 2026 6:00 P.M.

City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded. These are action minutes; a full video is available online at www.ci.benicia.ca.us/agendas.

1) **CALL TO ORDER (6:00 P.M.)**

Mayor Young called the meeting to order at 6:00 p.m.

2) **CONVENE OPEN SESSION**

3) **ROLL CALL**

All Council Members were present.

4) **PLEDGE OF ALLEGIANCE**

5) **REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC**

6) **ANNOUNCEMENTS**

7) **PROCLAMATIONS**

8) **APPOINTMENTS**

9) **PRESENTATIONS**

9.A **ARTS AND CULTURE COMMISSION REPORT**

10) **ADOPTION OF AGENDA**

On motion of Vice Mayor Macenski, seconded by Council Member Birdseye, Council approved the Adoption of the Agenda, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

11) **OPPORTUNITY FOR PUBLIC COMMENTS**

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12) WRITTEN COMMENT

13) PUBLIC COMMENT

1. Michael Hayes - Mr. Hayes discussed the presentation by Signature Developers regarding the Valero property.
2. Ricky Waddel Green - Mr. Green discussed the issue of people living in their cars.

14) CONSENT CALENDAR

14.A MIDCYCLE CARRYOVER BUDGET DELEGATED AUTHORITY FOR FISCAL YEAR 2026/27

[Staff Report - Delegated Authority FY2026-27](#) 

[1. Resolution - Midcycle Delegated Authority for Fiscal Year 2026-27](#) 

RESOLUTION NO. 26- 67 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AUTHORIZING THE ADMINISTRATIVE SERVICES DIRECTOR DELEGATED AUTHORITY TO MAKE FISCAL YEAR 2026/27 CARRYOVER BUDGET AMENDMENTS

14.B APPROVAL TO WAIVE THE READING OF ALL ORDINANCES INTRODUCED OR ADOPTED PURSUANT TO THIS AGENDA

On motion of Vice Mayor Macenski, seconded by Council Member Birdseye, Council approved the adoption of the Consent Calendar, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

15) BUSINESS ITEMS

15.A SECOND PUBLIC HEARING ON TERMS OF A PROPOSED LIMITED CHARTER FOR THE CITY OF BENICIA AND POLICY DIRECTION FOR THE STRUCTURE OF A PROPOSED REAL PROPERTY TRANSFER TAX

[Staff Report - Proposed Limited Charter and RPTT Ballot Measures](#) 

Mario Giuliani, City Manager, and Michael Perkins, Baker Tilly, reviewed the staff report and a PowerPoint presentation.

Council and Staff discussed the staff report and asked clarifying questions.

Public Hearing Opened

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Public Comment:

1. Allison Costelow - Ms. Costelow spoke in support of the proposed ballot measures.
2. Michael Hayes - Mr. Hayes discussed concerns regarding the proposed ballot measures.
3. Council Member Birdseye - Council Member Birdseye stated she received a text from Lori Grundman stating her support for the \$2 million threshold. Ms. Grundman was having technical difficulties using the Zoom feature.

Public Hearing Closed

Council majority preferred setting the exemption threshold at \$2 million and exempting affordable housing units if they are deed restricted. Council directed staff to proceed with the suggested changes.

1. Draft Ordinance - Establishing the City of Benicia as a Charter City

On motion of Mayor Young, seconded by Vice Mayor Macenski, Council approved the proposed RPTT structure for placement on the November 3, 2026, ballot, with the exemption threshold set at \$2 million and exempting deed restricted for sale affordable housing units, on a roll call by the following vote:

Ayes: Council Member Birdseye, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: Council Member Largaespada

15.B ANNUAL PERFORMANCE REVIEW AND EVALUATION - INDUSTRIAL HEALTH AND SAFETY ORDINANCE

Josh Chadwick, Fire Chief, reviewed the staff report and a PowerPoint presentation.

Council and Staff discussed clarifying questions.

Public Comment:

None

Council approved the proposed amendments with the additional potential amendments incorporating feedback regarding incorporating the Valero Community Advisory Panel as a standing agenda item to address potential health and safety issues with remediation and directing staff to bring the amendments back at a future date.

Staff Report - Annual Review and Evaluation - Industrial Health and Safety Ordinance

1. ISO Annual Performance Review and Evaluation Report

DRAFT

2. Proposed Amendments to BMC Section 8.55.090 

3. Proposed Amendments to BMC Section 8.55.220 

On motion of Council Member Birdseye, seconded by Mayor Young, Council received the Annual Performance Review and Evaluation Report for the City's Industrial Health and Safety program and gave additional direction to Staff regarding the Valero Community Advisory Panel, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Vice Mayor Macenski, Council Member Scott, Mayor Young

Noes: (None)

15.C AWARD OF CONSTRUCTION CONTRACT, APPROVAL OF AGREEMENT AMENDMENTS AND TASK ORDER, AUTHORIZE A RELEASE OF RESERVE COMMITMENT FOR CAPITAL AND MAINTENANCE PROJECTS DESIGNATION, APPROVE NECESSARY BUDGET AMENDMENTS, AND APPROVE A NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR THE BENICIA MARINA BREAKWATER REPAIRS PROJECT

RESOLUTION NO. 26- 68 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING THE BIDS FOR THE MARINA BREAKWATER REPAIRS PROJECT, AWARDING THE CONSTRUCTION CONTRACT, INCLUDING BID ALTERNATE 1, TO POWER ENGINEERING CONSTRUCTION COMPANY OF ALAMEDA, CA AUTHORIZING THE PROJECT MANAGER TO SIGN CONTRACT CHANGE ORDERS UP TO THE 15% CONTINGENCY, APPROVAL OF AGREEMENT AMENDMENTS AND TASK ORDER NO. 3, AUTHORIZE A RELEASE OF RESERVE COMMITMENT FOR CAPITAL AND MAINTENANCE PROJECTS DESIGNATION, APPROVE NECESSARY BUDGET AMENDMENTS, AND APPROVE A NOTICE OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR THE MARINA BREAKWATER REPAIRS PROJECT AND AUTHORIZING THE CITY MANAGER OR ADMINISTRATIVE SERVICES DIRECTOR TO SIGN THE CONSTRUCTION CONTRACT AND AGREEMENT AMENDMENTS ON BEHALF OF THE CITY

Derek Lindsley, Associate Civil Engineer, reviewed the staff report and a PowerPoint presentation.

Council and Staff discussed clarifying questions.

Public Comment:

None

Staff Report - Award of Contract for Marina Breakwater Repairs 

DRAFT

1. Resolution - Award of Contract for Marina Breakwater Repairs 
2. Agreement - Power Engineering Construction 
3. GFT Amendment to Agreement Benicia Breakwater Repairs 
4. GFT Original Agreement Marina Breakwater Repairs 
5. UNICO Third Amendment Master Professional Agreement Marina Breakwater Repairs 
6. Master Professional Agreement and Amendments 1 and 2 with UNICO 
7. UNICO Task Order No. 3 Marina Breakwater Repairs 
8. Notice of Exemption - Marina Breakwater Repairs 

On motion of Mayor Young, seconded by Council Member Birdseye, Council approved the adoption of Resolution 26-68, as presented, on a roll call by the following vote:

Ayes: Council Member Birdseye, Council Member Largaespada, Council Member Scott, Mayor Young

Noes: Vice Mayor Macenski

16) ADJOURNMENT (8:00 P.M.)

Mayor Young adjourned the meeting at 8:33 p.m.

City Clerk



**AGENDA ITEM
CITY COUNCIL MEETING DATE – JULY 7, 2026
CONSENT CALENDAR**

TO : City Manager

FROM : Deputy City Manager

SUBJECT : **ADOPTION OF WORK PLAN FOR FISCAL YEAR 2026-27**

EXECUTIVE SUMMARY:

The City Council conducted its Annual Goal Setting Workshop on February 17 and February 19, 2026, to discuss and set its priorities for the next fiscal year, July 1, 2026–June 30, 2027 (FY 2026-27).

RECOMMENDATION:

Adopt, by minute order only, the City Council's Work Plan for FY 2026-27 (Attachment 1) and direct staff to provide regular progress updates.

BUDGET INFORMATION:

There is no impact on the budget at this time. These projects are included in the FY 26-27 Budget. Any budget impact associated with the priority projects included in the work plan will be described at the time each priority project is approved by Council at future meetings.

Any fiscal impacts related to Work Plan initiatives will be presented to City Council for consideration during the budget process or through future agenda items.

BACKGROUND:

Five-Year Strategic Plan for 2024-2028

In the fall of 2023, the City began the process of updating its Strategic Plan, and developing a Resiliency Plan, which provides a roadmap for the organization's next five years of work and identify the City's key priorities. On June 18, 2024, the City Council adopted the City's Five-Year Strategic Plan (Plan) for 2024-2028 (Attachment 2) which includes updated mission, vision, values, and strategic goals. This Plan incorporates the feedback provided by the public and City Council at previous meetings, as well as feedback from the Executive Management Team. This Plan will serve as the City's guidepost as it continues to face fiscal uncertainty and work toward implementing the Pathway to Resilience, a three-part plan: (1) Reduce Expenses, (2) Increase Local Revenue (taxes) and (3) Grow the City's Tax Base through New Development.

Annual Work Plan for FY 2026-27

The annual workplan is comprised of unique projects that City staff will work on, and invest additional resources in, that are outside of normal business operations, and do not occur on a routine or yearly basis. In 2024, the City Manager institutionalized holding the Annual Work Plan Review Workshop on the third or fourth Friday of February, whichever day City Hall is open.

In 2026, the Annual Work Plan Review Workshop was held over the course of two days. At the February 17, 2026 City Council meeting, Council and staff reviewed the FY 25-26 Work Plan to recognize the accomplishments of completed projects, and discussed status updates of projects that would continue into the FY 26-27 Work Plan.

On February 19, 2026, Council along with staff, held day 2 of the Annual Work Plan Review Workshop at the Clock Tower to discuss the City's response to the Benicia Valero Refinery closure, land use and development on the horizon, economic diversification, FY25-26 Work Plan review, Bay Area Air District grant concepts, and proposed 2026 ballot measures.

The closure of the Benicia Valero Refinery is the single greatest change in the City of Benicia since 1964 when the U.S. Army closed the Arsenal. The refinery closure and redevelopment of that site significantly impacts the City of Benicia's revenue, anticipating nearly \$10 million shortfall annually, as well as significantly impact staff workload.

Given the magnitude of this transition within the City of Benicia, staff identified two top priorities for the previous fiscal year, and they remain the top two for the upcoming fiscal year:

1. **The City's response to the Valero announcement.** This includes a wide variety of tasks including examples such as: participating in key stakeholder meetings, overseeing the decommissioning and cleanup of the site, processing any development application upon receipt. Addressing these issues will require cross-departmental coordination and sustained attention.
2. **Priority Based Budgeting.** Priority Based Budgeting, or PBB, is a software tool that is used for data-based decision-making regarding the budget. It does not replace the City's line-item budget. Instead, its purpose is to inform the budget with the total cost of each service or program for the community. In late summer, staff will conduct public engagement regarding the City's programs and services. The goal of implementing PBB is to support the development of actionable data and decision-making options for potential consideration by the Council in early 2027.

The Work Plan for FY26-27, similar to the previous work plan, utilizes a tiered approach to organizing and implementing the City Council's priorities. The two items listed above are top priorities and will guide the work of all departments. Remaining Council-identified projects will be addressed based on available staff capacity and prioritized accordingly throughout the year.

Based on the February 19th workshop, a few key updates were made to the work plan. The following projects were added to the “parking lot” list primarily based on current resources: the library basement development, special event ordinance, and Unreinforced Masonry (URM). Additionally, AB 413 Downtown Parking was removed from the “parking lot” list and added to the Work Plan as it is planned for in FY 27-28.

Based on this, and staff’s review of what is feasible to be accomplished within current capacity and budget constraints, the following projects have been added to the list to be revisited and discussed at the 2027 Goal Setting Workshop.

Items to be discussed at 2027 Goal Setting Workshop:

- Amend Tree Removal Policy
- Amorts Settlement Funds, and First Street Green
- City website update
- Citywide sidewalk repair incentive program
- Community aquatics complex
- Library Basement Development
- Multi-Sport complex
- Preserving historic First Street
- Renegotiate Port Lease
- Special Event Ordinance
- Unreinforced Masonry (URM)
- Visitor restroom program
- Wayfinding on First Street

Based on Council direction at the Annual Goal Setting Workshop in February, the City Council established a list of 19 priority projects which directly support each of the City’s five (5) strategic goals. Staff will use this Work Plan to guide the City’s work over the next year.

NEXT STEPS:

City Staff across all departments will carry out the Work Plan. In the fall, the City Manager’s Office will conduct a progress update on the current work plan, and review Council suggestions for the next work plan annually in February 2027.

CEQA Analysis	This report is exempt from CEQA under Section 15061(b)(3) the “general rule” exemption, which states that where it can be seen with certainty that there is no environment, the activity is exempt from CEQA.
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ATTACHMENTS:

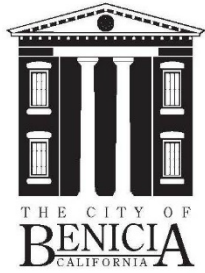
1. Work Plan FY 2026-27
2. City of Benicia 5-Year Strategic Plan and Resiliency Plan

For more information contact: Sarah Shawky, Deputy City Manager
 Phone: 707.746.4200
 E-mail: sshawky@ci.benicia.ca.us

	A	B	C	D	E	F
1	FY 2026-2027 Work Plan					
2	Strategic Plan Goal Name	Priority	Work Plan Goal Objectives (Projects)	Project Phases	Workload	Department
3	Achieve Financial Stability	1	City response to the Benicia Valero Refinery closure	Action: Work with Valero, California Energy Commission, and Signature Development Group	Heavy	All
4	Achieve Financial Stability	1	Priority Based Budgeting Implementation	Action: Complete each necessary phase (e.g. program inventory, program costs and revenue allocation, program impacts, scoring, etc.) Action: Conduct community engagement to receive community input on priority programs Action: Receive program insights report including potential savings and reallocation recommendations for each program.	Heavy	All
5	Achieve Financial Stability	2A	Business License Tax Update	Action: Identify recommended code changes with EDB and assess fiscal impacts Action: Finalize analysis and recommended code changes Action: Council review proposed code changes Action: Code changes for voter consideration on November 2026 ballot	Moderate	City Manager's Office - Economic Development
6	Achieve Financial Stability	2A	Limited Charter and Real Property Transfer Tax	Action: Receive input from key stakeholders Action: Council review proposed charter and code changes Action: Finalize analysis and recommended real property transfer tax rate structure Action: Code changes for voter consideration on November 2026 ballot	Moderate	City Manager's Office
7	Maintain Community Infrastructure	2A	Port of Benicia Facilities and Infrastructure Modernization Planning Grant	Action: Consultant, in collaboration with staff and Amports, prepares multiple reports for: Existing Conditions, SWOT Analysis, Port demand and capacity, transportation and circulation analysis, decarbonization and resiliency pathways, and capital improvement plan. - DONE Action: Update Industrial Design Guidelines and Zoning Ordinance Amendments Action: Complete CEQA Environmental Review Process for the Plan for Council certification. Action: City Council adoption of Final Port of Benicia Facilities and Infrastructure Modernization Plan	Heavy	City Manager's Office/Development Services/Public Works

	A	B	C	D	E	F
2	Strategic Plan Goal Name	Priority	Work Plan Goal Objectives (Projects)	Project Phases	Workload	Department
8	Maintain Community Infrastructure	2A	Utility (water and wastewater) Condition Assessments	Action: RFQ/RFP - DONE Action: Inventory and inspection/evaluation Action: Report	Heavy	Public Works
9	Promote Community Health and Safety	2B	Bay Area Air District REPAIR Grant	Action: After award announcements, complete all necessary grant contract agreements Action: Refine implementation work plans (5-year for catalyst grant and 3-year for opportunity grant)	Moderate	City Manager's Office/Development Services/Public Works
10	Expand Economic Development	2B	Diversity Art – Mural	Action: Locate City approved location for mural - DONE Action: Cost estimate for Art Project - DONE Action: Apply for grant funds - IN PROCESS Action: Go through the art approval process with the Arts & Culture Commission Action: Go to City Council for approval of the art project Action: Art work done by students and local artists Action: Installation of mural (2027 project)	Moderate/Heavy	Community Services
11	Provide Effective Government Services	2B	Online Utility Billing Platform	Action: Configuration Action: Testing Action: Public Information Outreach and Implementation	Moderate	Finance
12	Maintain Community Infrastructure	2B	Southern Pacific Depot Project	Action: Design Action: Bid project Action: Award Action: Construction		
13	Maintain Community Infrastructure	2B	Raw Water Transmission Line	Action: Continue to work with FEMA for reimbursement - DONE Action: Complete design - DONE Action: Bid- IN PROCESS Action: Construction	Heavy	Public Works
14	Maintain Community Infrastructure	2B	Facility Needs Assessment	Action: RFQ/RFP - DONE Action: Facility inventory and inspection/evaluation Action: Report	Heavy	Public Works
15	Provide Effective Government Services	2B	Solid Waste and Recycling Franchise Agreement	Action: Obtain consultant for RFP process - DONE Action: RFP award by June 2026, contract expires June 2027	Moderate	Public Works

	A	B	C	D	E	F
2	Strategic Plan Goal Name	Priority	Work Plan Goal Objectives (Projects)	Project Phases	Workload	Department
				Action: Financial plans and cost of service rate design March-Sept 2026 Action: Draft and final report Aug-Dec 2026 Action: Notices, council meetings and prop 218 hearing Action: New rates effective March 1, 2027	Moderate	Public Works
16	Provide Effective Government Services	2B	Water Rate Study and Increase	2026 Action: Draft and final report Aug-Dec 2026	Moderate	Public Works
17	Provide Effective Government Services	2B	Sewer Rate Study and Increase	Action: Scan Building Safety Files - IN QC Action: Scan Planning Division Files- IN PROGRESS Action: Scan Clerk/CMO/CAO Files - IN PROGRESS Action: Scan Additional Files (TBD)	Heavy	Development Services/City Manager's Office
18	Provide Effective Government Services	2C	Improve Transparency/Searchability with Documentation (Complete Laserfiche)	Action: Contract with consultant for Grants (EVCS) - Contract never awarded, items included in Catlyst grant application Action: Infrastructure assessments for city owned property, and private property Action: Install	Moderate/Heavy	Public Works/City Manager's Office
19	Promote Community Health and Safety	2C	Electric Vehicle Charging	Action: Incorporate into the FY27-28 citywide pavement program	Moderate	Public Works
20	Maintain Community Infrastructure	2C	AB 413 Parking Regulations in Benicia Downtown	Action: Grant submitted March 2025- DONE Action: Secure Funds (project total ~\$6 M) Action: Tentative Project in FY 28/29	Moderate/Heavy	Public Works
21	Promote Community Health and Safety	2D	Benicia Abandoned Vessel and Marine Debris Removal			
22						
23	Priority Definitions					
24	1 Top 2 priorities for FY 26-27					
25	2A In progress or getting underway, and will be completed by November 2026					
26	2B In progress or getting underway, and will be completed by June 2027 (FY 26-27)					
27	2C In progress or getting underway, and will be completed by June 2028 (FY 27-28)					
28	2D In progress or getting underway, and will be completed on or after June 2029 (FY 28-29)					
29						
30	Workload					
31	Light					
32	Medium					
33	Heavy					



AGENDA ITEM
CITY COUNCIL MEETING DATE JULY 7, 2026

TO : City Council

FROM : City Attorney

SUBJECT : **INTRODUCE BY TITLE ONLY AND WAIVE THE FIRST READING OF AN ORDINANCE ADDING A NEW CHAPTER 12.54 TO TITLE 12 (STREETS, SIDEWALKS AND PUBLIC PLACES) OF THE BENICIA MUNICIPAL CODE (BMC) AND AMENDING BMC SECTION 5.28.040 TO TITLE 5 (BUSINESS, TAXES, LICENSES AND REGULATIONS) TO REGULATE SIDEWALK VENDORS**

EXECUTIVE SUMMARY:

The proposed amendments to the Benicia Municipal Code (BMC) would update and add new sidewalk vendor regulations to reflect state law and best practices.

RECOMMENDATION:

Conduct a public hearing and move to waive the first reading, read by title only, and introduce an Ordinance of the City Council of the City of Benicia (Attachment 1) adding a new Chapter 12.54 to Title 12 (Streets, Sidewalks and Public Places) and amending BMC section 5.28.040 to Title 5 (Business, Taxes, Licenses and Regulations) to regulate sidewalk vendors.

BUDGET INFORMATION:

The fiscal impact is minimal. While the proposed ordinance will assist with enforcement efforts, the administrative fines associated with the sidewalk vendor program are not designed to increase revenue.

BACKGROUND:

In 2018, the state legislature adopted Senate Bill 946 ("SB 946") to regulate and decriminalize sidewalk vending which required cities to adopt reasonable, objective time, place, and manner regulations directly related to public health, safety, and/or welfare. Among other things, SB 946 restricted a local government's ability to prohibit sidewalk vending, place caps on the maximum number of sidewalk vendors allowed to operate in its jurisdiction or obtain consent or approval from any non-governmental entity or individual before selling food or merchandise. SB 946 allows local governments to restrict sidewalk vendors from operating within the immediate vicinity of permitted farmers' markets or areas subject to a temporary event permit. SB 946 also places caps on the amounts of fines that may be imposed for violations of a local sidewalk vending program.

In 2022, Senate Bill 972 amended state law by modifying health-code requirements applicable to sidewalk food vendors to reduce regulatory burdens and improve compliance pathways. In 2025, SB 635 further amended statutes related to sidewalk vendors by, in relevant part, restricting local governments from obtaining criminal histories, fingerprints, or background checks as part of an application for a permit or license.

Currently, the City's Municipal Code only regulates peddlers, solicitors, and canvassers per Chapter 5.28 of Title 5 of the Benicia Municipal Code in a manner that does not align with state law as it relates to sidewalk vendors. The regulations also need clarification due to difficulties in enforcement, vendor confusion, and concerns about safety and sanitary conditions.

Accordingly, staff recommends Council to adopt this new sidewalk vendor ordinance to update the title, definitions, permit application process, and operational standards to ensure statutory compliance while preserving local public safety controls.

DISCUSSION:

The proposed amendments align with current state regulation to apply specifically to sidewalk vendor. The proposed amendments include:

1. New defined terms that mirror statutory language in the Government Code and Health and Safety Code. Additionally, new defined terms have been added to clarify what constitutes sidewalk vending, roaming sidewalk vendor, roaming vending cart, stationary sidewalk vendor, and stationary vending cart. These definitions go beyond what is provided in Chapter 5.28 of Title 5 which only regulates peddlers, solicitors, and canvassers in the City.
2. Clearly defined permit application process and the necessary vendor permits and licenses under local and county requirements.
 - a. Requests additional information from applicants, including identification information.
 - b. A vending permit is valid for one year and requires an annual renewal.
3. Operational Requirements
 - a. Every cart used to vend food must be approved by the health department.
 - b. A sidewalk vendor must operate according to the approved hours of operation included in the vending permit.
 - c. Must visibly display a valid vending permit and the county health permit during hours of operation.
 - d. Trash-free vicinity during hours of operation.
 - e. Vending cart sizing cannot exceed certain length and width requirements.
 - f. Cannot sell alcohol, marijuana, or tobacco products.
4. Time, Place, and Manner Restrictions
 - a. Prohibits mobile food vendors from operating within the immediate vicinity of a permitted certified farmers' market or an area designated for a temporary special permit.

- b. Prohibits stationary vendors from operating in areas zoned exclusively residential but allows roaming sidewalk vendors to stop and complete transactions in areas zoned exclusively residential.
 - c. Clarifies that mobile food facilities have to obtain consent from property owners. Exempts sidewalk vendors and compact mobile food operations from this requirement, in accordance with state law.
 - d. Preserves access for people with disabilities by preventing mobile food vendors from occupying sidewalks and the public right-of-way in a manner that would obstruct a wheelchair user's ability to travel along sidewalks and the public right-of-way.
 - e. Placement restrictions of stationary and roaming carts.
5. Enforcement
- a. Violations are decriminalized and cannot be punishable as a criminal infraction or misdemeanor under the above referenced state law provisions.
 - b. The City cannot confiscate a cart, equipment, or food without County involvement.
 - c. Adds a statutorily compliant structure to impose fines and provide operators with an ability-to-pay determination.

NEXT STEPS:

A second reading and adoption is scheduled for June 2, 2026. If adopted at the second reading, the ordinance would become effective 30 days after adoption.

ALTERNATIVE ACTIONS:

The Council may choose not to adopt the ordinance or provide alternate direction.

CEQA Analysis	This action is exempt from the California Environmental Quality Act ("CEQA") because it does not qualify as a "project" pursuant to Public Resource Code Section 21065 and CEQA Guidelines Sections 15320, 15378 and 15061(b)(3) because it can be seen with certainty that there is no possibility the City's action would cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.
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ATTACHMENT:

1. Draft Ordinance - Adding a New Chapter 12.54 to Title 12 (Streets, Sidewalks and Public Places)

For more information contact: Ben Stock, City Attorney
 Phone: (707) 746-4200
 E-mail: bstock@ci.benicia.ca.us

CITY OF BENICIA ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BENICIA, CA, ADOPTING A NEW CHAPTER 12.54 TO TITLE 12 (STREETS, SIDEWALKS AND PUBLIC PLACES) OF THE BENICIA MUNICIPAL CODE (BMC), AND AMENDING BMC SECTION 5.28.040 TO TITLE 5 (BUSINESS TAXES, LICENSES AND REGULATIONS) TO REGULATE SIDEWALK VENDORS

WHEREAS, pursuant to § 7 of article XI of the California Constitution and the City of Benicia’s general police power, the City is empowered and charged with responsibility to enact and enforce laws within its boundaries which promote the public health, morals, safety, and general welfare of the community; and

WHEREAS, in 2018, the California Legislature passed Senate Bill 946 (“SB 946”) which decriminalized sidewalk vending and limited local regulations to those expressly provided in SB 946; and

WHEREAS, in 2022, the California Legislature passed Senate Bill 972 (“SB 972”) to modernizes the California Retail Food Code by reducing the barriers to obtain a local county health permit for compact mobile food operations, providing opportunities for low-income entrepreneurs, and improving food safety and public health for consumers; and

WHEREAS, the Benicia Municipal Code currently regulates peddlers, solicitors, and canvassers per Chapter 5.28 of Title 5 of the Benicia Municipal Code in a manner that does not address sidewalk vending as defined in SB 946; and

WHEREAS, the City Council of the City of Benicia seeks to amend its existing regulations to align with recent developments in state law and best practices; and

WHEREAS, the City Council of the City of Benicia intends to regulate the time, place, and manner of mobile food vending to promote public health, safety, and welfare; and

WHEREAS, the City Council of the City of Benicia conducted a duly and properly noticed public hearing to take public testimony and consider this Ordinance.

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

SECTION 1. Incorporation of Recitals. The City of Benicia finds that the above referenced recitals are true and correct, material to the adoption of this Ordinance, and are incorporated herein by reference.

SECTION 2. Amendment. A new Chapter 12.54 is hereby added to read in its entirety as follows:

Chapter 12.54
SIDEWALK VENDING PROGRAM

Sections:

- 12.54.010 Definitions.
- 12.54.020 Purpose.
- 12.54.030 Vending permit required.
- 12.54.040 Application requirements.
- 12.54.050 Issuance and renewal of vending permits.
- 12.54.060 General operational requirements.
- 12.54.070 Vending in residential areas.
- 12.54.080 Prohibitions on placement of stationary or roaming carts.
- 12.54.085 Sidewalk vending prohibited near special events and other vendors or authorized concessionaires.
- 12.54.090 Administration.
- 12.54.100 Enforcement.

12.54.010 Definitions.

For the purposes of this chapter, the following definitions shall apply:

“Administrator” means the public works director or designee, or any other city officer charged with administration of the provisions of this chapter.

“Business license” means the business license issued by the city pursuant to Chapter [5.04](#), which is required to conduct business in the city.

“California Retail Food Code” means Part 7 of Division 104 of the California Health and Safety Code (commencing at Section [113700](#)).

“Cart” means any pushcart, stand, display, pedal-driven cart, wagon, showcase, rack, or other nonmotorized conveyance, and includes a stationary cart or a roaming cart.

“County health permit” means any and all licenses, permits, certifications, and courses required and issued by Solano County environmental health services division to vend food within the city in accordance with this chapter.

“Food” means any type of edible substance or beverage.

“Goods” or “merchandise” means any item that is not food.

“Health department” means the Solano County Department of Resource Management Environmental Health Division.

“Person” or “persons” means one or more natural persons, individuals, groups, businesses, business trusts, companies, corporations, joint ventures, joint stock companies, partnership, entities, associations, clubs or organizations composed of two or more individuals (or the manager, lessee, agent, servant, officer or employee of any of them), whether engaged in business, nonprofit or any other activity.

“Roaming sidewalk vendor” has the same meaning as set forth in Government Code Section [51036](#)(b), and includes a sidewalk vendor who moves from place to place and stops only to complete a transaction.

“Roaming vending cart” means a pushcart, pedal-driven cart, wagon, or other nonmotorized conveyance used by a roaming sidewalk vendor, to be moved from place to place, and with stops only to complete a transaction.

“Rules and regulations” means the rules and regulations established by the administrator and adopted by city council resolution, concerning the sidewalk vending program that are intended to clarify and aid in the administration and enforcement of this chapter.

“Sidewalk” means any paved surface in the public right-of-way provided for the use of pedestrians and includes pedestrian paths.

“Sidewalk vending” means the sale of food or merchandise from a pushcart, stand, display, pedal-driven cart, wagon, showcase, rack, or other nonmotorized conveyance, or from one’s person, upon a public sidewalk or other pedestrian path.

“Sidewalk vending program” means the program established by this chapter that is applicable to sidewalk vending-related activities.

“Sidewalk vendor” has the same meaning as set forth in Government Code Section [51036](#)(a), and includes a person who sells food or merchandise from a pushcart, stand, display, pedal-driven cart, wagon, showcase, rack, or other nonmotorized conveyance, or from one’s person, upon a public sidewalk or other pedestrian path.

“State seller’s permit” means a permit issued by the California Department of Tax and Fee Administration.

“Stationary sidewalk vendor” has the same meaning as set forth in Government Code Section [51036](#)(c), and includes a sidewalk vendor who vends from a fixed location.

“Stationary vending cart” means a pushcart, stand, display, pedal-driven cart, wagon, showcase, rack, or other nonmotorized conveyance that is intended to be operated from a fixed location by a stationary sidewalk vendor.

“Vending permit” means a permit issued by the administrator to undertake sidewalk vending within the city in accordance with this chapter.

12.54.020 Purpose.

The purpose of this chapter is to establish a sidewalk vending program within the city while maintaining objective regulations that are directly related to public health, safety, and welfare. This chapter does not regulate commercial activity on private property.

12.54.030 Vending permit required.

No sidewalk vendor may undertake sidewalk vending within the city without first obtaining a vending permit issued by the administrator. Sidewalk vendors must comply with the terms and conditions set forth in the vending permit.

12.54.040 Application requirements.

To obtain or to renew a vending permit, a sidewalk vendor must provide the following as part of the application:

- A. Valid identification, such as a state of California driver’s license or identification number, an individual taxpayer identification number, or any other government-issued identification card.
- B. The name, address and telephone number of the sidewalk vendor.
- C. Proposed hours and days of operation.
- D. Whether the sidewalk vendor intends to operate a stationary vending cart or a roaming vending cart.
- E. Proposed location of operation.
- F. The type of merchandise or food offered for sale or exchange.
- G. Proof of a valid business license issued pursuant to Chapter 5.04.
- H. The application or renewal fee, in an amount established by resolution of the city council.
- I. A valid state seller’s permit and any additional licenses from state or local agencies to the extent required by law.
- J. A county health permit for food-related vending, if applicable.
- K. A certificate of completion of a food handler course, if applicable.
- L. If a cart will be used, a description of the cart including dimensions.
- M. A certificate of insurance providing general liability insurance in the amount of at least \$1,000,000 listing the city as additional insured. A vending permit shall be issued only for the explicit time period covered by the effective dates of the general liability insurance policy.
- N. A declaration that the information provided to the city is true and correct.
- O. Any other information as may be required by the administrator.

12.54.050 Issuance and renewal of vending permits.

- A. A vending permit shall be valid for a period of one year from the date of issuance and shall be renewed annually.
- B. Vending permits are not transferable.
- C. A person whose vending permit is revoked may not renew their vending permit for one year.

- D. In accordance with Government Code Section [51038\(c\)\(4\)](#), identification numbers, including social security numbers, will be confidential and will not be disclosed.
- E. The administrator may impose conditions of permit issuance as may be necessary to ensure the public health and safety, including but not limited to requiring an inspection of the cart by the health department as a condition of permit issuance.
- F. If there is any prior history of violations under this chapter, the administrator may review any such violations in its review of renewal requests and consider those violations when imposing conditions on a renewal permit.

12.54.060 General operational requirements.

- A. Every cart used to vend food must be approved by the health department. A cart may only vend the types of food that are listed and approved by the health department under the county health permit.
- B. A cart used for sidewalk vending must obtain, possess, and prominently display a valid vending permit and all other required permits that are issued by other public agencies, such as a county health permit.
- C. A cart used for sidewalk vending must be placed and used at all times in compliance with the terms and conditions of the vending permit and all other applicable laws and regulations, including the California Retail Food Code if food is sold.
- D. No cart that is used for sidewalk vending may exceed a length of seventy-two inches, a width of fifty-four inches, or a height, including roof or awning, of seventy-eight inches, exclusive of a separate condiment table no larger than forty-eight inches long and twenty-four inches wide and a trash receptacle no larger than twenty gallons in capacity.
- E. A sidewalk vendor must operate according to the approved hours of operation included in the vending permit. The administrator may impose reasonable hours of operation for sidewalk vendors. For sidewalk vending in nonresidential areas, the administrator may limit the hours of operation in a manner consistent with other businesses or uses on the same street(s) in those nonresidential areas.
- F. No vending cart, condiment table or trash receptacle may be left on the sidewalk after the sidewalk vendor's stated closing time.
- G. A sidewalk vendor must maintain a clean and trash-free twenty-foot radius from the sidewalk vendor's stationary cart during hours of operation and must leave the area clean by the approved closing time.
- H. Sidewalk vendors that vend food items must provide a trash receptacle for customers and must ensure proper disposal of customer trash. The trash receptacle must be large enough to accommodate customer trash without resorting to existing trash receptacles located on any block for use by the general public.
- I. A stationary vending cart that vends food must be operated within two hundred feet of an approved and readily available toilet and handwashing facility. If the toilet and handwashing facility is located on private property, the sidewalk vendor must possess a copy of an enforceable contract between the private property owner and the sidewalk vendor allowing the vendor to utilize such facilities, including the days and hours of operation.
- J. Sidewalk vendors must comply with all applicable federal, state, and local laws, regulations, and ordinances.

- K. No signs that are not attached to the vending cart may be used or displayed.
- L. Sidewalk vendors may not set up tables, chairs, or other structures, unless otherwise approved by the city.
- M. Sidewalk vendors may not access a city power source without authorization from the city, nor a private power source without authorization from such private property owner or agent.
- N. No sidewalk vendors or vending carts may use and/or operate any loud speaker, public address system, radio, sound amplifier, or other similar device.
- O. Vending of services is prohibited.
- P. Sidewalk vendors shall not vend, set up a vending cart, or otherwise operate, within any marked parking space or stall in any public parking lot, as may be designated with paint or other markings to indicate where parking is permitted.
- Q. Sidewalk vendors shall not serve or engage in the selling of alcohol, marijuana, tobacco products, products that contain nicotine or any product used to smoke/vape nicotine or marijuana, or live animals of any kind.
- R. Sidewalk vendors shall be entirely self-sufficient in regards to gas, water, and telecommunications
- S. The city may request a sidewalk vendor remove any cart that is in violation of this chapter. If the sidewalk vendor refuses to remove the cart, or if a cart has been abandoned, the city may cause the cart to be removed and may, after adequate notice, subsequently dispose of the cart (including any associated merchandise and food) if not claimed by the vendor in accordance with the rules and regulations. If the city removes a cart, the city shall not be responsible for maintaining any perishable food products.

12.54.070 Vending in residential areas.

- A. No stationary vending cart may be used to vend within a residential zoned area.
- B. A roaming sidewalk vendor may use a roaming vending cart within a residential zone, and must move continuously except when necessary to complete a sale.

12.54.080 Prohibitions on placement of stationary or roaming carts.

- A. No sidewalk vendor may place or leave any vending cart:
 - 1. Within ten feet of a marked crosswalk or ADA access ramp.
 - 2. Within ten feet of the curb return of an unmarked crosswalk.
 - 3. Within five feet of any fire hydrant.
 - 4. Within five feet ahead and forty-five feet to the rear of a sign designating a bus stop.
 - 5. Within ten feet of a bench or shelter used for public transit.
 - 6. Within five feet of a driveway or driveway apron.
 - 7. Within eighteen inches from the edge of the curb.
 - 8. Within five feet of a public bench.
 - 9. Where placement impedes the flow of vehicular traffic such as on public streets or public highways.
- B. No vending cart may be chained or fastened to any utility pole, sign, tree, or other object in the public right-of-way or left unattended at any time.
- C. No vending cart may impede the flow of pedestrian traffic by reducing the path of travel to less than four feet, or impede access to or restrict the use of abutting property,

including, but not limited to, residences and places of business, in accordance with the Americans with Disabilities Act (ADA).

D. No person shall vend from a human-powered or nonmotorized conveyance, such as a pushcart, stand, display, pedal-driven cart, wagon, showcase, rack, or from one's person, on any roadway (as defined by Vehicle Code Section [530](#)) in the city.

E. Notwithstanding any specific regulations in this chapter, no sidewalk vendor may install, use or maintain a vending cart where placement endangers the safety of persons or property.

12.54.085 Sidewalk vending prohibited near special events and other vendors or authorized concessionaires.

A. No sidewalk vending is allowed within three hundred feet of all borders of a city-sponsored or city-permitted temporary or special event, within the time period commencing one hour before until one hour after the event. Such events include any event that requires an encroachment permit or special event permit, or any other permit or authorization issued by the city, including filming events, parades, outdoor concerts, and public gatherings sponsored by the city.

B. No sidewalk vending is allowed within three hundred feet of all borders of a certified farmers' market (operating pursuant to Chapter 10.5 of Division 17 of the Food and Agricultural Code, commencing with Section [47000](#)) or a swap meet (operating pursuant to Article 6 of Chapter 9 of Division 8 of the Business and Professions Code, commencing with Section [21660](#)) during the hours of operation.

C. For the purpose of determining the geographical restrictions set forth in this section, the applicable borders of any temporary or special event, certified farmers' market, or swap meet shall be based on the area of use set forth or otherwise described in the permit or other authorization issued by the city. The administrator or designee shall maintain a copy of such permits or other authorizations on file, unless expired or revoked, and shall make available such permits or authorizations to sidewalk vendors for inspection upon request. The administrator or designee shall also provide sidewalk vendors with notice regarding the issuance of temporary or special event permits if such notice is required to be provided to affected business owners or property owners.

D. No sidewalk vendor may vend within twenty-five feet of another sidewalk vendor at any city park.

E. Vendors are prohibited from sidewalk vending in parks and other city facilities that have exclusive, signed concession agreements. The administrator shall maintain a list of parks and facilities with an exclusive concession agreement and provide a copy of such list with the issuance of any vending permit.

12.54.090 Administration.

The administrator is authorized to develop, and enforce, the rules and regulations regarding the licensing, permitting, and operation of sidewalk vending, in accordance with this chapter.

12.54.100 Enforcement.

A. Sidewalk vending in violation of this chapter will not be punishable as a criminal infraction or misdemeanor, but will be subject to the following enforcement procedures:

1. For the first incident, a written warning will be issued specifying the provision of this chapter that has been violated as well as materials outlining the regulations of this chapter and any other adopted rules and regulations pertaining to sidewalk vending.
2. For the second incident, persons found in violation of this chapter shall be subject to an administrative citation. Administrative citations shall be in the format set forth in Section 1.10.050. In conjunction with the issuance of an administrative citation, the city will provide the person subject to administrative citation notice of their right to request an ability-to-pay determination and will make available instructions or other materials for requesting an ability-to-pay determination.
3. For vending without a valid vending permit the following fines shall be applicable:
 - a. An administrative fine of two hundred fifty dollars for a first violation.
 - b. An administrative fine of five hundred dollars for a second violation within one year of the first violation.
 - c. An administrative fine of one thousand dollars for a third violation and each subsequent violation, within one year of the first violation.Upon proof of a valid permit issued by the city before such fines are due, the city will reduce the amount of the fines to one hundred dollars for the first violation, two hundred dollars for the second violation, and five hundred dollars for each violation thereafter.
4. For all violations of this chapter other than vending without a valid vending permit as outlined in subsection A of this section:
 - a. An administrative fine of one hundred dollars for a first violation.
 - b. An administrative fine of two hundred dollars for a second violation within one year of the first violation.
 - c. An administrative fine of five hundred dollars for a third violation within one year of the first violation.
 - d. An administrative fine of five hundred dollars for a fourth and each subsequent violation, and revocation of the vending permit. Revocation proceedings will be conducted in accordance with the rules and regulations established by the city.
- B. All administrative citations issued for violations of this chapter and the rules and regulations are subject to the administrative hearing and appeal process set forth under Section 1.10.090. Citations shall be served using a method set forth in Section 1.10.060.
- C. Fines assessed pursuant to this section shall be reduced to twenty percent of the original fine amount upon submission of proof of inability to pay at the administrative hearing if requested by the person pursuant to Government Code Section [51039\(f\)](#). Additionally, the hearing officer may allow the person to complete community service in lieu of paying the total administrative fine, may waive the administrative fine, or may offer an alternative disposition.
- D. All administrative fines imposed shall be subject to the city's authority to use any civil remedy available to collect any unpaid administrative fine, including, but not limited to, a collections program. No interest charges, late charges, or other fees shall be imposed for an administrative citation issued as a result of a violation of this chapter.

SECTION 3. Amendment. A new subsection is added to Chapter 5.28.040 to read in its entirety as follows:

H. Is subject to a permit under 12.54.030.

SECTION 4. CEQA. The City of Benicia finds that this ordinance is exempt from the California Environmental Quality Act (“CEQA”) because the ordinance does not qualify as a project and will not result in a direct or reasonably foreseeable indirect physical change in the environment. (CEQA Guidelines, §§15060, subds. (c)(2), (c)(3), 15061, subd. (b)(3).)

SECTION 5. Severability. If any section, subsection, phrase or clause of this ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

SECTION 6. Effective Date and Publication. This Ordinance shall be in full force and effective thirty (30) days after its adoption and shall be published and posted as required by law.

On motion of Council Member _____, seconded by Council Member _____, the foregoing ordinance was introduced at a regular meeting of the City Council on the 7th day of July 2026, and adopted at a regular meeting of the Council held on the _____ day of _____ 2026, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Steve Young, Mayor

Attest:

Lisa Wolfe, City Clerk

Date



**AGENDA ITEM
CITY COUNCIL MEETING DATE – JULY 7, 2026
BUSINESS ITEM**

TO : City Council

FROM : City Manager

SUBJECT : **BUSINESS LICENSE TAX MODERNIZATION –
CONSIDERATION OF PROPOSED BUSINESS LICENSE TAX
MODELS, A PROPOSED MARINE TERMINAL BUSINESS
LICENSE TAX, AND DIRECTION TO PREPARE A BALLOT
MEASURE FOR THE NOVEMBER 3, 2026, GENERAL
MUNICIPAL ELECTION**

EXECUTIVE SUMMARY:

The City Council has been evaluating potential updates to the City's Business License Tax Program to improve tax equity, modernize the existing tax structure, and establish a more sustainable long-term revenue source to support essential City services. During meetings held on April 28, 2026, and June 2, 2026, the City Council reviewed several Business License Tax modernization alternatives and directed staff to continue refining the proposed tax structure.

Based on City Council feedback and additional analysis, staff has developed two Business License Tax alternatives for City Council consideration: Model A and Model B. Both models retain the same variable gross receipts tax structure, business categories, tax rates, and annual gross receipts exemption for businesses reporting less than \$100,000 in gross receipts in that year. The primary difference between the two models is the initial annual Business License Tax Cap. Staff also presents a proposed Marine Terminal Business License Tax as a separate policy consideration. Staff requests that the City Council select the preferred Business License Tax model (Model A or Model B) and provide policy direction regarding the initial and ultimate maximum annual Business License Tax Caps, annual cap increases, whether the ultimate cap should receive annual Consumer Price Index adjustments, the Marine Terminal Business License Tax rate, and whether to establish a separate maximum annual Marine Terminal Business License Tax Cap.

RECOMMENDATION:

There are multiple recommendations associated with this item.

1. Receive the presentation regarding the proposed Business License Tax modernization alternatives.
2. Select the preferred Business License Tax model (Model A or Model B).
3. Provide policy direction regarding:
 - The initial annual Business License Tax Cap.

- The annual percentage increase to the Business License Tax Cap until reaching the Council-established permanent cap.
 - The permanent maximum annual Business License Tax Cap.
 - Whether the permanent maximum annual Business License Tax Cap should receive annual Consumer Price Index adjustments.
 - The proposed Marine Terminal Business License Tax rate.
 - Whether to establish a separate maximum annual Marine Terminal Business License Tax Cap.
4. Direct staff to prepare the ordinance, resolution calling the election, ballot measure language, and related election documents for future City Council consideration.
 5. In the form of a motion, provide staff final direction on the Business License Tax model.

BUDGET INFORMATION:

There is no fiscal impact associated with receiving this report or providing policy direction.

Should the City Council direct staff to place a Business License Tax measure on the November 3, 2026, General Municipal Election ballot, the estimated incremental cost of placing the measure on the ballot is approximately \$9,688. Funding is available within the Fiscal Year 2026/27 City Clerk Election Services Budget.

If approved by the voters, future General Fund revenues will vary depending upon the Business License Tax model, Business License Tax Cap, annual cap increase, Marine Terminal Business License Tax rate, and any Marine Terminal Business License Tax Cap ultimately selected by the City Council.

BACKGROUND:

The City of Benicia has maintained a Business License Tax Program for many years to generate General Fund revenue that supports essential municipal services. While the City's Business License Tax Program has served as a reliable source of revenue, the existing tax structure has remained largely unchanged despite significant changes in the local economy and business environment. As a result, the City Council initiated a review of the Business License Tax Program to evaluate opportunities to modernize the existing structure, improve equity among businesses, and establish a more sustainable long-term revenue source.

Since 2016, the City has partnered with HdL Companies to improve Business License Tax compliance and administration. Through those efforts, approximately 1,542 businesses were identified and brought into compliance, generating approximately \$863,500 in additional Business License Tax revenue. In 2023, the City also implemented a Business License Tax Amnesty Program, which generated approximately \$246,000 during its first year and approximately \$290,000 over the following two years. While these initiatives significantly improved compliance and increased revenue collection, they did not address the City's underlying Business License Tax structure.

On April 28, 2026, the City Council conducted a Business License Tax Workshop to review the City's existing Business License Tax Program, compare tax structures used by other California jurisdictions, and evaluate potential Business License Tax modernization strategies. During the workshop, the City Council discussed a variety of approaches, including gross receipts-based tax structures, exemption thresholds, and methods to improve equity while maintaining a reliable General Fund revenue source.

Staff returned to the City Council on June 2, 2026, with additional Business License Tax modernization alternatives for further consideration. During that meeting, the City Council provided policy direction to continue refining the proposed tax structure, further evaluate the potential impacts on Benicia businesses, and develop alternatives that balance modernization of the Business License Tax Program with the potential financial impacts on the business community.

Following the June 2, 2026, City Council meeting, staff completed additional financial modeling and business impact analyses and evaluated multiple Business License Tax alternatives intended to achieve the City's modernization objectives. As those alternatives were refined, staff identified unintended consequences associated with immediate implementation of some of the previously presented models. Most notably, certain alternatives resulted in substantial year-over-year Business License Tax increases for a relatively small number of businesses.

For example, under one previously presented alternative, a business paying approximately \$1,000 annually could have experienced an increase to more than \$85,000 in a single year. While these impacts would have affected only a limited number of businesses, staff concluded that immediate implementation of increases of this magnitude would be inconsistent with the City's efforts to support business retention, encourage business expansion, and attract new investment, particularly following the announced closure of the Valero Benicia Refinery.

Conversely, maintaining the City's existing Business License Tax structure without modification would perpetuate inequities within the current system and delay needed modernization. Deferring action would likely require even greater adjustments in the future, resulting in larger impacts on businesses over time.

Based on the additional analysis and City Council direction, staff developed two revised Business License Tax alternatives, identified as Model A and Model B, for City Council consideration. Both alternatives retain the previously presented variable gross receipts tax structure, business classifications, tax rates, and a \$100,000 annual gross receipts exemption, while incorporating a phased Business License Tax Cap approach intended to reduce the immediate impact on affected businesses. Staff also evaluated a proposed Marine Terminal Business License Tax as a separate policy consideration. The proposed alternatives and associated fiscal impacts are discussed below.

DISCUSSION

The proposed Business License Tax modernization is intended to update the City's existing Business License Tax structure to better reflect today's business environment, improve tax equity among businesses, and provide a more sustainable long-term revenue source to support essential City services.

Following City Council direction received during previous Business License Tax modernization discussions, staff completed additional financial modeling and business impact analyses and developed two Business License Tax alternatives for City Council consideration. Both alternatives utilize the same variable gross receipts tax structure, business classifications, tax rates, and an annual gross receipts exemption for businesses reporting \$100,000 or less. The primary distinction between the two models is the initial maximum annual Business License Tax Cap.

Staff also evaluated a proposed Marine Terminal Business License Tax as a separate policy consideration. The Marine Terminal Business License Tax would apply independently of the proposed Business License Tax models and would require separate City Council direction regarding both the applicable tax rate and whether to establish a separate maximum annual Marine Terminal Business License Tax Cap.

Business License Tax Models

Both Model A and Model B utilize the same variable gross receipts Business License Tax structure previously presented to the City Council. Under both models:

- Businesses with annual gross receipts of less than \$100,000 would be exempt from paying a Business License Tax.
- Businesses with annual gross receipts equaling or exceeding \$100,000 would pay a Business License Tax based on the applicable business category and variable gross receipts tax rate.
- The proposed tax rates for each business category remain unchanged from the rates previously presented to the City Council.
- The City Council would establish an initial maximum annual Business License Tax Cap, determine the annual percentage increase to that cap until it reaches a Council-established permanent maximum annual cap, and determine whether the permanent cap should thereafter be adjusted annually by the Consumer Price Index.

The primary difference between Model A and Model B is the initial maximum annual Business License Tax Cap.

Models A & B – Variable Gross Receipts Rate

Categories	Rates Per \$1,000 of Gross Receipts
Contractor	\$0.75
General/Retail	\$0.25
Industrial	\$1.00
Petroleum	\$1.25
Professional	\$1.00
Property Rental	\$1.00
Services	\$0.75
Exempt	\$0.00

Model A

Model A establishes an initial maximum annual Business License Tax Cap of \$4,000 per business.

Under Model A, approximately 1,868 businesses with annual gross receipts of less than \$100,000 would be exempt from paying a Business License Tax. Approximately 1,179 businesses would exceed the \$100,000 gross receipts exemption and become subject to the proposed Business License Tax structure. During the first year of implementation, all 1,179 businesses would experience an increase in their Business License Tax obligation.

The maximum first-year increase for any individual business is estimated at approximately \$3,351, while the average first-year increase is estimated at approximately \$518.

Model A is projected to increase annual Business License Tax revenue from approximately \$626,000 under the current Business License Tax structure to approximately \$899,000 during the first year of implementation.

As part of the implementation, the City Council would determine the annual percentage increase applied to the Business License Tax Cap until it reaches a permanent maximum annual cap established by the City Council. Once that permanent cap is reached, the City Council may also determine whether it should remain fixed or receive annual Consumer Price Index adjustments.

Model B

Model B establishes an initial maximum annual Business License Tax Cap of \$1,500 per business.

Like Model A, approximately 1,868 businesses with annual gross receipts of less than \$100,000 would be exempt from paying a Business License Tax. Approximately 1,179 businesses would exceed the \$100,000 gross receipts exemption and become subject to the proposed Business License Tax structure. Under Model B, approximately 913 businesses would experience an increase during the first year of implementation.

The maximum first-year increase for any business is estimated at approximately \$853, while the average first-year increase is estimated at approximately \$211.

Model B is projected to generate approximately \$592,000 in Business License Tax revenue during the first year of implementation, which is below the City's current annual Business License Tax revenue of approximately \$626,000.

Assuming a ten percent (10%) annual increase to the Business License Tax Cap, annual revenue is projected to return to current revenue levels in approximately five years. The annual percentage increase to the Business License Tax Cap would be established by the City Council and may be greater than or less than ten percent.

Comparison of Model A & Model B

	Model A	Model B
Initial Business License Tax Cap	\$4,000	\$1,500
Current Annual Revenue	\$626,000	\$626,000
Estimated First-Year Revenue	\$899,000	\$592,000
Businesses Exempt (< \$100,000 Gross Receipts)	1,868	1,868
Businesses Subject to the Business License Tax	1,179	1,179
Businesses Experiencing First-Year Increase	1,179	913
Maximum First-Year Increase	\$3,351	\$853
Average First-Year Increase	\$518	\$211

Figures are approximate and based on current business license data and estimated gross receipts. Actual revenue and business impacts may vary.

In addition to selecting either Model A or Model B, the City Council is requested to provide policy direction regarding the annual percentage increase to the Business License Tax Cap until the Council-established permanent maximum annual Business License Tax Cap is reached. The annual increase is intended to phase in future adjustments over time rather than implementing the full increase immediately. The City Council may establish any annual increase it determines appropriate, such as 10 percent, 20 percent, or 30 percent, or another percentage. Higher annual increases would allow the Business License Tax Cap to reach the permanent maximum more quickly, while lower annual increases would provide a more gradual transition for affected businesses. Staff will present illustrative examples of various annual increase scenarios during the July 7, 2026, City Council meeting to assist the City Council in evaluating these policy options.

Marine Terminal Business License Tax

In addition to the proposed Business License Tax modernization alternatives, staff evaluated a proposed Marine Terminal Business License Tax applicable to marine terminal operations within the City.

Estimated Marine Terminal Business License Tax Revenue

Marine Terminal Business License Tax Rate	Estimated Annual Revenue
\$1 per \$100 of Gross Receipts (1%)	Approximately \$340,000
\$2 per \$100 of Gross Receipts (2%)	Approximately \$680,000
\$3 per \$100 of Gross Receipts (3%)	Approximately \$1,020,000

The Marine Terminal Business License Tax is independent of the proposed Business License Tax models. If the City Council elects to include a Marine Terminal Business License Tax in the proposed ballot measure, the City Council will also need to determine whether to establish a separate maximum annual Marine Terminal Business License Tax Cap. Any Marine Terminal Business License Tax Cap would apply only to marine terminal operations and would not affect the Business License Tax Caps established under Model A or Model B.

NEXT STEPS:

If the City Council provides the requested policy direction, staff will prepare the ordinance, ballot measure language, resolution calling the election, and all related election documents consistent with the direction provided by the City Council.

The anticipated schedule is as follows:

1. July 7, 2026 City Council Meeting – Receive the proposed Business License Tax modernization alternatives and provide policy direction.
2. July 21, 2026 City Council Meeting – Consider adoption of the resolution calling the election, approval of ballot measure language, and introduction of the ordinance necessary to place the measure on the November 2026 General Election ballot.
3. August 7, 2026 Deadline for submission of ballot materials to the Solano County Registrar of Voters.

ALTERNATIVE ACTIONS:

In addition to the recommended action, the City Council may:

1. Provide alternative policy direction regarding the proposed Business License Tax modernization alternatives, including modifications to the proposed Business License Tax rates, gross receipts exemption, initial or ultimate Business License Tax Caps, annual cap increases, Consumer Price Index adjustments, Marine Terminal Business License Tax rate, or Marine Terminal Business License Tax Cap.
2. Direct staff to prepare a ballot measure utilizing the previously presented Model 4 Employee-Based Business License Tax in lieu of Model A or Model B. Based on the analysis prepared by HdL Companies, Model 4 is estimated to generate approximately \$1.54 million in annual Business License Tax revenue, compared to the City's current annual Business License Tax revenue of approximately \$628,000.

Model 4: Employee-Based Business License Tax Model Structure

Category	Number of Businesses	Employee Count	FY24/25 Current Model BLT Revenue	Employee Model Estimated Revenue*
Micro Businesses	264	264	\$18,000	\$20,000
Commercial Retail/Service	1,850	5,312	\$332,000	\$601,000
Professional/Office Service	653	509	\$165,000	\$403,000
Industrial	203	3,261	\$113,000	\$515,000
Exempt	78	0	\$0	\$0
Grand Total	3,048	9,346	\$628,000	\$1,539,000

* Rounded to the nearest \$1,000

Assumptions:

1. Microbusinesses were defined as those in the Commercial Retail Service Category earning less than \$25,000.
2. General/Retail and Service and Contractors (under \$2M) were mapped to Commercial Retail Service.
3. Professional and Rental was mapped to Professional Service.
4. Industrial, Heavy Industrial, and Contractors (above \$2M) were mapped to Industrial Category.
5. Employee counts are based on available business license records and should be considered preliminary estimates.

3. Decline to proceed with preparation of a Business License Tax ballot measure.

CEQA Analysis	The proposed action is not considered a project under the California Environmental Quality Act (CEQA) or is exempt pursuant to applicable CEQA Guidelines, as it involves fiscal and administrative actions that do not result in a direct physical impact on the environment.
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ATTACHMENT:

None.

For more information contact: Mario Giuliani, City Manager

E-mail: MGiuliani@ci.benicia.ca.us