MEASURE N: GRAND TERRACE GENERAL SERVICES MEASURE

IMPARTIAL ANALYSIS

On July 28, 2026, the Grand Terrace City Council voted to place Measure N, entitled the "Grand Terrace General Services Measure" ("Measure") on the November 3, 2026 general municipal election ballot.

If approved by a majority of voters, the Measure would add Chapter 3.32 to the City of Grand Terrace Municipal Code, establishing a one percent (1.00%) transactions and use tax (commonly known as a "sales tax") for City general fund purposes.

State law allows certain entities, including municipalities, to increase sales tax within their jurisdictions if approved by the voters. If approved, the Measure would impose a 1.00% tax upon retailers' gross receipts from the retail sale of most tangible personal property sold within the City, and to the storage, use, or other consumption within the City of most tangible personal property purchased from retailers.

It is estimated that this tax will generate approximately $1,200,000 annually in revenue. Funds generated would be unrestricted and be placed in the City's general fund, and may be used for any City general fund purposes, such as the following:

- Law enforcement services,
- Responding to non-emergency calls for service,
- Funding general public services provided by the City.

Food purchased as groceries and prescription medication, among other common essentials, would not be taxed under the Measure. Visitors to Grand Terrace would bear part of the tax burden imposed by their local activities and thus contribute to the City's ability to maintain general public services they use while visiting. Residents and other purchasers of goods in the City would also be subject to the tax. The specific retail sales and uses subject to the tax would be determined under California Department of Tax and Fee Administration ("CDTFA") regulations and the CDTFA would administer the tax under contract with the City of Grand Terrace.

The Measure includes accountability provisions, including the creation of an Advisory Committee to review revenues and expenditures of the tax and review annual audit reports related to the tax, and make at least one written annual report to the City Council summarizing findings and including any appropriate recommendations.

While the ordinance permits future amendments by the City Council, any tax increase must be approved by voters. The transactions and use tax proposed by the Measure would take effect only if it receives a majority "YES" vote at the November 3, 2026 general municipal election.

A "YES" vote is a vote to approve a 1.00% transactions and use general tax.

A “NO” vote is a vote against a 1.00% transactions and use general tax.

The above statement is an impartial analysis of Measure N. If you desire a copy of the ordinance or measure, please call the Grand Terrace City Clerk’s Office at (909) 954-5207 and a copy will be mailed at no cost to you.

Dated:

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Adrian R. Guerra, City Attorney
City of Grand Terrace