

May 6, 2010 (Exhibit No. 2), and the commission determined that the amount of lost revenues for the license fees was insignificant and would be offset by increased sales tax generated at the mall. They further voted to recommend that the city not charge individual license fees for farmers.

The matter was then agendized for Council consideration on June 15, 2010, at which time, Council concurred with the EDC and directed the City Attorney to prepare an ordinance to establish a business license tax exemption for farmers selling at the SBP Certified Farmers' Market.

The ordinance before Council establishes the exemption as directed. The ordinance creates definitions for the terms *farmers* and *farmers' market*, and clarifies that the exemption applies only to farmers who sell fruits, vegetables, plants and other agricultural items that are produced by them. That means other vendors at the SBP Certified Farmers' Market who sell prepared food or knickknacks and other non-produce items are still required to maintain a city business license, just like any other vendor operating in the city of Carson.

The ordinance also eliminates the need for each farmer to apply to the city for their respective exemptions, which is required of other exempt activities; but does make the farmers' market operator responsible for maintaining records and reporting to the city periodically with the list of farmers selling at the market and maintaining copies of the Certified Producers' Certificates issued by the California Department of Food and Agriculture.

**V. FISCAL IMPACT**

Based on an estimate of 15 farmers, the city will lose approximately \$2,450.00 in annual general fund revenue.

**VI. EXHIBITS**

1. Ordinance No. 10-1458. (pgs. 4 - 8)
2. Excerpt of the minutes of the May 6, 2010, Economic Development Commission meeting. (pg. 9)
3. Presentation from South Bay Pavilion. (pgs. 10 -16)

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