City of Culver City

Staff Report Details (With Text)

File #:	27-92	**Version:**	1	**Name:**	CC - CONSENT ITEM: Receipt and Filing of Measure CC and Measure C Sales Tax Status Reports and Real Property Transfer Tax Status Report
Type:	Minute Order			**Status:**	Consent Agenda
				In control:	City Council Meeting Agenda
On agenda:	7/27/2026			**Final action:**	
Title:	CC - CONSENT ITEM: Receipt and Filing of Measure CC and Measure C Sales Tax Status Reports (FY 2025-2026, Second Quarter) and Real Property Transfer Tax Status Report (FY 2025-2026, Third Quarter), as Approved by the Finance Advisory Committee.				
Indexes:					
Code sections:					
Attachments:	1. 2026_07_27 ATT1 - Measure CC & C Status Report Q2 FY26.pdf, 2. 2026_07_27 ATT2 - Real Property Transfer Tax Status Report Q3 FY26.pdf, 3. 2026_07_27 ATT3 - 10-Year Sales Tax Trend FY16 - FY25.pdf				

Date	Ver.	Action By	Action	Result

CC - CONSENT ITEM: Receipt and Filing of Measure CC and Measure C Sales Tax Status Reports (FY 2025-2026, Second Quarter) and Real Property Transfer Tax Status Report (FY 2025-2026, Third Quarter), as Approved by the Finance Advisory Committee.

Meeting Date: July 27, 2026

Contact Person/Dept.: Michael Towler/Finance Department

Phone Number: (310) 253-5865

Fiscal Impact: Yes [] No [X] **General Fund:** Yes [] No [X]

Attachments: Yes [X] No []

Public Notification: (E-Mail) Meetings and Agendas - City Council (07/22/2026); (Email) Meetings and Agendas - Fiscal and Budget Issues (07/22/2026)

Departmental Approval: Stephen Agostini, Assistant City Manager (07/20/2026)

RECOMMENDATION

Staff recommends the City Council receive and file the attached Measure CC and Measure C Sales Tax Status Reports (FY 2025-2026, Second Quarter) and Real Property Transfer Tax Status Report (FY 2025-2026, Third Quarter), as approved by the Finance Advisory Committee (FAC) on June 10,

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2026.

BACKGROUND/DISCUSSION

In November 2012, Culver City residents voted to adopt Measure Y, a half-cent transaction and use tax to maintain critical City services for 10 years. In March 2020, Culver City residents voted to adopt **Measure CC** to continue the half-cent tax through 2033.

In November 2018, Culver City voters passed **Measure C**, a quarter-cent local transaction and use tax to maintain the current level of public safety services, community programs, infrastructure maintenance, and other City services funded through the City's General Fund. Measure C collections began in April 2019 and will remain in effect until ended by voters. The ballot measure included the stipulation that, if passed, the FAC would provide quarterly reports of fund proceeds to the City Council.

The FAC Fiscal Year 2025-2026 Schedule of Activities/Work Plan includes the review of Measure C and CC proceeds.

The California Department of Tax and Fee Administration (CDFTA) is responsible for administrating sales and other taxes for the entire state. Due to the time that it takes the CDTFA to collect sales tax, reconcile amounts received, remit payment and report quarterly sales tax data, there is a delay in the reporting of sales tax data. As a result, the Measure CC and Measure C reports for review this period cover the **Second Quarter of Fiscal Year 2025-2026 (October 1 - December 31, 2025)** or the fourth quarter of the calendar year.

The City's Measure CC and Measure C actual tax receipts increased by 6.6% from the same period in 2024. However, after adjusting for taxpayer payment corrections and timing related irregularities, actual sales were up 1.8% for Measure CC and 1.4% for Measure C. Some business groups increased from the same period in 2024 such as "general consumer goods" and "building and construction." Others, such as "fuel and service stations", declined. The "general consumer goods" increase was driven by increased ecommerce activity and higher holiday season sales. The "autos and transportation" group declined following the expiration of electric vehicle tax subsidies while "fuel and service stations" declined due to lower gas prices compared to the prior year. In comparison, sales tax for Los Angeles County increased 0.4% over the same period and the Southern California region was up 1.0%. The report for the Second Quarter of Fiscal Year 2025-2026 (October 1 - December 31, 2025) is provided as Attachment 1.

Additionally, the FAC has requested to review and transmit a **Real Property Transfer Tax Status Report** to the City Council as part of its Fiscal Year 2025-2026 Schedule of Activities/Work Plan. The Real Property Transfer Tax (RPTT) is a one-time tax imposed by the City when property is sold in Culver City. As a result, this revenue source is highly elastic and unpredictable.

RPTT funds are issued directly to the City from Los Angeles County. As a result, the reporting for RPTT data does not have the same delay as the sales tax collected and administered by the state. Therefore, the RPTT report for review this period covers the **Third Quarter of Fiscal Year 2025-2026 (January 1 - March 31, 2026)** or the first quarter of the calendar year.

RPTT revenue rebounded this quarter from the low previous quarter but did not match the high

returns of the fourth quarter of fiscal year 2024-2025 or first quarter of fiscal year 2025-2026. Considering low revenues in recent years, staff projected annual revenues of $6 million in the Adopted Budget for Fiscal Year 2025-2026 but revised the projection to $9 million due to high early returns in the fiscal year as part of the midyear budget process. The City received $2,513,142 in RPPT during this period compared to $1,542,793 in 2025 and $2,593,873 in 2024. Through March 2026, the City collected $8,585,304 in fiscal year 2025-2026. The report for the Third Quarter of Fiscal Year 2025-2026 (January 1 - March 31, 2026) is provided as Attachment 2.

On June 10, 2026, the FAC reviewed and approved the attached reports on Measure CC, Measure C, and Measure RE for transmittal to Council.

At the June 23, 2025 meeting of the City Council, Council requested the inclusion of the 10-year trend of Sale Tax revenue with these quarterly reports to provide additional context. Charts showing the 10-year trends of Bradley-Burns Sales Tax revenue and Measure CC Sales Tax revenue are included as Attachment 3. The Bradley-Burns and Measure CC charts for review this period cover Fiscal Year 2015-2016 through Fiscal Year 2024-2025 (July 1, 2015 - June 30, 2025). The trend for Measure C is not included in the attachment but directly corresponds with Measure CC starting with the fourth quarter of Fiscal Year 2018-2019 as collection for Measure C revenue began in April 2019.

FISCAL ANALYSIS

The receipt and filing of these reports do not create a fiscal impact.

ATTACHMENTS

1. 2026-07-27 ATT1 - Measures CC & C Status Report Q2 FY26.pdf
2. 2026-07-27 ATT2 - Real Property Transfer Tax Status Report Q3 FY26.pdf
3. 2026-07-27 ATT3 - 10-Year Sales Tax Trend FY16 - FY25.pdf

MOTIONS

That the City Council:

Receive and file the Measure CC, C, and Real Property Transfer Tax Status Reports.

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