City Attorney's Impartial Analysis of Measure U

(Cal. Gov't. Code §9280)

On August 3, 2020 the Petaluma City Council adopted Ordinance 2743 N.C.S placing Measure U on the November 3, 2020 general election ballot by a unanimous vote of the entire Council. Measure U would enact a 1¢ local transactions and use or sales tax on the sale and use of personal property in Petaluma, subject to exceptions specified in the measure. As a general tax, Measure U requires approval by a simple majority of the qualified Petaluma voters voting in the November 3, 2020 election. Measure U would remain in effect until amended or repealed by Petaluma voters.

Measure U would generate approximately \$13.5 million annually. City staff have recommended community-identified City service priorities for use of Measure U proceeds including: maintaining and preventing cuts to firefighting equipment/fire engines and adequate 24-hour staffing; ensuring public health, wildfire, natural disaster emergency preparedness and maintaining 911 emergency response times to ensure first responders can respond quickly to calls for services; continuing homeless prevention programs and community partnerships while ensuring our local businesses, public areas, and neighborhoods are safe, stable, and secure for everyone; maintaining properly trained community based public safety officers, community outreach programs, and ensuring adequate 24-hour staffing; keeping public areas safe and clean; supporting local business and job retention through recovery; enhancing street maintenance, repaving, and pothole repair on Petaluma's 396 miles of streets; addressing existing road hazards and improving road safety for drivers, bicyclists, and pedestrians, including maintaining safe routes to schools; and improving conditions of local roads by better addressing \$141 million in repairs backlog and preventing road ratings from further decreasing per the standard Pavement Condition Index. All Measure U proceeds would be placed in the Petaluma General Fund for general governmental purposes approved by the City Council. Measure U proceeds could therefore be used for purposes approved by the City Council other than those staff has recommended.

Measure U would require the appointment of a five-member citizen oversight committee. The oversight committee appointees must be Petaluma taxpayers and cannot be employees or elected officials of the City or members of other City bodies. Measure U requires the City's Finance Director to prepare biannual reports on all measure proceeds and their use and to submit the reports to the oversight committee and publish them on the City's website. The oversight committee would meet biannually to review and comment on the reports and its meetings and records would be subject to the Brown Act and the Public Records Act. Measure U would require tracking its proceeds and expenditures separately from other City tax receipts.

Measure U would raise the sales tax in Petaluma from 8.25% to 9.25%. In accordance with Revenue and Taxation Code Sections 7292.8 and 7292.9, the voters may approve Measure U without exceeding the limits on local transactions and use taxes in Revenue and Taxation Code Section 7251.1.

If approved by Petaluma voters, Measure U would become effective 10 days after the City Council declares the results of the November 3, 2020 election.

Dated: August 17, 2020

Eric W. Danly

City Attorney

The above statement is an impartial analysis of Measure U. If you desire a copy of the ordinance or measure, please call the office of the Petaluma City Clerk at (707) 778-4361 and a copy will be mailed at no cost to you.