

City of Sonoma

RESOLUTION # 42 2020

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA
APPROVING CALLING FOR, GIVING NOTICE OF, AND ESTABLISHING THE POLICIES
AND PROCEDURES FOR AN ELECTION ON A PROPOSED BALLOT MEASURE TO
CONTINUE THE EXISTING VOTER APPROVED FUNDING OF A TRANSACTIONS AND
USE (SALES) TAX TO FUND GENERAL CITY SERVICES AND INCREASING THE CITY'S
APPROPRIATIONS LIMIT FOR A FOUR YEAR PERIOD; AND DIRECTING THE COUNTY
OF SONOMA TO CONDUCT THE ELECTION ON THE CITY'S BEHALF**

WHEREAS, in June 2012, the voters of Sonoma adopted a local revenue measure ("Measure J") to mitigate cuts to local city services including police, fire and emergency medical services, street and road maintenance, graffiti abatement and other general community services caused primarily by the State's elimination of Redevelopment; and

WHEREAS, Measure J established a general transactions and use tax ("sales tax") of one-half of one percent (0.50%) (as authorized by Revenue and Taxation Code section 7285.9), which is enacted as Sonoma City Council Ordinance No. 04-2012; and

WHEREAS, Measure J revenues were instrumental in preventing budget cuts to vital services; bringing back programs that were cut during the recession and elimination of redevelopment; re-establishing programs that had a significant portion their funding taken by the State; and investing in Sonoma's public safety, streets, parks, infrastructure, and youth programs; and

WHEREAS, in November 2016, the voters of Sonoma adopted a local revenue measure ("Measure U") to extend the sales tax for a five-year-period beyond the expiration of Measure J, in order to further mitigate cuts to local city services, street and road maintenance and other general community services described hereinabove; and

WHEREAS, the State has not taken any significant action to realign funding to local governments since the elimination of redevelopment; and

WHEREAS, the revenues raised by Measures J and U have helped the City maintain essential services and prevent budget cuts, and Measure U is scheduled to expire on September 30, 2022; and

WHEREAS, the City's General Fund forecast estimates that if Measure U expires, the City will have multi-million dollar budget deficits for every year into the foreseeable future, which would require reductions in City services adversely affecting 9-1-1 response times for police, fire and emergency medical services, youth crime intervention programs, economic development programs, parks and street maintenance services, capital improvement investments, and recreation and community programs, and the long-term fiscal and organizational sustainability of Sonoma includes the need for an ongoing, locally-controlled revenue source to maintain essential programs and services desired by the community; and

WHEREAS, the City Manager's transmittal memo to the Proposed Budget emphasizes the importance of the continuation of a voter-approved, locally controlled revenue source and outlined some of the direct impacts to services that are important to the community if the revenue is not continued; and

WHEREAS, the City Council desires to submit a Local Revenue Continuation Measure ("Local Revenue Continuation Measure") to the voters of the City at the next statewide General

Municipal Election to be held on Tuesday, November 3, 2020, and to be consolidated with any other election to be held on that date; and

WHEREAS, Article XIII B of the California Constitution established the Gann limit which imposes a ceiling on local government appropriations; and

WHEREAS, section 4 of Article XIII B of the California Constitution permits the voters of a local jurisdiction to alter the appropriations limit by a majority vote; and

WHEREAS, the City Council seeks to increase the City's appropriation limit by the amount of revenue raised by the proposed imposition of the Local Revenue Continuation Measure and submit the question of increasing the City's appropriation limit to the City's electorate at the November 3, 2020 election; and

WHEREAS, by law, all funds from a City of Sonoma Local Revenue Continuation Measure must stay in Sonoma to maintain local services and no funds can be taken by the State; and

WHEREAS, if the Local Revenue Continuation Measure is approved, the City wishes to maintain and address service priorities that the public has identified as being important to them, including police, fire, emergency medical, emergency preparedness, maintenance of streets, parks, and open space, and community services supporting Sonoma's quality of life, and

WHEREAS, continued locally controlled funding will allow the City to address and maintain important city public services; and

WHEREAS, the Local Revenue Continuation Measure to be submitted to the voters, if approved, would continue to be imposed on retail transactions involving the sale and use of personal property. The tax rate would be one half of one percent (0.50%) of the sales price of the eligible purchase. The tax revenue would continue to be collected by the State Board of Equalization and remitted to the City. The tax would continue to remain in effect until repealed by a majority vote of the voters of the City; and

WHEREAS, the Sonoma City Council is authorized by California Elections Code Section 9222 to place the Local Revenue Continuation Measure before the voters; and

WHEREAS, Elections Code Section 9282 sets forth the procedures for arguments in favor of or in opposition to any City measure; and

WHEREAS, Elections Code Section 9285 sets forth the procedures for rebuttal arguments; and

WHEREAS, it is desirable that the election called by this Resolution be consolidated with the City's General Municipal Election and that, within the City, the precincts, polling places, and election officers of the two elections be the same, and that the Elections Department of the County of Sonoma canvass the returns of the General Election and that the election be held in all respects as if there were only one election; and

WHEREAS, based on all of the information presented at this meeting to consider the "City of Sonoma Local Revenue Continuation Measure", both written and oral, including the staff reports and other relevant materials, the City Council finds that under CEQA Guidelines 15060(c)(2) & (3) and 15378(b)(2) & (4), this resolution is exempt from the California Environmental Quality Act (Public Resources Code Sections 21000 et seq, "CEQA", and 14 Cal. Code Reg. Sections 15000 et seq, "CEQA Guidelines"). The transactions and use tax to be submitted to the voters is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular government action. As such, under CEQA Guidelines section 15060(c)(2) the submission of the sales tax measure to the voters will not

result in a direct or reasonably foreseeable indirect physical change in the environment. The proceeds of the tax are anticipated to assist the City with retaining existing governmental functions and services to the public. Therefore, pursuant to CEQA Guidelines section 15378(b)(2), the sales tax measure is not a project pursuant to CEQA. In addition, pursuant to CEQA Guidelines section 15060(c)(3) and 15378(b)4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the city would undertake the required CEQA review for that particular project.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sonoma as follows:

1. The foregoing recitals are true and correct and are hereby adopted by the City Council.
2. The City Council hereby proposes to amend the sales tax ordinance in Chapter 3.13 of the Sonoma Municipal Code as set forth in the ordinance specified in Section 6.
3. The City Council proposes the adoption of an increase in the City's appropriations limit by the amount of revenues generated by the sales tax as set forth in the Ordinance specified in Section 6.
4. Pursuant to California Constitution Article XIII C, Section 2; Government Code Section 5 53724; and Elections Code Section 9222, the City Council of the City of Sonoma hereby calls an election at which it shall submit to the qualified voters of the City, a measure that, if approved, would continue the existing general sales tax, as authorized by Revenue and Taxation Code Section 7285.9. This measure shall be designated by letter by the Sonoma County Elections Department. Pursuant to Election Code Section 10400 et seq., the election for this measure shall be consolidated with the established election to be held on November 3, 2020.
5. The question to be presented to the voters shall be as follows:

To continue funding general city services, including: emergency preparedness, infrastructure, street maintenance, parks, open space, community services, ambulance services, public safety, and supporting Sonoma's quality of life, shall the City of Sonoma (1) extend the existing voter approved sales tax of 0.50% (estimated \$2,580,000 annually) on an ongoing basis until ended by voters, with no increase to the current rate, and (2) increase the City's annual appropriations limit by sales tax revenues for next four years?	YES
	NO

The question requires the approval of a majority of qualified electors casting votes; and

6. The ordinance authorizing the general tax to be approved by the voters pursuant Sections 2 and 3 of this resolution is as set forth in **Exhibit A** attached hereto. The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 3, 2020 election, as required by Revenue and Taxation Code section 7285.9. The Board of

Supervisors of the County of Sonoma is requested to order the County Clerk to set forth in the voter information portion of all sample ballots to be mailed to the qualified electors of the City the full text of the Ordinance and to mail with the sample ballots to the electors printed copies of the full text of the Ordinance, together with the primary arguments and rebuttal arguments (if any) for and against the measure, and to provide absent voters ballots for the election for use by qualified electors of the City who are entitled thereto in the manner provided by law. The Ordinance specifies that the rate of the transactions tax shall be one half of one percent (0.50%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the City; it specifies that the rate of the use tax shall be one half of one percent (0.50%) of the sales price of tangible personal property stored, used, or otherwise consumed in the City. The State Board of Equalization shall collect the tax from retailers subject to the tax and remit the funds to the City; and

7. The City Clerk is authorized, instructed and directed to work with the County Elections Department as needed in order to properly and lawfully conduct the election. The ballots to be used in the election shall be in form and content as required by law. The County Elections Department is authorized to canvass the returns of the general municipal election and certify the results to the City Council. Thereafter, in accordance with the time prescribed by the Elections Code, the City Council shall declare and cause to be entered in its minutes a statement of the results of the election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections; and
8. The Board of Supervisors of the County of Sonoma is requested to instruct the County Elections Department to provide such services as may be necessary for the holding of the consolidated election. The election shall be held in all respects as if there were only one election. The City of Sonoma recognizes that the County will incur additional costs because of this consolidation and agrees to reimburse the County for those costs. The City Manager is hereby authorized and directed to expend the necessary funds to pay or the City's cost of placing the measure on the election ballot; and
9. In accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code, the City Clerk is hereby authorized and directed to cause notice of the measure to be published once in the Sonoma Index-Tribune, a newspaper of general circulation, printed, published and circulated in the City of Sonoma and hereby designated for that purpose by the City Council of the City of Sonoma. The City Clerk may request that the County of Sonoma Elections Department prepare and publish the required notice; and
10. The polls for the election shall be open at 7:00a.m. on the day of the election and shall remain open continuously from that time until 8:00p.m. that same day, when the polls shall be closed, except as provided by Section 14401 of the California Elections Code. The notice of the time and place of holding the election is hereby given, and the City Clerk is authorized to give further notice of the election, as required by law.
 - a. The last day for submission of primary arguments for or against the measure shall be by 12:00 p.m. on August 17, 2020.
 - b. The last day for submission of rebuttal arguments for or against the measure shall be by 12:00 p.m. on August 27, 2020.

c. Primary arguments shall not exceed three hundred (300) words and shall be signed by not more than five persons.

d. Rebuttal arguments shall not exceed two hundred fifty (250) words and shall be signed by not more than five persons; those persons may be different persons than the persons who signed the primary arguments.

e. Pursuant to Elections Code Section 9282 (b), City Manager is directed to prepare and the Mayor is hereby authorized to review, modify, and sign a written argument and rebuttal (if necessary) in favor of the proposed ordinance on behalf of the City Council. At the Mayor's discretion, the argument and rebuttal may also be signed by bona fide associations or by individual voters who are eligible to vote. If more than one argument for or more than one argument against the measure is submitted, the City Clerk shall select one of the arguments in favor and one argument against the measure, as set forth in Elections Code section 9287.

f. Pursuant to California Elections Code Section 9280, the City Council hereby directs the City Clerk to transmit a certified copy of the measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure, not to exceed five hundred (500) words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit the impartial analysis to the Elections Department as required by law.

g. Pursuant to California Elections Code Section 9285, when the City Clerk has selected the arguments for and against the measure, which will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. Rebuttal arguments shall be printed in the same manner as the primary arguments. Each rebuttal argument shall immediately follow the primary argument which it seeks to rebut.

11. The City Clerk is hereby directed to issue instruction to the County Elections Department and to take any and all steps necessary for the holding of the election.
12. In accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code, the City Clerk is hereby authorized and directed to cause notice of the measure to be published once in the Sonoma Index Tribune, a newspaper of general circulation, printed, published, and circulated in the City of Sonoma and hereby designated for that purpose by the Council of Sonoma. The City Clerk may request that the County of Sonoma Elections Department prepare and publish the required notice.
13. The City Manager is hereby authorized and directed to expend the necessary funds to pay for the City's cost of placing the measure on the election ballot.
14. The City Manager is directed to provide public information regarding the revenue measure to the public within legal requirements.
15. In all particulars not prescribed in this resolution, the election shall be held as prescribed in the Elections Code of the State of California.

16. The City Clerk is directed to file certified copies of this Resolution with the Board of Supervisors and the County Clerk of the County of Sonoma, together with the attached ballotmeasure; and
17. The jurisdictional boundaries of the City of Sonoma have not changed since the last general municipal election; and
18. This resolution shall become effective immediately upon its passage and adoption.

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the City Council of the City of Sonoma, Sonoma County, California, at a meeting thereof, held on the 29th day of June 2020, by the following vote:

AYES: **AGRIMONTI, COOK, HARRINGTON, HUNDLEY, HARVEY**
NOES:
ABSENT:
ABSTAIN:



Logan Harvey, Mayor

ATTEST:



Rebekah Barr, MMC, City Clerk

City of Sonoma

ORDINANCE # _____ - 2020

AN ORDINANCE OF THE CITY OF SONOMA
CONTINUING AN EXISTING VOTER APPROVED TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

BE IT ORDAINED BY THE VOTERS OF THE CITY OF SONOMA:

SECTION 1. FINDINGS

- A. In 2012, a majority of the voters of the City of Sonoma approved a one-half of one percent (0.5%) Transactions and Use Tax by the adoption of Ordinance No. 04-2012 ("Ordinance 4-2012"), a true and correct copy of which is attached hereto as **Exhibit A-1**. Under Section 5 of Ordinance 4-2012, the tax imposed under Ordinance 4-2012 was scheduled to expire September 30, 2017, unless extended by a vote of the City's voters.
- B. Ordinance 04-2012 was codified in the City's Municipal Code as Chapter 3.13.
- C. In 2016, a majority of the voters of the City of Sonoma approved the extension of the one-half of one percent (0.5%) Transactions and Use Tax by the adoption of Ordinance No. 14-2016 for an additional five (5) years beyond the termination date specified in Ordinance No. 4-2012, a true and correct copy of which is attached hereto as **Exhibit A-2**.
- D. It is the desire of the City Council of the City of Sonoma and the voters of the City of Sonoma to continue and extend said Transactions and Use Tax on a permanent basis beyond the termination date specified in Ordinance No. 14-2016.

SECTION 2. ORDINANCE AMENDMENT

- 1. Section 5 is hereby deleted in its entirety from City of Sonoma Ordinance No. 04-2012.
- 2. Section 3.13.140 is hereby deleted in its entirety from Chapter 3.13 of the City of Sonoma Municipal Code.

SECTION 3. SEVERABILITY If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 4. EFFECTIVE DATE This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

Upon approval by a majority of the voters of the City, and upon adoption of a resolution declaring the election results, the Mayor shall hereby be authorized to attest to the adoption of this Ordinance by the voters of the City by signing where indicated below.

THIS ORDINANCE WAS APPROVED BY THE FOLLOWING VOTE OF THE PEOPLE ON
NOVEMBER 3, 2020:

YES _____
NO _____

Adopted by declaration of the vote by the City Council of the City of Sonoma on _____ 2020.

AYES:
NOES:
ABSTAIN:
ABSENT:

Logan Harvey, Mayor

ATTEST:

Rebekah Barr, MMC, City Clerk