


ATTACHMENT 1

 <p>County of Sonoma Agenda Item Summary Report</p> <p>Clerk of the Board 575 Administration Drive Santa Rosa, CA 95403</p>	<p>Agenda Item Number: 9 (This Section for use by Clerk of the Board Only.)</p>
<p>To: Board of Supervisors</p>	
<p>Board Agenda Date: August 12, 2014</p>	<p>Vote Requirement: Unanimous</p>
<p>Department or Agency Name(s): County Administrator and Transportation and Public Works</p>	
<p>Staff Name and Phone Number: Veronica Ferguson, 707-565-2431 Susan Klassen, 707-565-2231</p>	<p>Supervisory District(s):</p>
<p>Title: Financing Plan for the Implementation of the Long-Term Roads Plan and Adoption and Calling of Special Election for Transactions and Use Tax Ordinance</p>	
<p>Recommended Actions:</p>	
<ol style="list-style-type: none"> 1. Adopt an Ordinance, the "Sonoma County 2015 Transactions and Use Tax Ordinance," imposing a general countywide transactions and use tax of one-quarter of one percent for a period not to exceed twenty years pursuant to the authority granted by Revenue and Taxation Code Section 7285. (Second Reading – Ready for Adoption) (4/5 vote required) 2. Adopt a Resolution declaring an emergency and calling a special election to submit to the voters of Sonoma County the proposed quarter-cent general sales tax measure entitled the Sonoma County 2015 Transactions and Use Tax Ordinance, and ordering that the special election be consolidated with the general law city election to be conducted on March 3, 2015. (Unanimous vote required) 3. Adopt the recommended Advisory Measure. (Majority vote required) 4. Adopt a Resolution calling for a special election to submit to the voters of Sonoma County an advisory measure on the proposed distribution of any new transactions and use tax funds raised by the Sonoma County 2015 Transactions and Use Tax Ordinance if the voters approve the measure. (Majority vote required) 	
<p>Executive Summary:</p>	
<p>A well maintained road network is vital to economic development. In particular, investment in road infrastructure promotes a healthy economy by creating well-paying construction and engineering jobs, promoting and supporting tourism and recreation, and providing measures of support for agriculture and the environment.</p> <p>The Board has invested in the County's road network more in the previous three years than any time in the prior 30 years. Even with this historic level of investment more resources are need to reach the goal of bringing up approximately 850 miles of road in the coming 10 years to "good" quality, and repairing all roads over the course of 20 years. Funding this ambitious plan requires increasing the County's</p>	

current investment in its Road network to \$40 million annually primarily from increasing pavement preservation funding to an average of \$20 million per year (estimated current year dollars). The details of the financing plan and the Road Evaluation Framework, which will help guide investments, were provided to the Board on July 29, 2014.

Following the County Administrator's presentation of the financing plan for the Long Term Roads Plan on July 29, 2014, and initial actions to place a sales tax and advisory measure on the ballot during its August 5, 2014 meeting, the Board of Supervisors directed staff to bring back the necessary actions to place a ¼ cent General sales tax and Advisory measure on the March 3, 2015 ballot.

In particular, during the August 5, 2014 Board meeting, your Board provided direction to make minor, technical corrections to the required actions and Advisory Measure language. Those corrections have been made, and the County Administrator recommends that your Board adopt an the "Sonoma County 2015 Transactions and Use Tax Ordinance;" adopt a Resolution calling a special election for a General Tax; adopt a Resolution calling for a special election for an Advisory Measure; and approve the recommended Advisory Measure.

If approved by the voters of Sonoma County, the General tax measure would generate approximately \$20 million annually, with the will of the voters expressed through the Advisory Measure to use the new revenue to maintain local streets and roads, fill potholes, support transit for students and others, and enhance driver, pedestrian, bicyclist, and public safety, with the Sonoma County Transportation Authority serving as the administrative and oversight entity.

In addition to the technical corrections, your Board outlined next steps to begin to demonstrate the County's continued commitment to investing in the Roads network and to build a successful outreach effort. Specifically, these steps include:

- Continue the County's record level of investment in roads infrastructure, including committing to an ongoing additional annual General Fund \$9 million (includes the \$1 million "Worst-First" initiative).
- Convene a community steering committee within 10 days.
- Return in September with plan for community outreach that addresses:
 - Road town hall meetings in each district.
 - Additional stakeholder and neighborhood meetings.
 - Service clubs and community organizations.
 - City Council members
- Ad Hoc committee will return with the Long-Term Roads Plan for final adoption.

Staff will return with a status report on these items at a future date, as well as information on transit passes for students and veterans in September.

Prior Board Actions:

8/5/14 Board directs staff to prepare documents to place Ordinance and Advisory Measure on March 3, 2015 election

7/29/14 Board receives financing plan and adopts resolution introducing, reading the title of and waiving further reading of the proposed ordinance imposing a general transaction and use tax

6/17/14 Board adopts Long Term Roads Ad Hoc Report and allocates \$3.5 million in General Fund and \$4.5 million in Road Fund Balance to Pavement Preservation Program for FY 14/15
 3/25/14: Board approves 2014 Pavement Preservation Program funded with \$9.8 million general fund allocation and receive 2013 Pavement Management Program Update
 6/11/13: Board approves Road Ad-Hoc recommendation allocation \$8 million in one-time reserves
 10/23/12: Board approves Road Ad Hoc recommendations
 6/19/12: Board approves Road Ad Hoc recommendation allocating \$8 million in one-time reserves.

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

A well maintained road network is vital to economic development in the areas of agriculture, recreation and tourism. Investing in transportation infrastructure improves the pavement quality and safety of the County road system for vehicles, transit, and bicycles.

Fiscal Summary - FY 14-15

Expenditures		Funding Source(s)	
Budgeted Amount	\$		\$
Add Appropriations Req'd.	\$	State/Federal	\$
	\$	Fees/Other	\$
	\$	Use of Fund Balance	\$
	\$	Contingencies	\$
	\$		\$
Total Expenditure	\$	Total Sources	\$

Narrative Explanation of Fiscal Impacts (If Required):

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Staffing Impacts

Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

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Attachments:

Attachment A: Sonoma County 2015 Transactions and Use Tax Ordinance
 Attachment B: Advisory Measure

Attachment C: Resolution declaring an emergency and calling a special election to submit to the voters of Sonoma County the proposed quarter-cent general sales tax measure entitled the Sonoma County 2015 Transactions and Use Tax Ordinance, and ordering that the special election be consolidated with the statewide general election to be conducted on March 3, 2015.

Attachment D: Resolution calling for a special election to submit to the voters of Sonoma County an advisory measure on the proposed distribution of any new transactions and use tax funds raised by the Sonoma County 2015 Transactions and Use Tax Ordinance if the voters approve the measure.

Related Items “On File” with the Clerk of the Board:

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA
IMPOSING A GENERAL TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**

Section 1. TITLE. This Ordinance shall be known as the Sonoma County 2015 Transactions and Use Tax Ordinance. This ordinance shall be applicable in the incorporated and unincorporated territory of the County of Sonoma (the "County").

Section 2. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance, the date of such adoption being as set forth below.

Section 3. PURPOSE. This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285 of Part 1.7 of Division 2 which authorizes the County to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Ordinance.

E. To raise the appropriations limit for the County.

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Section 4. CONTRACT WITH STATE. Prior to the operative date, the County shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this Ordinance; provided, that if the County shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 5. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of $\frac{1}{4}$ of 1 percent (0.25%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

Section 6. PLACE OF SALE. For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this Ordinance for storage, use or other consumption in said territory at the rate $\frac{1}{4}$ of 1 percent (0.25%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this Ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

Section 9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made when:

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1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this County or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

Section 10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

Section 11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

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1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this Ordinance, the storage, use or other consumption in this County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

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2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.

7. "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

D. Any person subject to use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

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Section 12. AMENDMENTS. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

Section 13. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this Ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 14. INCREASE OF APPROPRIATIONS LIMIT. The appropriations limit of the County shall be increased by the amount of revenue anticipated to be collected by the County from the transactions and use tax to allow spending of the tax revenue for the period allowed by law.

Section 15. 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 16. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of the County transactions and use taxes and shall take effect immediately upon the close of the polls on March 3, 2015, if the measure is approved by a majority of the electors voting on the measure at the election held that day.

Section 17. GENERAL TAX. The tax imposed by this Ordinance is a general tax within the meaning of Article 13 C, Section 1(a) of the California Constitution. The revenue generated by this general tax is available for general governmental purposes. To that end, the Auditor-Controller is instructed to deposit the revenue from the tax into the County General Fund and to include his estimate of the revenue from this general tax, together with his estimates of other revenue sources, in the tabulation that he is annually required to prepare by Government Code Section 29060. The revenue from this general tax shall be available to the Board of Supervisors for annual appropriations in the County's budget for any lawful expenditure. Nothing in this Ordinance nor in any other ordinance, advisory measure, resolution, or policy shall be construed as limiting, in any way, the amount or the objects of the appropriations and expenditures that can be made from the revenue of the tax nor be construed as creating a continuing appropriation.

Section 18. COMPLIANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to the State CEQA Guidelines section 15378(b)(4), adoption of this Ordinance is not a "project" subject to the requirements of CEQA.

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Section 19. TERMINATION DATE. The authority to levy the tax imposed by this Ordinance shall expire twenty (20) years from the operative date of this Ordinance, unless extended by the voters in the manner set forth in Revenue and Taxation Code Section 7285.

PASSED AND ADOPTED by the Board of Supervisors, County of Sonoma, State of California,
on _____, by the following vote:

Gorin: Zane: McGuire: Carrillo: Rabbitt:

Ayes: Noes: Absent: Abstain:

Attest:

Chairperson

(Signature)

Secretary
(Title)



County of Sonoma

State of California

Date: August 12, 2014

Item Number: _____

Resolution Number: _____



Unanimous Vote Required

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA, CALLING A SPECIAL ELECTION TO SUBMIT TO THE VOTERS OF SONOMA COUNTY A PROPOSED QUARTER-CENT SALES TAX MEASURE ENTITLED THE "SONOMA COUNTY 2015 TRANSACTIONS AND USE TAX ORDINANCE," AND ORDERING THAT THE SPECIAL ELECTION BE CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION TO BE CONDUCTED ON MARCH 3, 2015

WHEREAS, this Board of Supervisors, by its Ordinance No. _____, has, by a two-thirds vote of its membership, adopted a retail and transaction use tax ordinance pursuant to Revenue and Taxation Code §7285; and

WHEREAS, Article 13 C, §2(b) of the California Constitution and Revenue and Taxation Code §7285 also require that the imposition of such tax be approved by a majority of the county electorate; and

WHEREAS, as a result of the economic downturn, local governments in Sonoma County lost significant revenue, including \$137,835,100 in property tax revenue from fiscal year 2008/2009 through fiscal year 2013/2014 and \$42,417,340 in sales tax revenue from fiscal year 2006/2007 through fiscal year 2012/2013; and

WHEREAS, this loss of revenue has substantially impaired the abilities of local governments to address the critical needs to support the health and safety of the County's residents; and

WHEREAS, waiting to call an election on a general transactions and use tax increase until the next regularly scheduled general election for members of this Board, should the voters agree, would forego the opportunity to devote \$25 million in revenues to the health and safety of the public in the interim; and

WHEREAS, this Board finds that the need for additional funding for the health and safety of the County's residents is so great that foregoing the opportunity for \$25 million in revenue constitutes an emergency sufficient to require the placement of a general tax on the March 3, 2015 ballot.

NOW, THEREFORE, BE IT RESOLVED that:

1. Pursuant to Elections Code Sections 12001, 10400, and 9140 and Revenue and Taxation Code Section 7285, the Board of Supervisors hereby calls a special election for March 3, 2015, on the proposed measure imposing a general tax, to be levied at a maximum rate of one-quarter of one percent (0.25%) for a period not to exceed twenty (20) years.

2. The Board of Supervisors hereby orders that said election of the measure shall be consolidated with general law county election to be held on that date.

3. The measure shall be submitted to the voters in the following form:

Shall the people of Sonoma County approve Measure X, the Sonoma County 2015 Transactions and Use Tax, enacting a quarter-cent sales tax for 20 years?	Yes
	<hr/> No

4. As required by law, the full text of the measure shall be printed in the information pamphlet distributed to voters. The full text of the measure is entitled "An Ordinance of the County of Sonoma, State of California Imposing a General Transactions and Use Tax to be Administered by the State Board of Equalization," and is attached hereto as Exhibit A.

5. The County Clerk is hereby authorized, instructed, and directed to provide and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct an election.

6. The County Clerk is hereby further directed to take the necessary and appropriate actions to provide the necessary election officers, polling places, and voting precincts.

7. In accordance with the provisions of the Elections Code, the County Counsel is authorized to prepare an impartial analysis of the measure, the Auditor is directed to prepare a fiscal analysis, and the Chair of the Board of Supervisors is authorized and directed to submit an argument in support of the measure and a response to any argument in opposition to the

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measure.

8. The polls for said election shall be open during the hours required by law and said election, with respect to the foregoing ballot measure, shall be held and conducted as provided by law for the holding of County initiative elections.

9. Notice of time and place of holding said election, together with any other notices required by law, shall be given by the County Clerk.

Supervisors:

Gorin: Zane: McGuire: Carrillo: Rabbitt:

Ayes: Noes: Absent: Abstain:

So Ordered.

EXHIBIT A

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA

IMPOSING A GENERAL TRANSACTIONS AND USE TAX TO BE

ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

Section 1. TITLE. This Ordinance shall be known as the Sonoma County 2015 Transactions and Use Tax Ordinance. This ordinance shall be applicable in the incorporated and unincorporated territory of the County of Sonoma (the "County").

Section 2. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance, the date of such adoption being as set forth below.

Section 3. PURPOSE. This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285 of Part 1.7 of Division 2 which authorizes the County to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation

from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Ordinance.

E. To raise the appropriations limit for the County.

Section 4. CONTRACT WITH STATE. Prior to the operative date, the County shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this Ordinance; provided, that if the County shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 5. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of $\frac{1}{4}$ of 1 percent (0.25%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

Section 6. PLACE OF SALE. For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this Ordinance for storage, use or other consumption in said territory at the rate $\frac{1}{4}$ of 1 percent (0.25%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this Ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

Section 9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES.
In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this County or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

Section 10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

Section 11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this Ordinance, the storage, use or other consumption in this County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or

receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.

7. "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

D. Any person subject to use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 12. AMENDMENTS. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

Section 13. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this Ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 14. INCREASE OF APPROPRIATIONS LIMIT. The appropriations limit of the County shall be increased by the amount of revenue anticipated to be collected by the County from the transactions and use tax to allow spending of the tax revenue for the period allowed by law.

Section 15. 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 16. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of the County transactions and use taxes and shall take effect immediately upon the close of the polls on March 3, 2015, if the measure is approved by a majority of the electors voting on the measure at the election held that day.

Section 17. GENERAL TAX. The tax imposed by this Ordinance is a general tax within the meaning of Article 13 C, Section 1(a) of the California Constitution. The revenue generated by this general tax is available for general governmental purposes. To that end, the Auditor-Controller is instructed to deposit the revenue from the tax into the County General Fund and to include his estimate of the revenue from this general tax, together with his estimates of other revenue sources, in the tabulation that he is annually required to prepare by Government Code Section 29060. The revenue from this general tax shall be available to the Board of Supervisors for annual appropriations in the County's budget for any lawful expenditure. Nothing in this Ordinance nor in any other ordinance, advisory measure, resolution, or policy shall be construed as limiting, in any way, the amount or the objects of the appropriations and expenditures that can be made from the revenue of the tax nor be construed as creating a continuing appropriation.

Section 18. COMPLIANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to the State CEQA Guidelines section 15378(b)(4), adoption of this Ordinance is not a "project" subject to the requirements of CEQA.

Section 19. TERMINATION DATE. The authority to levy the tax imposed by this Ordinance shall expire twenty (20) years from the operative date of this Ordinance, unless extended by the voters in the manner set forth in Revenue and Taxation Code Section 7285.

PASSED AND ADOPTED by the Board of Supervisors, County of Sonoma, State of California,
on _____, by the following vote:

Gorin:	Zane:	McGuire:	Carrillo:	Rabbitt:
Ayes:	Noes:	Absent:	Abstain:	

Attachment B

THIS MEASURE IS NOT A TAX It is an advisory measure which states Sonoma County voters' intent that any new transactions and use tax funds raised by an increase in the transactions and use tax rate by the Sonoma County 2015 Transactions and Use Tax Ordinance be spent solely for the purposes of maintaining local streets and roads, filling potholes, supporting transit service, improving traffic flow, and enhancing driver, pedestrian, bicyclist, and public safety, with the goal of increasing pavement condition in all of the cities and the County, using where possible a complete streets approach.

The specific objective of this advisory measure is to recommend that any new transactions and use tax revenue raised from an increase in the transactions and use tax rate in Sonoma County by the Sonoma County 2015 Transactions and Use Tax Ordinance be used in the following manner:

Project Package.

- The Sonoma County Transportation Authority (SCTA) will administer and oversee the distribution and use of the revenue through a contract with the County.
- The funding will be distributed to each city and the County using the same local appropriation formula as SCTA's Measure M, based 50% on population and 50% on road miles. Each jurisdiction's share of the revenue under this formula is as follows:

Cloverdale	1.54%
Cotati	1.20%
Healdsburg	2.06%
Petaluma	9.50%
Rohnert Park	6.00%
Santa Rosa	27.41%
Sebastopol	1.25%
Sonoma	1.77%
Windsor	4.50%
County of Sonoma	43.77%
Admin/Citizen Oversight	1.00%

- Each city and the County will spend its share of the revenue in accordance with the general purposes of this advisory measure and with the following specific areas of focus:
 - **The County of Sonoma** will focus its share of funding on roadway improvements as defined in the Long-Term Roads Plan adopted by the Board of Supervisors. Each year the Board of Supervisors will commit additional General Funds to match their share of Sonoma County 2015 Transactions and Use Tax Ordinance funds to complete improvements per the Long-Term Roads Plan. An equitable distribution of improvements will be made throughout the County unincorporated area following a

complete streets approach that includes where possible paving, striping, bike lanes, pedestrian access features, signals and timing, signage, and other related features per the County's adopted plans in order to improve mobility and safety for cars, trucks, bicyclists and pedestrians. 10% of the revenue received shall be used for transit-related services, including student pass programs, connectivity and service enhancements.

- **The City of Cloverdale** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. Pavement maintenance projects will be done in accordance with adopted plans, safety considerations, and legal requirements. Bicycle and pedestrian needs will be taken into consideration and included in pavement maintenance projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan.
- **The City of Cotati** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. Projects shall accomplish one or more of the following goals: Improve pavement condition, enhance safety, or improve the flow of traffic. Bicycle and pedestrian needs will be taken into consideration and included in projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan.
- **The City of Healdsburg** will focus its share of funding on local street maintenance, repair and reconstruction in accordance with the City's Pavement Management Plan. This funding will be used in combination with allocations of sales tax revenues generated through Measure V and State Gas Tax Funds. Street projects will be done in accordance with adopted plans, safety considerations, and legal requirements. Bicycle and pedestrian needs will be taken into consideration, including the construction of bicycle lanes and pathways as identified in the City's adopted Bicycle and Pedestrian Master Plan.
- **City of Rohnert Park** will focus its share of funding on neighborhood street and road maintenance, in the ongoing implementation of the City's Pavement Management Plan. The funding shall be used in combination with the annual allocations from the 2004 Countywide Transportation Sales Tax (Measure M) Local Streets and Roads funds and local Road Refuse Impact Funds. Pavement maintenance projects will be made following a complete streets approach. Appropriate safety measures, including bicycle and pedestrian improvements, will be included in the pavement maintenance projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan. Examples of maintenance the City would undertake include work on Commerce Boulevard, Rohnert Park Expressway and Snyder Lane.
- **The City of Petaluma** will focus its share of funding on completing un-built portions of the Marin Sonoma Narrows (MSN) Highway 101 High Occupancy Vehicle (HOV) Widening Project through Petaluma from the Hwy 116 connection to just north of the Corona Road Overcrossing. Proposed improvements include; widening in the median to accommodate carpool lanes, widening on- and off- ramps and installing sound walls. Funding will be used in combination with allocations from the other local and State funding sources that may become available to Caltrans and the SCTA to complete the project. The City of Petaluma will also focus any remaining share of funding on

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circulation of traffic across Highway 101 and on traffic signal coordination, upgrade, and replacement, to reduce wait times.

- **The City of Santa Rosa** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Program. Street and road maintenance projects will be made in accordance with adopted plans, safety considerations and legal requirements. Projects may include asphalt overlays and street reconstruction as well as preventative maintenance treatments such as slurry seals and crack sealing to address pavement deterioration. Per General Plan policy, a complete streets approach will be used to include bicycle and pedestrian facilities in maintenance projects where appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan. Examples of maintenance the City would undertake may include work on Fulton Road, Montgomery Drive, Pacific Avenue, Piner Road and local streets serving neighborhoods in every quadrant of the city. The City may also direct the use of not more than 10% of the annual funding for CityBus transit service and operations and other City projects to expand transportation alternatives that improve traffic flow and mobility.
- **The City of Sebastopol** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. The funding will be used in combination with annual General Fund allocations to the City's Special Sales Tax Pavement Reserve, and annual allocations from the 2004 Countywide Transportation Sales Tax (Measure M) Local Streets and Roads funds. Pavement maintenance projects will be made following a complete streets approach. Bicycle and Pedestrian needs and safety measures will be taken into consideration and included in pavement maintenance projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan.
- **The City of Sonoma** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. Pavement Maintenance projects will be accomplished in accordance with adopted plans, safety considerations, and legal requirements.
- **The Town of Windsor** will focus its share of funding, for transportation purposes, on local street and road maintenance, in the on-going implementation of the Town's Pavement Management Program. The funding will be invested in preserving and improving the existing street and road network in Windsor, in combination with the Town's annual General Fund allocations. Projects may include asphalt overlays and street reconstruction as well as preventative maintenance treatments such as slurry seals and crack sealing to address pavement deterioration. Bicycle and pedestrian needs and safety measures will be taken into consideration and included in the pavement maintenance projects where they are appropriate and consistent with the Town's adopted Bicycle and Pedestrian Master Plan.
- The tax proceeds may only be spent for the purposes of reimbursing the County for the cost of a successful election for the Sonoma County 2015 Transactions and Use Tax Ordinance and this advisory measure; the costs of contracting with the State Board of Equalization for collection

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and distribution of the revenues; and funding the transportation purposes and County and City focus areas as allowed in this advisory measure and may be not used for other purposes.

Accountability Provisions.

- For any year that the Board decides to use the funds as described above, the SCTA will develop an annual budget and distribute the Sonoma County 2015 Transactions and Use Tax Ordinance funds to each jurisdiction.
- Should the Board decide to use the funds as described above, the SCTA will prepare a Strategic Plan, which will identify administrative policies and procedures to distribute the funds consistent with the goals and objectives of this advisory measure. The Strategic Plan will be updated at least every five years during the term of the Sonoma County 2015 Transactions and Use Tax Ordinance.
- The Citizens Advisory Committee established under the original ordinance that created the SCTA will serve as an independent oversight body that will advise the SCTA and the public on the administration of the Sonoma County 2015 Transactions and Use Tax Ordinance via annual audits and reports for each year that the Board decides to use the revenue for the purposes described above.
- The additional funds provided to governmental agencies by this advisory measure shall not supplant existing local revenues being used for transportation purposes. For each fiscal year that the Board decides to use the revenue as described above, the SCTA will require that local jurisdictions maintain their existing commitment of local funds for that fiscal year for transportation purposes or face penalties. A fiscal year is defined as July 1 through June 30. For this determination the existing commitment shall be the average of contributions from discretionary sources from FY11/12 through FY13/14 for transportation purposes. Documentation showing the contributions from discretionary sources for transportation purposes shall be provided to SCTA by each jurisdiction no later than February 15, starting in February 2017. This is to allow agency audits to be completed prior to submittal. After submittal the SCTA will report to the public how each jurisdiction has met the maintenance of effort requirement.



County of Sonoma

State of California

Date: August 12, 2014

Item Number: _____

Resolution Number: _____



Unanimous Vote

Required

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA, INTRODUCING AN ADVISORY MEASURE FOR CONSIDERATION BY THE PEOPLE AND RELATING TO THE USE OF ANY NEW VOTER-APPROVED GENERAL TRANSACTIONS AND USE TAX REVENUES FOR ROADWAY AND TRANSIT PROJECTS WITHIN THE NEXT TWENTY (20) YEARS AND CALLING A SPECIAL ELECTION TO BE CONSOLIDATED WITH THE MARCH 3, 2015 GENERAL ELECTION ON AN ADVISORY MEASURE RELATING TO THE USE OF ANY NEW VOTER-APPROVED TRANSACTIONS AND USE TAX REVENUES FROM THE SONOMA COUNTY 2015 TRANSACTIONS AND USE TAX ORDINANCE FOR ROADWAY AND TRANSIT PROJECTS WITHIN THE NEXT TWENTY (20) YEARS

WHEREAS, Government Code Section 26227 authorizes the Board of Supervisors to expend County funds to support programs deemed by the Board of Supervisors to be necessary to meet the social needs of the population of the County, including but not limited to, the areas of health, law enforcement, public safety, rehabilitation, and welfare; and

WHEREAS, it is in the County's interest to ensure that both the County and its incorporated cities prioritize a well-maintained road and transit network, as such a network increases access to and for public safety, tourism, recreation, and agriculture, while also creating well-paying construction and engineering jobs and supporting the environment; and

WHEREAS, declining State and Federal transportation revenues, State funding allocation formulas that disadvantage rural and suburban counties, the recent great recession, and less than adequate local investment in road infrastructure have created a severe lack of funding for the County's and its cities' road network; and

WHEREAS, the Board of Supervisors has determined that sharing any new voter-approved transactions and use tax revenue from the Sonoma County 2015 Transactions and Use Tax Ordinance with the incorporated cities of the County for roadway and transit projects is necessary to meet the needs of the population of the County, as authorized by Government Code Section 26227; and

WHEREAS, Government Code Section 26227 authorizes the Board of Supervisors to contract with other public agencies to operate those programs that the Board determines will serve public purposes; and

WHEREAS, the Board of Supervisors intends to contract with the Sonoma County Transportation Authority ("SCTA") to administer and oversee the distribution of any new voter-approved transactions and use tax revenue from the Sonoma County 2015 Transactions and Use Tax Ordinance to the County and its incorporated cities for roadway and transit projects.

NOW, THEREFORE, BE IT RESOLVED that:

1. The Board of Supervisors introduces an advisory measure, the full text of which is attached as Exhibit A to this Resolution, for consideration by the people and relating to the use of any new voter-approved transactions and use tax revenue from the Sonoma County 2015 Transactions and Use Tax Ordinance for roadway and transit projects within the next twenty (20) years.

2. Pursuant to Elections Code Sections 12001, 10400, and 9603, the Board of Supervisors hereby calls a special election for March 3, 2015 on that advisory measure relating to the use of any new voter-approved transactions and use tax revenue from the Sonoma County 2015 Transactions and Use Tax Ordinance for roadway and transit projects within the next twenty (20) years.

3. The Board of Supervisors hereby orders that said election of the measure shall be consolidated with the general law city election to be held on that date.

4. The measure shall be submitted to the voters in the following form:

<p>ADVISORY VOTE ONLY</p> <p>This measure does not increase taxes. Should new voter-approved transactions and use tax revenue from the Sonoma County 2015 Transactions and Use Tax Ordinance fund only the following purposes: maintaining local streets and roads, filling potholes, supporting transit for students and others, and enhancing driver, pedestrian, bicyclist, and public safety, with the Sonoma County Transportation Authority distributing the revenue among the County and cities based on a population/road miles formula?</p>	<p>Yes</p> <hr/> <p>No</p>
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5. As required by law, the full text of the measure shall be printed in the information pamphlet distributed to voters.

6. The County Clerk is hereby authorized, instructed, and directed to provide and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct an election.

7. The County Clerk is hereby further directed to take the necessary and appropriate actions to provide the necessary election officers, polling places, and voting precincts.

8. In accordance with the provisions of the Elections Code, the County Counsel is authorized to prepare an impartial analysis of the measure, the Auditor is directed to prepare a fiscal analysis, and the Chair of the Board of Supervisors is authorized and directed to submit an argument in support of the measure and a response to any argument in opposition to the measure.

9. The polls for said election shall be open during the hours required by law and said election, with respect to the foregoing ballot measure, shall be held and conducted as provided by law for the holding of County initiative elections.

10. Notice of time and place of holding said election, together with any other notices required by law, shall be given by the County Clerk.

Supervisors:

Gorin: Zane: McGuire: Carrillo: Rabbitt:

Ayes: Noes: Absent: Abstain:

So Ordered.

EXHIBIT A

THIS MEASURE IS NOT A TAX It is an advisory measure which states Sonoma County voters' intent that any new transactions and use tax funds raised by an increase in the transactions and use tax rate by the Sonoma County 2015 Transactions and Use Tax Ordinance be spent solely for the purposes of maintaining local streets and roads, filling potholes, supporting transit service, improving traffic flow, and enhancing driver, pedestrian, bicyclist, and public safety, with the goal of increasing pavement condition in all of the cities and the County, using where possible a complete streets approach.

The specific objective of this advisory measure is to recommend that any new transactions and use tax revenue raised from an increase in the transactions and use tax rate in Sonoma County by the Sonoma County 2015 Transactions and Use Tax Ordinance be used in the following manner:

Project Package.

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Sebastopol	1.25%
Sonoma	1.77%
Windsor	4.50%
County of Sonoma	43.77%
Admin/Citizen Oversight	1.00%

- Each city and the County will spend its share of the revenue in accordance with the general purposes of this advisory measure and with the following specific areas of focus:
 - **The County of Sonoma** will focus its share of funding on roadway improvements as defined in the Long-Term Roads Plan adopted by the Board of Supervisors. Each year the

Board of Supervisors will commit additional General Funds to match their share of Sonoma County 2015 Transactions and Use Tax Ordinance funds to complete improvements per the Long-Term Roads Plan. An equitable distribution of improvements will be made throughout the County unincorporated area following a complete streets approach that includes where possible paving, striping, bike lanes, pedestrian access features, signals and timing, signage, and other related features per the County's adopted plans in order to improve mobility and safety for cars, trucks, bicyclists and pedestrians. 10% of the revenue received shall be used for transit-related services, including student pass programs, connectivity and service enhancements.

- **The City of Cloverdale** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. Pavement maintenance projects will be done in accordance with adopted plans, safety considerations, and legal requirements. Bicycle and pedestrian needs will be taken into consideration and included in pavement maintenance projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan.
- **The City of Cotati** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. Projects shall accomplish one or more of the following goals: Improve pavement condition, enhance safety, or improve the flow of traffic. Bicycle and pedestrian needs will be taken into consideration and included in projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan.
- **The City of Healdsburg** will focus its share of funding on local street maintenance, repair and reconstruction in accordance with the City's Pavement Management Plan. This funding will be used in combination with allocations of sales tax revenues generated through Measure V and State Gas Tax Funds. Street projects will be done in accordance with adopted plans, safety considerations, and legal requirements. Bicycle and pedestrian needs will be taken into consideration, including the construction of bicycle lanes and pathways as identified in the City's adopted Bicycle and Pedestrian Master Plan.
- **City of Rohnert Park** will focus its share of funding on neighborhood street and road maintenance, in the ongoing implementation of the City's Pavement Management Plan. The funding shall be used in combination with the annual allocations from the 2004 Countywide Transportation Sales Tax (Measure M) Local Streets and Roads funds and local Road Refuse Impact Funds. Pavement maintenance projects will be made following a complete streets approach. Appropriate safety measures, including bicycle and pedestrian improvements, will be included in the pavement maintenance projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan. Examples of maintenance the City would undertake include work on Commerce Boulevard, Rohnert Park Expressway and Snyder Lane.
- **The City of Petaluma** will focus its share of funding on completing un-built portions of the Marin Sonoma Narrows (MSN) Highway 101 High Occupancy Vehicle (HOV) Widening Project through Petaluma from the Hwy 116 connection to just north of the Corona Road Overcrossing. Proposed improvements include; widening in the median to

accommodate carpool lanes, widening on- and off- ramps and installing sound walls. Funding will be used in combination with allocations from the other local and State funding sources that may become available to Caltrans and the SCTA to complete the project. The City of Petaluma will also focus any remaining share of funding on circulation of traffic across Highway 101 and on traffic signal coordination, upgrade, and replacement, to reduce wait times.

- **The City of Santa Rosa** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Program. Street and road maintenance projects will be made in accordance with adopted plans, safety considerations and legal requirements. Projects may include asphalt overlays and street reconstruction as well as preventative maintenance treatments such as slurry seals and crack sealing to address pavement deterioration. Per General Plan policy, a complete streets approach will be used to include bicycle and pedestrian facilities in maintenance projects where appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan. Examples of maintenance the City would undertake may include work on Fulton Road, Montgomery Drive, Pacific Avenue, Piner Road and local streets serving neighborhoods in every quadrant of the city. The City may also direct the use of not more than 10% of the annual funding for CityBus transit service and operations and other City projects to expand transportation alternatives that improve traffic flow and mobility.
- **The City of Sebastopol** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. The funding will be used in combination with annual General Fund allocations to the City's Special Sales Tax Pavement Reserve, and annual allocations from the 2004 Countywide Transportation Sales Tax (Measure M) Local Streets and Roads funds. Pavement maintenance projects will be made following a complete streets approach. Bicycle and Pedestrian needs and safety measures will be taken into consideration and included in pavement maintenance projects where they are appropriate and consistent with the City's adopted Bicycle and Pedestrian Master Plan.
- **The City of Sonoma** will focus its share of funding on Local Street and Road Maintenance, in the ongoing implementation of the City's Pavement Management Plan. Pavement Maintenance projects will be accomplished in accordance with adopted plans, safety considerations, and legal requirements.
- **The Town of Windsor** will focus its share of funding, for transportation purposes, on local street and road maintenance, in the on-going implementation of the Town's Pavement Management Program. The funding will be invested in preserving and improving the existing street and road network in Windsor, in combination with the Town's annual General Fund allocations. Projects may include asphalt overlays and street reconstruction as well as preventative maintenance treatments such as slurry seals and crack sealing to address pavement deterioration. Bicycle and pedestrian needs and safety measures will be taken into consideration and included in the pavement

maintenance projects where they are appropriate and consistent with the Town's adopted Bicycle and Pedestrian Master Plan.

- The tax proceeds may only be spent for the purposes of reimbursing the County for the cost of a successful election for the Sonoma County 2015 Transactions and Use Tax Ordinance and this advisory measure; the costs of contracting with the State Board of Equalization for collection and distribution of the revenues; and funding the transportation purposes and County and City focus areas as allowed in this advisory measure and may be not used for other purposes.

Accountability Provisions.

- For any year that the Board decides to use the funds as described above, the SCTA will develop an annual budget and distribute the Sonoma County 2015 Transactions and Use Tax Ordinance funds to each jurisdiction.
- Should the Board decide to use the funds as described above, the SCTA will prepare a Strategic Plan, which will identify administrative policies and procedures to distribute the funds consistent with the goals and objectives of this advisory measure. The Strategic Plan will be updated at least every five years during the term of the Sonoma County 2015 Transactions and Use Tax Ordinance.
- The Citizens Advisory Committee established under the original ordinance that created the SCTA will serve as an independent oversight body that will advise the SCTA and the public on the administration of the Sonoma County 2015 Transactions and Use Tax Ordinance via annual audits and reports for each year that the Board decides to use the revenue for the purposes described above.
- The additional funds provided to governmental agencies by this advisory measure shall not supplant existing local revenues being used for transportation purposes. For each fiscal year that the Board decides to use the revenue as described above, the SCTA will require that local jurisdictions maintain their existing commitment of local funds for that fiscal year for transportation purposes or face penalties. A fiscal year is defined as July 1 through June 30. For this determination the existing commitment shall be the average of contributions from discretionary sources from FY11/12 through FY13/14 for transportation purposes. Documentation showing the contributions from discretionary sources for transportation purposes shall be provided to SCTA by each jurisdiction no later than February 15, starting in February 2017. This is to allow agency audits to be completed prior to submittal. After submittal the SCTA will report to the public how each jurisdiction has met the maintenance of effort requirement.