

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER
RANDY RIDDLE, ACTING CITY ATTORNEY
SUBJECT: ORDINANCE AMENDING MEASURE P AND RESOLUTION TO
SUBMIT THE ORDINANCE TO SANTA ROSA VOTERS FOR
APPROVAL

AGENDA ACTION: APPROVING ON SECOND READING AN ORDINANCE OF THE CITY OF SANTA ROSA AMENDING SECTION 3-27.130 OF THE SANTA ROSA CITY CODE (ADDED AS PART OF MEASURE P ADOPTED BY CITY VOTERS AT THE NOVEMBER 2010 ELECTION) TO EXTEND, FOR EIGHT YEARS, A ¼-CENT GENERAL TRANSACTION AND USE TAX; APPROVING A RESOLUTION ORDERING SUBMISSION OF BALLOT MEASURE(S) TO SEEK VOTER APPROVAL OF THAT ORDINANCE; PERMITTING THE FILING OF REBUTTAL ARGUMENTS, DIRECTING THE CITY ATTORNEY TO PROVIDE AN IMPARTIAL ANALYSIS; AND PROVIDING DIRECTION REGARDING BALLOT ARGUMENTS IN SUPPORT OF MEASURE

RECOMMENDATION

It is recommended by the City Manager and the Finance Department that the Council, approve on second reading an ordinance, introduced at the August 2, 2016, Regular Meeting by a 5-2 vote (Council Members Combs and Coursey voting no), to extend for eight years the ¼ cent general sales tax approved by voters as Measure P in November 2010; and by resolution (1) order the submission of a ballot measure to the voters at the November 8, 2016 General Municipal Election to approve that ordinance; (2) provide for the filing of rebuttal arguments on the measure; (3) direct the City Attorney to prepare an impartial analysis of the measure; and (4) direct staff to prepare a draft of the ballot argument in support of the proposed ballot measure.

EXECUTIVE SUMMARY

On July 19, 2016, the City Council provided direction to prepare ballot documents for a no tax-rate increase reauthorization of Measure P and an adjustment to the baseline funding formula of Measure O on the November 8, 2016 ballot to strengthen the City's General Fund and provide locally-controlled funding for services the community has

indicated are important. The City Attorney has drafted proposed ballot measures and ballot summaries as required for each ballot.

BACKGROUND

On July 19th, 2016 City Council directed staff to begin to prepare ballot documents to adjust the funding formula baseline for Measure O and a no-tax rate increase re-authorization of Measure P for 8 years, both as standalone and combined measures for council consideration. In addition to preparation, staff engaged polling consultant FM3 to gauge community interest in such measures, including ballot language deemed legally permissible by the City Attorney. Polling results showed that the community remains very interested in a no tax-rate increase re-authorization of Measure P, and a baseline adjustment of Measure O. A combined measure was also of interest to the community, although interest was not as strong for a combined measure as a standalone no tax-rate increase re-authorization of Measure P. At Council direction, separate ordinances have been prepared for council consideration.

Polling results showed that the community remains very interested in a no tax-rate increase reauthorization of Measure P. A combined measure was also of interest to the community, although interest was not as strong for a combined measure as a standalone no tax-rate increase reauthorization of Measure P.

On August 2, 2016, the City Council approved on first reading, by a two-thirds vote, an ordinance that would extend Measure P for eight years. If approved on second reading by a two-thirds vote of the Council, the Council may then adopt a resolution to submit the ordinance to the voters for approval at the November 8, 2016 election.

The resolution submitting the measure to the voters also contains provisions requesting consolidation with the Statewide General election, setting for the proposed ballot question, directing preparation of an impartial city attorney analysis, and prescribing the rules for ballot arguments. The City Council has discretion to change the wording of the proposed ballot question, provided that such changes are in accordance with the applicable state law provisions of the Elections Code. One consideration in determining the manner in which a measure is presented to the voters is the limitation on the number of words that may be used in ballot summaries (75 words), ballot arguments (300 words) and the Impartial City Attorney Analysis (500 words).

Under state law, the proposed amendment to Measure P to extend the expiration date of the ¼ cent sales tax requires approval by five Councilmembers. If submitted to the voters, it would require approval by a majority of those voting on the measure.

Under the California Elections Code, the resolutions submitting the measure to the voters must be filed with the Sonoma County Registrar of Voters no later than Friday, August 12, 2016.

PRIOR CITY COUNCIL REVIEW

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On November 10, 2015, the City Council directed staff to do research and analysis, commonly referred to as polling, of the public sentiment regarding the LTFP recommended amendment to the Measure O baseline calculation along with a measure to amend Measure P, and measures addressing affordable housing, infrastructure, and medical marijuana, along with other needs of the City requiring approval by the voting public. The Council appropriated funds and authorized hiring consultants to assist staff with the work associated with this project.

On June 28, 2016, the City Council held a Study Session to discuss the findings from the polling.

On July 19, 2016, the City Council provided direction on the ballot measure(s) to be presented to the voting public on November 8, 2016.

On August 2, 2016, the City Council approved on first reading, by a two-thirds vote, an ordinance that would extend Measure P for eight years.

FISCAL IMPACT

The current estimated cost for placing additional measures on the November 2016 ballot is \$128,000 each. The FY 2016-17 adopted budget includes \$255,000 to cover two additional ballot measures.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

The Long Term Financial Policy Subcommittee met several times from April 2015 through October 2015 and made their recommendations to the entire Council on November 10, 2015.

The Long Term Financial Policy Subcommittee met June 20, 2016 to review and discuss the polling results.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Ordinance
- Resolution

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CONTACT

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