RESOLUTION ADDING MEASURE TO BALLOT AND PARTICULARS THEREOF

RESOLUTION NO. C-2014-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
CALLING FOR A MUNICIPAL ELECTION TO SUBMIT TO THE VOTERS A LOCAL
BALLOT MEASURE EXTENDING A ONE-HALF CENT TRANSACTIONS AND USE
(SALES) TAX TO FUND HALF MOON BAY CITY SERVICES FOR THREE ADDITIONAL
YEARS, REQUESTING THE SAN MATEO COUNTY BOARD OF SUPERVISORS
TO CONSOLIDATE A MUNICIPAL ELECTION ON THE LOCAL MEASURE WITH
OTHER ELECTIONS TO BE HELD ON NOVEMBER 4, 2014; DIRECTING THE
CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURE;
AND SETTING DATES FOR ARGUMENTS ON THE MEASURE.

WHEREAS, under the provision of the laws relating to general law cities in the State of California, a General Municipal Election shall be held on November 4, 2014 for the election of Municipal officers; and

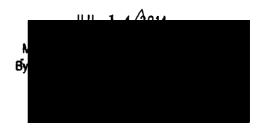
WHEREAS, the City Council also desires to submit to the voters at the election an ordinance proposing the extension of a Transactions and Use Tax, to expire after an additional 3 years, as authorized by Revenue and Taxation Code section 7285.9; and

WHEREAS, the City of Half Moon Bay (the "City") continues to recover from a severe decline in national, state and local economies, and significant State financial takeaways; and

WHEREAS, the City is recovering but continues to suffer from dramatic losses in revenue in recent years and to address budget shortfalls has made over \$3.5 million dollars in cuts from the City budget since 2008, including: eliminating its local police department and contracting law enforcement services through the County of San Mateo Sherriff's Department, contracting for Parks & Recreation programs and staff through collaboration with the Boys and Girls Club, reducing full-time staff by 74%, implementing involuntary employee furloughs and salary concessions, and deferring repairs and maintenance; and

WHEREAS, the significant cost saving measures the City has employed in recent years to address ongoing budget shortfalls are not sufficient to cover the added costs of maintaining or improving city services; and

WHEREAS, the State's recurring takeaways from local governments and the economy have all had an impact on our local budget and Sacramento has already taken over 8% of the City's property tax dollars and with a \$133 Billion in State debt, may take more; and OF SAN MATEO COUNTY, CALIF.



WHEREAS, extension of the ½ cent sales tax approved by Half Moon Bay voters in November of 2012 with the passage of Measure J will continue to generate local funds for local needs, and the money cannot be taken away by the State; and

WHEREAS, additional revenues will be used to maintain and support essential City services; and

WHEREAS, the community has identified priorities that could be funded with additional revenues including:

- Substantially fund a new public library
- Upgrade Smith Field and other recreational facilities
- Repair additional City Streets
- Improve youth and senior services
- Improve city parks
- Economic Development
- Tourism Promotion

WHEREAS, the City budget will reflect current and future funding priorities as identified by the community and the City Council; and

WHEREAS, Measure J includes tough accountability provisions such as requiring oversight by a citizens' finance advisory committee, public expenditure reports and guaranteed annual independent audits to ensure funds are used efficiently, effectively and on community priorities; and

WHEREAS, the City Council recognizes that it is necessary and desirable that the City levy a general tax, to expire after 3 additional years, to be designated as the City of Half Moon Bay Transactions and Use Tax ("Sales Tax"), which may be used by the City to provide additional and continuing funding for general city expenditures; and

WHEREAS, the City Council is authorized to request an order that the ballot measure election be consolidated with other elections to be held on the same day (*California Elections Code 10400 et seq.*); and

WHEREAS, it is desirable that the Board of Supervisors of San Mateo County be requested to consolidate said election with the scheduled election to be held that same day, and that the County Registrar be instructed to provide all necessary election services to the City; and

WHEREAS, if approved by at least a majority of affirmative votes, the rate of the transactions tax imposed by the City of Half Moon Bay Transactions and Use Tax Ordinance shall be one-half percent (.50%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in

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the City and the rate of the use tax imposed shall be one-half percent (.50%) of the sales price of tangible personal property stored, used or otherwise consumed in the City.

NOW, THEREFORE, be it resolved by the City Council of the City of Half Moon Bay as follows:

Section 1. Pursuant to California Constitution Article XIIIC, Section 2(b), Government Code Section 53724, and Elections Code Section 9222, the City Council of the City of Half Moon Bay hereby calls and orders to be held in the City of Half Moon Bay an election of the qualified electors of said City on November 4, 2014 for the purpose of submitting to the voters an ordinance proposing the extension of a Transactions and Use Tax, to expire after 3 additional years on April 1, 2019, as authorized by Revenue and Taxation Code section 7285.9.

Section 2. The ordinance authorizing the Sales Tax to be approved by the voters pursuant to Section 1 shall extend the current expiration date of the ordinance approved by Measure J in November of 2012, and known as the City of Half Moon Bay Transactions and Use Tax Ordinance (the and is as set forth in Exhibit A hereto. The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 4, 2014 election, as required by Revenue and Taxation Code section 7285.9, subject to the approval of a majority of the voters voting on the measure at the election. The entire text of the ordinance shall be made available to the public upon request. The ordinance specifies that the existing tax rate one-half percent (.50%) of the sales price of tangible personal property stored, used or otherwise consumed in the City, currently set to expire on April 1, 2016 will be extended an additional three years, to expire April 1, 2019, unless further extended by a majority of the voters of the City of Half Moon Bay. The State Board of Equalization shall collect the tax from retailers subject to the tax and remit the funds to the City.

Section 3. The ordinance shall be submitted to the voters on the ballot in the form of the following question:

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"To provide additional funding exclusively for the City of Half Moon Bay that can be used to substantially fund our new Library, upgrade Smith Field and other recreational facilities, repair city streets, improve youth and senior services, and invest in opportunities to enhance our quality of life, shall the expiration date of half-cent general sales tax approved by Half Moon Bay voters in 2012 be extended for 3 years, to April, 2019, with continued oversight by a citizens' committee?"

Section 4. A majority vote of the voters is required to approve the ordinance.

VIIM.

<u>Section 5.</u> The City Clerk shall maintain a copy of the ordinance and shall make the same available for public inspection upon request.

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- <u>Section 6.</u> Arguments in Favor or Against the above ballot measure extension shall be filed with the City Clerk of the City of Half Moon Bay on or before August 15, 2014, after which no arguments for or against the City measure may be submitted to the City Clerk.
- Section 7. The Mayor or his designee(s) are hereby authorized to prepare a written argument in favor of the proposed ordinance, not to exceed 300 words, on behalf of the City Council. At the Mayor's discretion, the argument may also be signed by bona fide associations or by individual voters who are eligible to vote.
- Section 8. Rebuttal arguments shall be filed with the City Clerk by August 25, 2014 and shall not exceed 250 words in length.
- <u>Section 9.</u> The Mayor or his designee(s) are hereby authorized to prepare rebuttal responses to any arguments filed against the ballot measure and the impartial analysis.
- Section 10. The City Clerk is hereby directed to transmit a copy of the ordinance set forth in Section 1 above to the City Attorney, who shall prepare an impartial analysis of the measure extension showing the effect of the measure extension on the existing law and the operation of the measure extension in accordance with Section 9280 of the Elections Code.
- Section 11. During the period commencing August 15, 2014 and August 25, 2014, the City Clerk shall make available for public inspection the arguments filed For or Against the ballot measure and the impartial analysis.
- Section 12. The County Election Department is hereby authorized to canvass the returns of the election. The election shall be held in all respects and if there were only one election, and only form of ballot shall be used.
- <u>Section 13.</u> The Board of Supervisors of the County of San Mateo is hereby requested to issue instructions to the County Election Department to take any and all steps necessary for the holding of the election.
- Section 14. The "full text" of Ordinance No. C-2014- AMENDING CHAPTER 3.10 TO THE HALE MOON BAY MUNICIPAL CODE EXTENDING A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION shall appear in the Voter Information Pamphlet.
- Section 15. The City of Half Moon Bay recognizes that costs will be incurred by the County of San Mateo in connection with the election and agrees to reimburse the County for any such costs.
- <u>Section 16.</u> The City Clerk is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the Election Department of the County of San Mateo.

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Section 17.	Section 17. This Resolution shall take effect upon its adoption.				
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AYES, Councilmembers: NOES, Councilmembers: ABSENT, Councilmember	rs:	Alifano, Fraser, Kowalczyk, Patridge & Mayor Muller			
ABSTAIN, Councilmemb	rs:				
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Sióbhan Smith, City Clerk			Jđ	onn Muller, Mayor	

ORDINANCE NO.C-2014-____

ORDINANCE AMENDING SECTION 3.10.170 "AUTOMATIC REPEAL OF TAX" OF CHAPTER 3.10 "TRANSACTIONS AND USE TAX" OF TITLE 3 "REVENUE AND FINANCE" OF THE HALF MOON BAY MUNICIPAL CODE EXTENDING THE TRANSACTION AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION AN ADDITIONAL THREE YEARS, TO EXPIRE ON APRIL 1, 2019

THE CITY COUNCIL OF THE CITY OF HALF MOON BAY DOES HEREBY ORDAIN as follows:

Section 1. Section 3.10.170 "AUTOMATIC REPEAL OF TAX" of Chapter 3.10 "TRANSACTIONS AND USE TAX" of Title 3 "REVENUE AND FINANCE" of the Half Moon Bay Municipal Code is hereby amended to read as follows:

"3.10.170 Automatic repeal of tax.

The transactions and use tax adopted by this chapter shall be automatically repealed and shall be of no further force and effect after March 31, 2019."

- **Section 2. EFFECTIVE DATE**. This Ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately, but it shall not become operative until approved by a majority of the voters voting at the general municipal election to be held November 4, 2014.
- **Section 3. SEVERABILITY**. If any provision of this ordinance is declared invalid by a court of competent jurisdiction, it is the intent of the City Council that such invalid provision be severed from the remaining provisions of the ordinance.
- **Section 4. PUBLICATION.** The City Clerk shall cause this Ordinance to be published in accordance with the requirements of Section 36933 of the Government Code of the State of California.

PASSED AND ADOPTED this ___ day of ______, 2014 by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

John Muller, Mayor

ATTEST:

Siobhan Smith, City Clerk