

City Council Staff Report

June 9, 2020



8A

From: Toby Wells, P.E., City Manager
Prepared by: Maryn Pitt, Assistant to the City Manager for Economic Development and Housing
Agendized by: Toby Wells, P.E., City Manager

1. ACTION RECOMMENDED:

Motion: Council will provide direction regarding a Sales Tax Measure for the November 2020 Ballot

Council will review and provide direction on the formation of a Council Subcommittee to advise and recommend to the Council proposed local sales tax measure language, ballot statements, and rebuttal arguments.

2. SYNOPSIS:

Staff recommends that the City Council review and provide direction regarding the structure, process, and potential membership of a Council Subcommittee to advise the Council regarding a potential future ballot measure seeking voter approval of a general local sales tax that would raise additional local revenue. Once appointed, the Council Subcommittee would work with citizen appointees to draft, review, and recommend ballot language for the proposed November 2020 ballot measure.

3. DISCUSSION OF ISSUE:

At their meeting on May 27, 2020, the City Council reviewed the results from polling conducted by Fairbank, Maslin, Maullin, Metz & Associates (FM3) to inform the Council's decision about whether to place a local general sales tax on the ballot for November 2020.

As part of the City Council's discussion about the structure and options for placing a local general sales tax to raise funds that can be used for local purposes, the City Council directed staff to return with next steps in order to meet the deadlines for the Consolidated General Election in November 2020.

Based on updated polling information and feedback from the Community Priorities Advisory Committee (CPAC) and other outreach efforts, staff is seeking direction and the appointment of a Council Subcommittee to draft ballot measure language for the proposed local general sales tax measure for the November 2020 ballot as well as draft the ballots arguments and potential ballot rebuttal.

The Subcommittee would be charged to consider the following elements in any draft measure to be brought back to Council for approval.

- Formation and structure of an oversight committee
- Sunset of tax or until repealed by voters
- Estimated revenue generated by measure (0.5% or 1.0%)
- Structure and form of tax
- Relationship among timeframe for election, implementation, and collection of revenues
- Any specific initiatives that need to be highlighted in the measure (e.g. public safety, parks, etc.)

4. BASIS FOR RECOMMENDATION:

- A. Council direction and participation is needed for this ballot measure drafting process. Appointing a Subcommittee allows more expeditious completion of the tasks being charged to the Subcommittee.

5. FISCAL IMPACT / BUDGET AMENDMENT:

None

6. CITY MANAGER'S COMMENTS:

Recommend Approval.

7. ENVIRONMENTAL DETERMINATION:

N/A

8. ALTERNATIVES:

- A. Council could choose not to appoint a Subcommittee. This alternative is not advised as there is a time sensitive deadline in which the Council can take action to place such a measure on the ballot.
- B. Council could choose to cease moving forward with a general sales tax measure. This action is not recommended.