



City of Greenfield Budget & Finance Advisory Board
Meeting

July 23, 2015 - 5:30 PM

599 El Camino Real Greenfield CA 93937 831-674-5591
www.ci.greenfield.ca.us

A. CALL TO ORDER

B. ROLL CALL

C. BUSINESS

1. Consideration of Proposed Ballot Measures for Extension of "Measure X" Transactions and Use Tax & 2015 City Services Transactions and Use Tax

D. ADJOURNMENT

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Your courtesy is requested to help our meeting run smoothly. If you will be kind enough to follow the rules of conduct for public participation in City Council meetings, we can make the best possible use of your time and ours. Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering and any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting. **Please turn off cell phones and pagers.**

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City Council Memorandum

599 El Camino Real Greenfield CA 93937 831-674-5591
www.ci.greenfield.ca.us

MEMORANDUM: July 22, 2015

AGENDA DATE: July 23, 2015

TO: Finance Advisory Board

FROM: Jeri Corgill, Director of Administrative Services

TITLE: **Proposed Ballot Measures for Extension of “Measure X” Transactions and Use Tax & 2015 City Services Transactions and Use Tax**

BACKGROUND:

On July 14, 2015, the City Council discussed a desire to ask the registered voters of Greenfield to consider two ballot measures: one to extend the “Measure X” 1.0% Transactions and Use Tax, and an additional Transactions and Use Tax of 0.75% (“2015 City Services Transactions and Use Tax”) for a period of five years.

The County Registrar of Voters requires that the City submit a ballot question of no more than 75 words, the specific ballot language, and an argument in favor (no more than 300 words), for each proposed ballot measure. In the attachments to this memo, you will find two resolutions calling for consolidation of the election and containing each ballot question (with the proposed ordinance attached as an exhibit), and two resolutions each containing the argument in favor of a measure.

REQUESTED ACTION:

On July 28, 2015, staff will bring the attached Resolutions before the City Council for their consideration. Please review the ballot question in each resolution calling for consolidation of the election, and the text of the argument in each resolution containing the argument in favor of a measure.

ATTACHMENTS:

Resolution 2015-48
Resolution 2015-49
Resolution 2015-50
Resolution 2015-51



City Council Memorandum

599 El Camino Real Greenfield CA 93937 831-674-5591
www.ci.greenfield.ca.us

MEMORANDUM: July 22, 2015

AGENDA DATE: July 28, 2015

TO: Mayor and City Council

FROM: Susan A. Stanton, ICMA-CM,
City Manager

TITLE: **Proposed Ballot Measure to Extend Measure X Transactions and Use Tax**

BACKGROUND:

On July 14, 2015, the City Council discussed a desire to ask the registered voters of Greenfield to extend the effective time of the Measure X Transactions and Use Tax, which is due to sunset September 30, 2017. Since the approval of Measure X in 2012, the City has struggled with the effects of violence due to gang activities and various other criminal conduct in the community. In an effort to become more proactive in addressing this public safety concern, the City Council approved allocating 100% of all Measure X funding to restore police staffing and services in the Police Department for the 2015-16 and 2016-17 biennial budget. This action allocated \$1,090,600, the entire projected Measure X Transactions and Use Tax projection (less \$25,000 for the Downtown Art Center in 2015-16), to continue funding six officers approved prior to 2014-15 and an additional three officers in 2015-16. Any additional increase in future Measure X General Transaction and Use Tax revenues will be needed to continue funding two existing School Resource Officers, after two-year grants from the Department of Justice have expired.

State law precludes the City from spending any public money advocating a ballot measure. Nonetheless, it will be important that individual members of the City Council, Administration and personnel in the Police Department communicate to Greenfield voters the importance of Measure X in funding salaries for our police officers. The language of proposed Resolution 2015-48, with the proposed ballot question and attached ordinance, sets forth the justification for extending the Measure X Transactions and Use Tax.

There are a number of actions that will need take place, in order to place this measure on the November 3, 2015 ballot:

- City Council must hold a public hearing, letting the public know that the City wishes to place the measure on the ballot (July 28, 2015 meeting).

- City Council must approve a resolution calling for an election, asking the County to consolidate the election, and providing the exact ballot wording (attached, Resolution 2015-48).
- City Council must approve the primary argument in favor of the measure (attached, Resolution 2015-49). The last day for submission of primary arguments to the County is August 14, 2015. The last day for submission of rebuttal arguments (if any) is August 24, 2015.
- City Council must direct the City Manager to enter into a Service Agreement with the Monterey County Registrar of Voters, for the purpose of conducting the election on behalf of the City.

CONSEQUENT ACTION:

If the City Council approves the attached resolutions, the resolution calling for an election must be transmitted, along with the Service Agreement, to the County Elections Department no later than August 7, 2015. On November 3, 2015, the voters of Greenfield will vote on the measure. If it passes by a simple majority, the ordinance enacting the measure will be brought before the City Council for a second reading and adoption, along with certification of the election. At that point, the ordinance and certification will be sent to the Board of Equalization, to provide notification that this Transactions and Use Tax will no longer expire in 2017.

POTENTIAL MOTIONS:

I MOVE TO APPROVE/DENY A RESOLUTION OF THE CITY OF GREENFIELD CALLING AND GIVING NOTICE OF THE HOLDING OF A MUNICIPAL ELECTION TO ASK THE VOTERS OF THE CITY OF GREENFIELD TO APPROVE AN EXTENSION OF THE TRANSACTIONS AND USE TAX OF ONE PERCENT; FINDING AND DECLARING THAT AN EMERGENCY EXISTS THAT REQUIRES ASKING THE VOTERS TO APPROVE A TRANSACTIONS AND USE TAX BEFORE THE NEXT REGULAR ELECTION; REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY CONSOLIDATE THE ELECTION WITH THE ESTABLISHED ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2015 AND REQUESTING THAT THE COUNTY OF MONTEREY CONDUCT SUCH AN ELECTION ON THE CITY'S BEHALF

and

I MOVE TO APPROVE/DENY A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD ADOPTING WRITTEN ARGUMENTS IN FAVOR OF THE GREENFIELD CONTINUATION OF ESSENTIAL CITY SERVICES FUNDING MEASURE, AN EXTENSION OF THE TRANSACTIONS AND USE TAX OF ONE PERCENT

ATTACHMENTS:

Resolution 2015-48
Resolution 2015-49

**CITY OF GREENFIELD
RESOLUTION NO. 2015-48**

A RESOLUTION OF THE CITY OF GREENFIELD CALLING AND GIVING NOTICE OF THE HOLDING OF A MUNICIPAL ELECTION TO ASK THE VOTERS OF THE CITY OF GREENFIELD TO APPROVE AN EXTENSION OF THE TRANSACTIONS AND USE TAX OF ONE PERCENT; FINDING AND DECLARING THAT AN EMERGENCY EXISTS THAT REQUIRES ASKING THE VOTERS TO APPROVE A TRANSACTIONS AND USE TAX BEFORE THE NEXT REGULAR ELECTION; REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY CONSOLIDATE THE ELECTION WITH THE ESTABLISHED ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2015 AND REQUESTING THAT THE COUNTY OF MONTEREY CONDUCT SUCH AN ELECTION ON THE CITY'S BEHALF

WHEREAS, pursuant to Elections Code Section 10002, the governing body of the City of Greenfield may by resolution request the Board of Supervisor of the County of Monterey to permit the Monterey County Election official to render specified services to the City of Greenfield relating to the conduct of an election; and

WHEREAS, the resolution of the City Council of the City of Greenfield shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the City of Greenfield shall reimburse the County of Monterey in full for the services performed upon presentation of a bill to the City of Greenfield; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, same territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers call the elections; and

WHEREAS, pursuant to Election Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution or order calling the election; and

WHEREAS, various districts, county, state or other political subdivision elections may be or have been called to hold on November 3, 2015;

WHEREAS, the City is facing a rising multi-million dollar deficit as a consequence of the severe global, national and regional financial crisis and;

WHEREAS, the City Council wishes to ensure that the City has the financial resources necessary to preserve the public health, safety, and welfare of the City and;

WHEREAS, the City will deposit all revenues it receives from the tax in the general fund of the City to be expended for any lawful public purpose and;

WHEREAS, Section 3.26.150 of the City' s Municipal Code sets forth a termination date of the Transactions and Use Tax on September 30, 2017, the fifth anniversary of the operative date, which will repeal the Transactions and Use Tax unless extended by a majority of the voters of the City;

WHEREAS, this measure does not create a new tax and would simply continue the existing Transactions and Use tax, at existing rates, that the City has relied upon to maintain essential services;

WHEREAS, continuing the existing sales tax ensures our City has a guaranteed source of local funding for our vital City services that cannot be taken by Sacramento, ensuring our tax dollars are spent locally for Greenfield residents;

WHEREAS, when a City seeks voter approval to enact or continue a Sales or Transactions and Use Tax, Article XIII C, Section 2(b) of the California Constitution requires the election to be consolidated with the general municipal election for City Councilmembers, except in cases in which a City Council has unanimously declared that there is a fiscal emergency.

WHEREAS, the City has seen dramatic decreases in revenue because of a declining economy and continued takeaways by the State;

WHEREAS, the City has slashed its budget by cutting service positions, reforming employee health care, purchasing essentials with grant funding, conserving energy to keep costs down, and participating in purchase pools with other cities to lower expenses;

WHEREAS, the City has projected a significant long term General Fund operating deficit over the next several years should the current sales tax be discontinued;

WHEREAS, while the City has already made budget cuts to address its deficit to all departments, including significantly reducing the total number of City employees, the City still faces more cuts to essential City services, street paving and pothole repair, and park maintenance;

WHEREAS, the existing Transactions and Use Tax is, and would continue to be, imposed on retail transactions and use of personal property. The tax rate is, and would continue to be, One Percent (1.0 %) of the sales price of the property. The tax revenue is, and would continue to be, collected by the State Board of Equalization and remitted to the City. The extension of the existing tax shall be approved if the measure receives at least a majority of affirmative votes;

WHEREAS, since 1993, Greenfield has been required by State legislation to pay for booking fees and property tax administration, another loss of general fund revenues that would otherwise be available for essential City services; and

WHEREAS, the State has eliminated the Greenfield Redevelopment Agency, resulting in a loss of over \$1.6 million annually to the City and greatly decreased the City's ability to promote economic development and retail growth along US 101; and

WHEREAS, City employees agreed to defer or forego compensation adjustments and to increase their contributions to offset increased benefit costs to help maintain the current level of service; and

WHEREAS, extending existing, voter-approved funding at the one percent cent tax rate will continue to address city service and delivery needs; and

WHEREAS, additional funding will maintain current levels of police services, including neighborhood patrols, crime prevention programs, and rapid 9-1-1 response times; and

WHEREAS, Greenfield is a community struggling with the effects of gang-related violence, with a 2012 murder rate of six times the national rate, and is at risk of having more murders without continued diligence of its Police Department; and

WHEREAS, local funding would help maintain and protect City services for children and teens, including pre-school and after-school programs; and

WHEREAS, the City wishes to continue to address service priorities that the public has identified such as police and recreation, earthquake and disaster preparedness programs, and maintaining city parks, paths, playfields and open spaces; and

WHEREAS, any local funding would continue to require citizens' oversight, mandatory financial audits, and yearly reporting to the community to continue to ensure that all voter-approved funds are spent as promised; and

WHEREAS, at its June 9, 2015 meeting, the City Council adopted biennial operating and capital budgets for FY 2015-16 and FY 2016-17 that recognize the need for additional revenue to maintain and preserve the level of services and adequate reserves desired by residents of the City; and

WHEREAS, the City Council has concluded that all of the information presented indicates that, to obtain the revenue necessary to maintain and preserve service levels, the Council will ask the voters of the City to approve an extension of the current Transactions and Use Tax, the revenue from which would be used to continue to support general municipal services; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenfield that the foregoing Recitals are true and correct and are hereby adopted by the City Council. Based on those Recitals, the Council unanimously finds and declares as follows:

1. The City is experiencing an existing and immediate funding crisis, which is the result of factors largely outside of its control, including national economic trends,

rapid increases in the cost of employee retirement and health insurance benefits, decreases in revenue from existing taxes and fees, increases in charges by the County of Monterey, the loss of the Greenfield Redevelopment Agency and unpredictable State takeaways of local revenue.

2. "Measure X" Transactions and Use Tax revenues have provided the City with a guaranteed source of local funding for local City services that cannot be taken by the state, and have helped maintain the financial viability of the City.
3. Since voters enacted "Measure X", the City has maintained a full-service Police Department and successfully recruited and employed a professional Police Chief, with the ability to prevent and investigate property, domestic violence, and other types of crime.
4. External costs beyond the City's control have increased faster than the City's revenue sources, including "Measure X", to sustain existing service levels without the extension of this special tax.
5. The City has taken significant steps to reduce its operational costs by eliminating costly management and administrative positions including Assistant City Manager, Public Works Director, Economic Development Director, Community Development Director, Building Inspector, Office Assistant and Police Services Technician.
6. The City has used its available General Fund balance to bridge the structural budget deficit, meaning it has used all available financial resources and will have none available to maintain services.
7. Due to changes in State law, particularly the approval of Propositions 62 and 218, the City has very few means available for increasing General Fund revenue.
8. Absent an extension and enhancement of the funds provided by "Measure X", the City Council would have no choice other than to implement severe reductions in City services and potential elimination of the Police Department and the loss of local law enforcement control.
9. Without further action, "Measure X" will expire on October 1, 2017, resulting in the annual loss of over \$1.2 of revenues for essential City services.
10. Unless "Measure X" revenues are enhanced and extended, public facilities and property will not be properly maintained, public safety standards will degrade, crime and violence will increase, the community will not have adequate and safe recreational opportunities, businesses and families will be discouraged from moving to or remaining in Greenfield, and the health, safety, and welfare of the residents of Greenfield will be endangered.
11. Because of that threat to the public health, safety, and welfare, an emergency exists in the City, as the term "emergency" is used in Article XIII C, section 2(b) of the California Constitution. The City must immediately address that emergency by ensuring that the City has the resources necessary to preserve the public health, safety, and welfare of the community.

12. The identified emergency necessitates that the City Council submit a tax measure to the voters of Greenfield at the November 3, 2015 election, even though such an election would not be consolidated with a general election for a member of the Council.

IT IS HEREBY FURTHER RESOLVED AS FOLLOWS:

13. Purpose and Intent. In accordance with Government Code Sections 53724(a) and 50077(a), and Elections Code 9222, the City Council of the City of Greenfield hereby calls an election at which it shall submit to the qualified voters of the City, a sales tax ordinance, which, if approved, would extend the 1% transactions and use tax. The proceeds received from the transactions and use tax are designated a general tax and shall be deposited into the City of Greenfield General Fund. This measure shall be designated by letter by the Monterey County Elections Department.

It is the intent of the City Council that revenues received from the existing sales tax shall be unaffected by the modification and will remain a general tax, which can be placed in the general fund and used for any governmental purpose.

14. Placement of Measure on the Ballot. Pursuant to California Elections Code Section 9222, the City Council hereby resolves that the ballot for the November 3, 2015 election shall include the measure herein described.

(a) **Ballot Language.** The ballot question for the measure shall be as follows:

Greenfield Continuation of Essential City Services Funding Measure. To preserve the health, safety and welfare of Greenfield, and maintain/protect general City services, including 9-1-1 emergency response; building protection; neighborhood police patrols; gang/sex offender enforcement; animal control; street maintenance/pothole repair; park maintenance; and other essential services, shall the City of Greenfield continue a voter approved 1 cent sales tax, subject to annual audits and public review.	YES	
	NO	

The words “yes and no” shall be printed on the ballots so the qualified electors may express their choice.

This measure shall be designated by letter by the Monterey County Elections Department.

15. Proposed Ordinance. The ordinance authorizing the special tax to be approved by the voters pursuant to Section 3 is as set forth in Exhibit 1 hereto. The City Council hereby approves the submission of the ordinance to the voters of the City at the November 3, 2015 election. The City requests that County of Monterey print Exhibit 1 in its entirety with the election materials.

16. Publication of Measure. The City Clerk is hereby directed to cause notice of the measure to be published once in the official newspaper of the City of

Greenfield, in accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code.

17. Request to Conduct Election and Canvass Returns.

(a) The Ordinance authorizing the tax to be approved by the voters pursuant to Sections 2 and 3 of this Resolution is as set forth in Attachment 1 hereto. The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 3, 2015 election. The Board of Supervisors of the County of Monterey is requested to order the County Registrar of Voters to set forth in the voter information portion of all sample ballots to be mailed to the qualified electors of the City the full text of the Ordinance and to mail with the sample ballots to the electors printed copies of the full text of the Ordinance, together with the primary arguments and rebuttal arguments (if any) for and against the measure, and to provide absentee voter ballots for the election for use by qualified electors of the City who are entitled thereto in the manner provided by law. The Ordinance specifies that the rate of the transactions and use tax shall be 1%, and that the tax shall be extended for 15 years. The State Board of Equalization shall collect the tax from retailers subject to the tax and remit the funds to the City.

(b) The City Clerk is authorized, instructed and directed to work with the Office of the Registrar of Voters as needed in order to properly and lawfully conduct the election. The ballots to be used in the election shall be in form and content as required by law. The Office of the Registrar of Voters is authorized to canvass the returns of the general municipal election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

(c) The Board of Supervisors is requested to instruct the Office of the Registrar of Voters to provide such services as may be necessary for the holding of the consolidated election. The election shall be held in all respects as if there were only one election. The City of Greenfield recognizes that the County will incur additional costs because of this consolidation and agrees to reimburse the County for those costs. The City Manager is hereby authorized and directed to expend the necessary funds to pay for the City's cost of placing the measure on the election ballot.

18. Submission of Ballot Arguments and Impartial Analysis.

(a) The last day for submission of ballot wording to the Board of Supervisors and Registrar of Voters is August 7, 2015.

(b) The last day for submission of direct arguments for or against the measure is August 14, 2015.

(c) The last day for submission of rebuttal arguments for or against the measure is August 24, 2015.

(d) Direct arguments shall not exceed 300 words and shall be signed by not more than five persons.

(e) Rebuttal arguments shall not exceed 250 words and shall be signed by not more than five persons.

(f) An impartial analysis showing the effect of the measure shall be prepared by the City Attorney.

(g) The City Council will prepare a written argument in favor of the proposed measure, not to exceed 300 words, on behalf of the City. In the event that an argument is filed against the measure, the two persons listed above are also authorized to select two members of the City Council to prepare a rebuttal argument on behalf of the City, which may also be signed by up to three other members of the City Council or bona fide associations or by individual voters who are eligible to vote.

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

19. Effective Date. This Resolution shall become effective immediately upon its passage and adoption, and the City Clerk is directed to send certified copies of this Resolution to the Monterey County Board of Supervisors, to the County Clerk-Recorder, and County of Monterey Elections Department.

20. CEQA. This Resolution is exempt from the California Environmental Quality Act (Public Resources Code §21000, "CEQA") pursuant to CEQA guidelines 15060, "Preliminary Review," subdivision (c)(2) in that it will not result in a direct or reasonably foreseeable indirect physical change in the environment; and 15378, "Project," subdivisions (2) and (4) of subdivision (b), in that this tax does not constitute a project under CEQA and therefore review under CEQA is not required.

21 Boundaries. The jurisdictional boundaries of the City of Greenfield have not changed since the last general municipal election.

PASSED AND ADOPTED this 28th day of July, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John P. Huerta, Mayor

ATTEST:

Ann F. Rathbun, City Clerk

DRAFT

EXHIBIT 1

ORDINANCE NO. 511

**AN ORDINANCE OF THE CITY OF GREENFIELD
EXTENDING THE 1% TRANSACTIONS AND USE TAX FOR GENERAL PURPOSES
TO CONTINUE TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**

WHEREAS, pursuant to California Revenue and Taxation Code Sections 7285.9, the City of Greenfield (the "City") has the authority to levy a Transactions and Use Tax for general purposes;

WHEREAS, a majority of the voters of the City approved a one percent (1.0%) Transactions and Use Tax at an election held on June 5, 2012;

WHEREAS, the City's Transactions and Use Tax Ordinance is found in Chapter 3.26 of Title 3 of the City's Municipal Code;

WHEREAS, Section 3.26.150 of Chapter 3.26 sets forth a "Termination Date" of the fifth anniversary of the operative date, at which time Chapter 3.26 will be repealed unless an amendment is approved by the voters of the City at an election called for that purpose; and

WHEREAS, an amendment of the City's Transactions and Use Tax will be submitted to the voters to extend the "Termination Date" of Chapter 3.26 indefinitely.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GREENFIELD DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Amendment. The definition of "Termination Date" in Section 3.26.150 of Chapter 3.26 of the City's Municipal Code is hereby amended to read as follows:

3.26.150 Definitions

(a) "Termination Date," as approved by the voters of the City of Greenfield, is amended to mean the authority to levy the tax imposed by this ordinance shall not expire.

Section 2. Approval by the Voters. This Ordinance shall be submitted to the voters at an election to be held on November 3, 2015. Upon approval by a majority of the voters of the City voting on this Ordinance, the Transactions and Use Tax set forth in Chapter 3.26 of the City's Municipal Code shall be re-authorized and extended.

EXHIBIT 1

PASSED AND ADOPTED this 28th day of July, 2015, by a two-thirds vote of the City Council, by the following vote:

AYES:

NOES:

ABSENT:

Mayor of the City of Greenfield

Attest: _____
City Clerk of the City of Greenfield

DRAFT

**CITY OF GREENFIELD
RESOLUTION NO. 2015-49**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD
ADOPTING WRITTEN ARGUMENTS IN FAVOR OF THE GREENFIELD
CONTINUATION OF ESSENTIAL CITY SERVICES FUNDING MEASURE, AN
EXTENSION OF THE TRANSACTIONS AND USE TAX OF ONE PERCENT**

WHEREAS, the City Council held a public hearing on July 28, 2015 to consider calling a municipal election to seek voter approval of a proposed general transactions and use tax (or "sales tax"), as authorized by Revenue and Taxation Code section 7285.9; and

WHEREAS, at the conclusion of that hearing, the City Council concluded that all of the information presented indicated that an emergency existed in the City, and that the Council should call an election to ask the voters of the City to approve an extension of the local transactions and use tax, the revenue from which could be used to support general municipal services; and

WHEREAS, the existing Sales Tax is, and would continue to be, imposed on retail transactions and use of personal property. The tax rate is and would continue to be One Percent (1.0 %) of the sales price of the property. The tax revenue is and would continue to be collected by the State Board of Equalization and remitted to the City. The continuation of the existing tax shall be approved if the measure receives at least a majority of affirmative votes.

WHEREAS, the City Council unanimously agreed to sponsor written arguments in favor of the measure; and

WHEREAS, the City Council wishes to adopt such written arguments by resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenfield that the Council submits the following written arguments in favor of the Greenfield Continuation of Essential City Services Funding Measure, to be considered by the voters on November 3, 2015.

In the last six years, Greenfield has suffered major deficits and cuts to its General Fund. These ongoing deficits are the effects of reduced development revenue, the loss of redevelopment, and huge decreases in property tax revenues. The peak median price of a home in Greenfield was \$455,000 in 2006, compared to \$252,000 today, which represents a 44.6% drop in property tax revenues.

The City Council cut over \$1,000,000 from the budget prior to 2012, including the elimination or freezing of 13 staff positions. In 2015, the City eliminated additional positions, including: Director of Public Works; Assistant City Manager;

Management Analyst; one Office Assistant; one Public Services Technician. These budget reductions impact services throughout the City, and also damage the City's ability to run like a business and promote reinvestment in the community.

The continuation of the existing tax will provide the City with minimum funding for law enforcement by supplying a sustainable source of significant revenue. If the existing tax is allowed to expire in 2017, the City Council will be forced to lay off eleven Police Officers, who are currently funded by this tax, or by COPS grants that supply temporary funding:

- Nine Police Officer positions in the amount of \$1,021,400.
- Two Police School Resource Officer positions in the amount of \$263,175.

With a staffing level of 1.1 officers per 1,000 residents, the Greenfield Police Department remains understaffed, yet persists in making strides toward improving safety for the Greenfield community. Passing this continuation of the current one-cent sales tax will generate approximately \$1,200,000 per year, all of which is currently dedicated to public safety in Greenfield.

Revenues from this tax will stay in Greenfield and will be subject to the review of a resident Oversight Committee.

We stand unanimously in support of your Yes vote on November 3rd.

PASSED AND ADOPTED this 28th day of July 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John P. Huerta, Mayor

ATTEST:

Ann Rathbun, City Clerk



City Council Memorandum

599 El Camino Real Greenfield CA 93937 831-674-5591
www.ci.greenfield.ca.us

MEMORANDUM: July 22, 2015

AGENDA DATE: July 28, 2015

TO: Mayor and City Council

FROM: Susan A. Stanton, ICMA-CM,
City Manager

TITLE: **Proposed Ballot Measure for 2015 City Services Transactions and Use Tax**

BACKGROUND:

On July 14, 2015, the City Council discussed a desire to ask the registered voters of Greenfield to consider an additional Transactions and Use Tax of 0.75% ("2015 City Services Transactions and Use Tax") for a period of five years, to supplement the extension of the Measure X 1.0% Transactions and Use Tax.

On several occasions during the budget workshops in April and May, the City Council identified public safety as a high priority. The average number of police officers in cities of 10,000 to 25,000 residents that are located in on the west coast is 1.5 officers per 1,000 residentsⁱ, while the current ratio in Greenfield is 1.1 officers for every 1,000 residents. This translates to a need for approximately six additional police officers, at an estimated current annual cost of \$595,000. There are various factors to consider when determining the optimal staffing level of any police department. In practice, staffing levels in the Greenfield Police Department are impacted by factors that may influence an actual need for more or fewer officers than any ratio that is suggested by the Department of Justice or other guidelines and indices. Regardless, it is increasingly clear that there are socio-economic factors that impact Greenfield, which are not also experienced in other communities of similar size. The ability to hire additional police officers is important to ensure that the City has adequate resources to address the continuous criminal activity and violence experienced in Greenfield.

As discussed during review of the 2015-16 and 2016-17 biennial budget, the City has not had adequate financial resources to ensure that compensation and benefits paid to Greenfield's police officers is competitive in the local labor market. The average starting salary for a new police officer in Greenfield is \$15,000 to \$25,000 less than the average police officer salary in other cities within this local labor market. This wage disparity has severely handicapped Greenfield's ability to recruit the best and brightest applicants to our community, who are also qualified to

deal with the very complex problems experienced here in Greenfield. During the past year, the City was fortunate to attract four highly qualified officers to Greenfield in spite of the current pay disparity. However, in order to ensure that these officers are not persuaded to seek employment with another neighboring agency, and to ensure that the City remains able to recruit bright, talented police officers, the City must properly compensate its officers with a competitive wage.

In addition, Council has expressed a desire to expand recreation opportunities for the community. This not only would make Greenfield a fun and interesting place to live and play, it will also provide wholesome activities to keep children and youths “off the streets.” The ultimate effect would be a reduction in the instances of crime. Expansion of recreation will require an additional source of revenue to recruit qualified recreation staff to develop new recreational programming, while maximizing the underutilized recreational assets in the community.

To align with Council’s additional objective for community development, Code Enforcement efforts will also need to be funded, to create livable, high-quality neighborhoods. Pride in neighborhood translates to pride in community. Because the Code Enforcement Officer position was defunded in the 2015-16 and 2016-17 biennial budget, an additional revenue stream will be necessary to fill this vacancy.

There are a number of actions that will need take place, in order to place this measure on the November 3, 2015 ballot:

- City Council must hold a public hearing, letting the public know that the City wishes to place the measure on the ballot (July 28, 2015 meeting).
- City Council must approve a resolution calling for an election, asking the County to consolidate the election, and providing the exact ballot wording (attached, Resolution 2015-50).
- City Council must approve the primary argument in favor of the measure (attached, Resolution 2015-51). The last day for submission of primary arguments to the County is August 14, 2015. The last day for submission of rebuttal arguments (if any) is August 24, 2015.
- City Council must direct the City Manager to enter into a Service Agreement with the Monterey County Registrar of Voters, for the purpose of conducting the election on behalf of the City.

CONSEQUENT ACTION:

If the City Council approves the attached resolutions, the resolution calling for an election must be transmitted, along with the Service Agreement, to the County Elections Department no later than August 7, 2015. On November 3, 2015, the voters of Greenfield will vote on the measure. If it passes by a simple majority, the ordinance enacting the measure will be brought before the City Council for a second reading and adoption, along with certification of the election. At that point, the ordinance and certification will be sent to the Board of Equalization, and collection of the 0.75% 2015 City Services Transactions and Use Tax will begin on April 1, 2016.

POTENTIAL MOTIONS:

I MOVE TO APPROVE/DENY A RESOLUTION OF THE CITY OF GREENFIELD CALLING AND GIVING NOTICE OF THE HOLDING OF A MUNICIPAL ELECTION TO ASK THE VOTERS OF THE CITY OF GREENFIELD TO APPROVE A “2015 CITY SERVICES TRANSACTIONS AND USE TAX” OF THREE QUARTERS OF ONE PERCENT; REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY CONSOLIDATE THE ELECTION WITH THE ESTABLISHED ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2015 AND REQUESTING THAT THE REGISTRAR OF VOTERS FOR MONTEREY COUNTY CONDUCT SUCH AN ELECTION ON THE CITY’S BEHALF

and

I MOVE TO APPROVE/DENY A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD ADOPTING WRITTEN ARGUMENTS IN FAVOR OF THE NOVEMBER 3, 2015 “2015 CITY SERVICES TRANSACTIONS AND USE TAX” MEASURE

ATTACHMENTS:

Resolution 2015-50

Resolution 2015-51

¹ US Department of Justice, Federal Bureau of Investigation, Uniform Crime Reports, Table 71 “Full-time Law Enforcement Officer by Region and Geographic Division by Population Group Number and Rates per 1,000 inhabitants, 2010

**CITY OF GREENFIELD
RESOLUTION NO. 2015-50**

A RESOLUTION OF THE CITY OF GREENFIELD CALLING AND GIVING NOTICE OF THE HOLDING OF A MUNICIPAL ELECTION TO ASK THE VOTERS OF THE CITY OF GREENFIELD TO APPROVE A “2015 CITY SERVICES TRANSACTIONS AND USE TAX” OF THREE QUARTERS OF ONE PERCENT; REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY CONSOLIDATE THE ELECTION WITH THE ESTABLISHED ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2015 AND REQUESTING THAT THE COUNTY OF MONTEREY CONDUCT SUCH AN ELECTION ON THE CITY’S BEHALF

WHEREAS, pursuant to Elections Code Section 10002, the governing body of the City of Greenfield may by resolution request the Board of Supervisor of the County of Monterey to permit the Monterey County Election official to render specified services to the City of Greenfield relating to the conduct of an election; and

WHEREAS, the resolution of the City Council of the City of Greenfield shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the City of Greenfield shall reimburse the County of Monterey in full for the services performed upon presentation of a bill to the City of Greenfield; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, same territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers call the elections; and

WHEREAS, pursuant to Election Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution or order calling the election; and

WHEREAS, various districts, county, state or other political subdivision elections may be or have been called to hold on November 3, 2015;

WHEREAS, the City Council of the City of Greenfield desires to provide greater levels of vital community services, including enhancing public safety, expanding youth recreation, after-school, and anti-gang programs, furthering code enforcement services, and other general City services; and,

WHEREAS, new sources of revenues will be required in order for the City to meet the expectations of Greenfield residents for enhanced City services; and,

WHEREAS, the City Council wishes to ensure that the City has the financial resources necessary to provide these vital community services, in an effort to augment the public health, safety, and welfare of the City; and,

WHEREAS, a City-voter adopted sales tax is an appropriate way of adding new funds, because the sales tax is broad based and does not single out any one type of consumer, business or industry, and basic commodities and services like housing, food, and prescription drugs are exempt from sales tax; and,

WHEREAS, sales tax revenues are a source of local funding that cannot be taken by Sacramento, ensuring our tax dollars are spent locally for Greenfield residents; and,

WHEREAS, creating voter-approved funding at a 0.75 percent cent tax rate will serve to address enhancement of City services; and,

WHEREAS, the Transactions and Use Tax would be imposed on retail transactions and use of personal property; the tax rate would be Three Quarters of One Percent (0.75 %) of the sales price of the property; the tax revenue would be collected by the State Board of Equalization and remitted to the City. The termination date would be March 31, 2021; the tax shall be approved if the measure receives at least a majority of affirmative votes; and,

WHEREAS, the City will deposit all revenues it receives from the tax in the general fund of the City to be expended for any lawful public purpose; and,

WHEREAS, any local funding would require citizens' oversight, mandatory financial audits, and yearly reporting to the community to continue to ensure that all voter-approved funds are spent as appropriate; and,

WHEREAS, the City Council has concluded that all of the information presented indicates that, to obtain the revenue necessary to enrich service levels, the Council will ask the voters of the City to approve an additional Transactions and Use Tax of 0.75%, the revenue from which would be used to enhance municipal services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenfield that the foregoing Recitals are true and correct and are hereby adopted by the City Council. Based on those Recitals, the Council unanimously finds and declares as follows:

1. The City has maintained a full-service Police Department and successfully recruited and employed a professional Police Chief, with the ability to prevent and investigate property, domestic violence, and other types of crime.

2. In order to enhance public safety, the City will need to recruit and retain additional police officers, which will necessitate that the City attains parity with the local labor market.

3. Additional City services, such as recreational programs and code enforcement will require additional revenues.

4. The City has used its available General Fund balance to bridge the structural budget deficit, meaning it has used all available financial resources and will have none available to enhance services.

5. Due to changes in State law, particularly the approval of Propositions 62 and 218, the City has very few means available for increasing General Fund revenue.

6. Absent an enhancement of City revenues, the City Council would be unable to authorize providing enhanced general City services.

IT IS HEREBY FURTHER RESOLVED AS FOLLOWS:

7. Purpose and Intent. In accordance with Government Code Sections 53724(a) and 50077(a), and Elections Code 9222, the City Council of the City of Greenfield hereby calls an election at which it shall submit to the qualified voters of the City, a sales tax ordinance, which, if approved, would create the 0.75% transactions and use tax. The proceeds received from the transactions and use tax are designated a general tax and shall be deposited into the City of Greenfield General Fund. This measure shall be designated by letter by the Monterey County Elections Department.

It is the intent of the City Council that revenues received from the existing sales tax shall be unaffected by the modification and will remain a general tax, which can be placed in the general fund and used for any governmental purpose.

8. Placement of Measure on the Ballot. Pursuant to California Elections Code Section 9222, the City Council hereby resolves that the ballot for the November 3, 2015 election shall include the measure herein described.

(a) Ballot Language

The ballot question for the measure shall be as follows:

Greenfield 2015 City Services Transactions and Use Tax Measure. To enhance the health, safety and welfare of Greenfield, and provide greater general City services, such as strengthened public safety; increased youth recreation programs; re-establishment of code enforcement services; and other essential services, shall the City of Greenfield enact a voter approved 0.75 cent sales tax, subject to annual audits and public review?	YES	
	NO	

9. Proposed Ordinance. The ordinance authorizing the special tax to be approved by the voters pursuant to Section 3 is as set forth in Exhibit 1 hereto. The City Council hereby approves the submission of the ordinance to the voters of the City at the

November 3, 2015 election. The City requests that County of Monterey print Exhibit 1 in its entirety with the election materials.

10. Publication of Measure. The City Clerk is hereby directed to cause notice of the measure to be published once in the official newspaper of the City of Greenfield, in accordance with Section 12111 of the Elections Code and Section 6061 of the Government Code.

11. Request to Conduct Election and Canvass Returns.

(a) The Ordinance authorizing the tax to be approved by the voters pursuant to Sections 2 and 3 of this Resolution is as set forth in Attachment 1 hereto. The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 3, 2015 election. The Board of Supervisors of the County of Monterey is requested to order the County Registrar of Voters to set forth in the voter information portion of all sample ballots to be mailed to the qualified electors of the City the full text of the Ordinance and to mail with the sample ballots to the electors printed copies of the full text of the Ordinance, together with the primary arguments and rebuttal arguments (if any) for and against the measure, and to provide absentee voter ballots for the election for use by qualified electors of the City who are entitled thereto in the manner provided by law. The Ordinance specifies that the rate of the transactions and use tax shall be 1%, and that the tax shall be extended for 15 years. The State Board of Equalization shall collect the tax from retailers subject to the tax and remit the funds to the City.

(b) The City Clerk is authorized, instructed and directed to work with the Office of the Registrar of Voters as needed in order to properly and lawfully conduct the election. The ballots to be used in the election shall be in form and content as required by law. The Office of the Registrar of Voters is authorized to canvass the returns of the general municipal election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

(c) The Board of Supervisors is requested to instruct the Office of the Registrar of Voters to provide such services as may be necessary for the holding of the consolidated election. The election shall be held in all respects as if there were only one election. The City of Greenfield recognizes that the County will incur additional costs because of this consolidation and agrees to reimburse the County for those costs. The City Manager is hereby authorized and directed to expend the necessary funds to pay for the City's cost of placing the measure on the election ballot.

12. Submission of Ballot Arguments and Impartial Analysis.

(a) The last day for submission of ballot wording to the Board of Supervisors and Registrar of Voters is August 7, 2015.

(b) The last day for submission of direct arguments for or against the measure is August 14, 2015.

(c) The last day for submission of rebuttal arguments for or against the measure is August 24, 2015.

(d) Direct arguments shall not exceed 300 words and shall be signed by not more than five persons.

(e) Rebuttal arguments shall not exceed 250 words and shall be signed by not more than five persons.

(f) An impartial analysis showing the effect of the measure shall be prepared by the City Attorney.

(g) The City Council will prepare a written argument in favor of the proposed measure, not to exceed 300 words, on behalf of the City. In the event that an argument is filed against the measure, the two persons listed above are also authorized to select two members of the City Council to prepare a rebuttal argument on behalf of the City, which may also be signed by up to three other members of the City Council or bona fide associations or by individual voters who are eligible to vote.

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

13. Effective Date. This Resolution shall become effective immediately upon its passage and adoption, and the City Clerk is directed to send certified copies of this Resolution to the Monterey County Board of Supervisors, to the County Clerk-Recorder, and County of Monterey Elections Department.

14. CEQA. This Resolution is exempt from the California Environmental Quality Act (Public Resources Code §21000, "CEQA") pursuant to CEQA guidelines 15060, "Preliminary Review," subdivision (c)(2) in that it will not result in a direct or reasonably foreseeable indirect physical change in the environment; and 15378, "Project," subdivisions (2) and (4) of subdivision (b), in that this tax does not constitute a project under CEQA and therefore review under CEQA is not required.

15. Boundaries. The jurisdictional boundaries of the City of Greenfield have not changed since the last general municipal election.

PASSED AND ADOPTED this 28th day of July, 2015 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

John P. Huerta, Mayor

ATTEST:

Ann F. Rathbun, City Clerk

EXHIBIT 1

ORDINANCE NO. 512

AN ORDINANCE OF THE CITY OF GREENFIELD IMPOSING A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

Section 1. TITLE. This ordinance shall be known as the 2015 City Services Transactions and Use Tax Ordinance. The city of Greenfield hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

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 7285.9 of Part 1.7 of Division 2 which authorizes the City 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 therefore 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.

EXHIBIT 1

Section 4. CONTRACT WITH STATE. Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City 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 territory of the City at the rate of 0.75% 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 City 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 of 0.75% 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:

EXHIBIT 1

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City 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 City 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 "City" 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.

EXHIBIT 1

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 City which is shipped to a point outside the City, 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 City 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-City 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-City 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 City 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.

EXHIBIT 1

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 City 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 City or participates within the City 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 City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" 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 City.

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 district 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.

EXHIBIT 1

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 City, or against any officer of the State or the City, 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. 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 15. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

Section 16. TERMINATION DATE. The authority to levy the tax imposed by this ordinance shall expire on the fifth anniversary of the operative date, unless extended by the voters.

PASSED AND ADOPTED by the City Council of the City of Greenfield, State of California, on July 28, 2015, by the following vote:

AYES:

NOES:

ABSENT:

Mayor of the City of Greenfield

Attest: _____
City Clerk of the City of Greenfield

**CITY OF GREENFIELD
RESOLUTION NO. 2015-51**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD
ADOPTING WRITTEN ARGUMENTS IN FAVOR OF THE NOVEMBER 3, 2015 “2015
CITY SERVICES TRANSACTIONS AND USE TAX” MEASURE**

WHEREAS, the City Council held a public hearing on July 28, 2015 to consider calling a municipal election to seek voter approval of a proposed general transactions and use tax, as authorized by Revenue and Taxation Code section 7285.9; and,

WHEREAS, at the conclusion of that hearing, the City Council concluded that all of the information presented indicated that the Council should call an election to ask the voters of the City to approve a 5-year increase in the local transactions and use tax, the revenue from which could be used to enhance general municipal services; and,

WHEREAS, the Transactions and Use Tax would be imposed on retail transactions, and use of, personal property; the tax rate would be Three Quarters of One Percent (0.75 %) of the sales price of the property; the tax revenue would be collected by the State Board of Equalization and remitted to the City; the termination date would be March 31, 2021. The addition of the tax shall be approved if the measure receives at least a majority of affirmative votes; and,

WHEREAS, the City Council unanimously agreed to sponsor written arguments in favor of the measure; and,

WHEREAS, the City Council wishes to adopt such written arguments by resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenfield that the Council submits the following written arguments in favor of the “2015 City Services Transactions and Use Tax” Measure, to be considered by the voters on November 3, 2015:

As the economy has begun to show signs of improvement, the residents of Greenfield have reasonable expectations for increased City services. We agree that the City should provide more for its residents, including public safety, recreation, and code enforcement, and it is our priority to do whatever is necessary to make this possible. However, new or increased services cannot be provided without increased revenues.

With the proposed new revenue, the City will be able to increase law enforcement services. Currently, the City provides approximately 1.1 officers per 1,000 residents; however, the national standard for West Coast cities the size of Greenfield is 1.5 officers per 1,000 residents. To reach this national standard, an additional seven officers would need to be hired, at a cost of \$595,000 per year for pay and benefits. This cost is considerably lower than the current level of pay and benefits in the local labor market. Unless the City also increases the pay and benefits paid for law enforcement, good officers will be increasingly difficult to recruit, and senior officers will continue to leave for greener pastures.

Public safety goes hand-in-hand with recreational opportunities and code enforcement. Enhancing the recreational programming that the City offers can provide children and

youths with wholesome activities that will keep them out of trouble. Code enforcement will do much to strengthen residents' pride in this beautiful community.

Passage of this additional three-quarter cent sales tax would generate approximately \$900,000 per year. This new revenue would ensure enhanced public safety for all of Greenfield's residents, re-establishment of code enforcement, and increased recreational opportunities for the community's children and youth.

Revenues from this tax will stay in Greenfield and will be subject to the review of a resident Oversight Committee.

We stand unanimously in support of your Yes vote on November 3rd.

PASSED AND ADOPTED this 28th day of July 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John P. Huerta, Mayor

ATTEST:

Ann Rathbun, City Clerk