



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 3/8/2016
Agenda Placement: 10C

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Minh Tran - County Counsel
County Counsel
REPORT BY: Minh Tran, COUNTY COUNSEL - 707-259-8273
SUBJECT: Transaction and Use Tax Measure

RECOMMENDATION

County Counsel requests the following actions regarding a ballot measure which if successful will impose a Transaction and Use Tax of one-quarter of one percent (.25%) for ten years or an alternative measure that will impose a Transaction and Use Tax of three-eighth of one percent (.375%) for ten years:

1. Adoption of an Ordinance establishing the Transactions and Use Tax;
2. Adoption of a Resolution calling a Special Election and consolidating it with the June 7, 2016 Presidential Primary Election for the purpose of enabling the People of Napa County to vote on the question of whether either of the aforementioned Ordinances should be approved; and
3. Discussion and possible action regarding whether the Board wishes to submit, or have members of the Board submit, an Argument in favor of the proposed Measure.

EXECUTIVE SUMMARY

On March 1, the Board of Supervisors considered a request to provide direction regarding funding for construction of a new correctional facility. Construction of a new jail would deplete the general fund and therefore negatively impact funding for other essential services. At that hearing the Board directed staff to come back on March 8 with an ordinance that could be placed before the electorate at the June 7, 2016 election that would increase the Retail Transactions and Use Tax ("sales tax") in the County of Napa. On March 4, the Board requested that an alternative ordinance be presented that would enact a .375 percent sales tax. The sales tax measure would be a general tax measure to fund jail construction and essential services. Both measures are presented today for consideration.

PROCEDURAL REQUIREMENTS

1. Open Public Hearing.

2. Staff reports.
3. Public comments.
4. Close Public Hearing and discussion of which ordinance to adopt.
5. Clerk reads the Ordinance Title.
6. Motion, second, discussion and vote to waive the balance of the reading of the ordinance.
7. Motion, second, discussion and vote adopting the ordinance.
8. Adopt the resolution placing the Ordinance on the June 2016 ballot.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: EXEMPT FROM CEQA (Title 14 Cal. Code of Regulations, section 15061(b) (3))-- The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.)

BACKGROUND AND DISCUSSION

On March 1, the Board of Supervisors considered a request to provide direction regarding funding for construction of a new correctional facility. Construction of a new jail would deplete the general fund and therefore negatively impact funding for other essential services. At that hearing the Board directed staff to come back at the March 8 meeting with an ordinance that could be placed before the electorate at the June 7, 2016 election that would increase the Retail Transactions and Use Tax ("sales tax") in the County of Napa. On March 4, the Board requested that an alternative ordinance be presented that would increase the Retail Transactions and Use Tax by .375%. The sales tax measure would be a general tax measure to fund jail construction, children's programs and other essential services. Both measures are presented today for consideration. Prior to the election in June, the Board may consider a Resolution of Intent for purposes of identifying the use of funds generated by the measure at a future meeting.

Government Code sections 25123 and Elections Code section 9141 provide that ordinances relating to an election take effect immediately and there is no requirement for two readings of the ordinance.

Elections Code Section 9162 provides that the Board of Supervisors, or any member or members of the Board, or any individual voter who is eligible to vote on the measure, or any bona fide association of citizens, or any combination of these voters and associations may file a written argument for or against any county measure. Thus, the third item for discussion today is whether the Board wishes to direct staff to prepare an argument in favor of the measure to be approved by two members of the Board. The

final date for submitting to the Registrar of Voters any arguments for or against the measure is March 18, 2016.

SUPPORTING DOCUMENTS

- A . Resolution Calling Election One-Quarter
- B . Ordinance One-Quarter Sales Tax
- C . Resolution Calling Election Three Eighths
- D . Ordinance Three-Eighths Sales Tax

CEO Recommendation: Approve

Reviewed By: Helene Franchi