



Agenda Item No. 13.

Staff Report

Date: June 14, 2016

To: Mayor Hoertkorn and Councilmembers

From: Joe Chinn, Town Manager

Subject: Town Council Consideration of Adoption of Resolution No. 1955 Calling for a Municipal Election to be Held on November 8, 2016; Requesting the Consolidation with the General Election Conducted on that Date; and Requesting Election Services of the County Elections Department, and Proposing Adoption of Ordinance No. 672 Authorizing a Public Safety Tax and Increase in the Town's Appropriation Limit

Recommendation

Council adoption of Resolution No. 1955 calling a special municipal election regarding a special tax to be held on November 8, 2016; requesting the Marin County Board of Supervisors to consolidate with the general election conducted on that date; and requesting election services of the County Elections Department, and proposing adoption by voters of Ordinance No. 672 authorizing a Public Safety Tax and increase in the Town's appropriations limit.

Background and discussion

For many years the Town has relied on a public safety tax or municipal services tax to support the operations and capital needs of the community. Unlike many jurisdictions, the Town of Ross does not have a large sales tax base or any hotel/motel taxes or a utility user's tax and instead relies mainly on property taxes, fees, and grants to provide services. In the November 2012 election, Ross voters approved Measure D. The language for the Measure D ballot states as follows:

"Shall the voters of the Town of Ross adopt an ordinance replacing the prior municipal services tax with a special tax for maintaining public safety services for a period of four years at a lower maximum rate of \$950 per dwelling unit for single family residences and \$950 per parcel for all other uses, and increasing the Town's appropriations limit by the amount of the special tax proceeds?"

The public safety tax that was approved by the Town residents currently raises approximately \$774,000 of the \$7.3 million in general fund revenue the Town now collects. It should be pointed out that police and fire service costs alone in Ross are approximately \$3.3 million.

At the February 12, 2016, Town Council Strategic Workshop, a five year financial forecast was presented related to the Town's finances. The report findings included that the Town's current level of services are fundable if the public safety tax passes and there will likely be some available revenues for capital

facilities and one-time expenses. However, if the public safety sales tax expires without a replacement, the Town will have to reduce expenses by \$500,000 to \$800,000 per year which would cause service level declines.

At the May 12, 2016, Council meeting the Council directed staff to bring back a Resolution and Ordinance related to placing the Public Safety Tax on the November 8, 2016 election for the voters to decide on the measure. The ballot language in the attached resolution is as follows:

Shall the voters of the Town of Ross adopt an ordinance to reauthorize from July 1, 2017 through June 30, 2025, the annual special tax for maintaining public safety services at a rate of \$970 per dwelling unit for single family residences and \$970 per parcel for all other uses, with an annual cost of living adjustment on both, providing about \$810,000 annually, and increasing the Town's appropriations limit by the amount of the special tax proceeds?

The ballot measure requires two-thirds voter approval in order to pass. If the November 2016 measure passes, there would be a requirement that the voters would decide by majority vote every four years whether the "appropriation limit" (Article XIII B) should be approved as this vote is required by the State Constitution. The vote on the appropriations limit thus gives the public the right to weigh in and approve the collection and expenditure of these revenues. If the appropriations limit is not approved by the voters, the tax revenues cannot be spent.

Alternative actions

Town Council could choose to modify the language of the ballot measure or not place a measure on the ballot.

Environmental review (if applicable)

Not applicable

Attachments

- Resolution No. 1955
- Ordinance No. 672

TOWN OF ROSS

RESOLUTION NO. 1955

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF ROSS CALLING A SPECIAL MUNICIPAL ELECTION REGARDING A SPECIAL TAX TO BE HELD IN ITS JURISDICTION ON NOVEMBER 8, 2016; REQUESTING THE MARIN COUNTY BOARD OF SUPERVISORS TO CONSOLIDATE WITH THE GENERAL ELECTION CONDUCTED ON THAT DATE; AND REQUESTING ELECTION SERVICES OF THE COUNTY ELECTIONS DEPARTMENT

WHEREAS, the Town Council desires to hold a special municipal election to be consolidated with the statewide general election scheduled to be held on November 8, 2016; and

WHEREAS, at that election there shall be submitted to the qualified voters of the Town, the following question:

Shall the voters of the Town of Ross adopt an ordinance to reauthorize from July 1, 2017 through June 30, 2025, the annual special tax for maintaining public safety services at a rate of \$970 per dwelling unit for single family residences and \$970 per parcel for all other uses, with an annual cost of living adjustment on both, providing about \$810,000 annually, and increasing the Town's appropriations limit by the amount of the special tax proceeds?

WHEREAS, if this measure receives approval by two-thirds of the voters voting thereon, the ordinance in the form attached hereto as Exhibit "A" shall be adopted; and

WHEREAS, the Town Clerk shall fix and determine a reasonable date prior to the election, after which no arguments for or against the question may be submitted; and shall cause arguments for or against the question to be printed and enclosed with the sample ballot approved by the California Elections Code; and

WHEREAS, rebuttal arguments shall be received by a specified date in connection with the election on this proposition in order to be printed and enclosed with the sample ballot approved by the California Elections Code; and

WHEREAS, pursuant to Section 10002 of the Elections Code, the Town Council may request the Board of Supervisors to permit the County Elections Department to render specified services to the Town relating to the conduct of the election on a reimbursable basis; and

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town of Ross as follows:

1. That a special municipal election is hereby called to be held on November 8, 2016, at which election the ballot question set forth above shall be determined by the voters.

The text of the proposed ordinance to be submitted to the voters is attached hereto as Exhibit "A" and incorporated herein by reference; and

2. That the Board of Supervisors of the County of Marin is hereby requested to consolidate said election with the general election to be conducted on the same day; and
3. That the Board of Supervisors of the County of Marin is hereby requested to authorize the County Elections Department to render the following specified services for the Town of Ross relating to the conduct of the election to be held on November 8, 2016:
Preparation of voter indexes; voter counting by precinct; verification of signatures; drayage and rental of polling places; printing of measures and arguments; printing of sample and official ballots; appointment and notification of election officers; mailing of sample ballots and polling place notification; provision of precinct supplies; training of precinct workers; processing of absentee ballots; central counting; canvass of votes cast; and
4. The Town Clerk is hereby ordered and directed to file a copy of this resolution with the Board of Supervisors of the County of Marin.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Ross on the 14th day of June, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kathleen Hoertkorn, Mayor

ATTEST:

Linda Lopez, Town Clerk

EXHIBIT A

Ordinance No. _____

(see attached)

TOWN OF ROSS

ORDINANCE NO. 672

AN ORDINANCE OF THE TOWN OF ROSS, CALIFORNIA, AMENDING CHAPTER 3.20 OF THE ROSS MUNICIPAL CODE TO AUTHORIZE THE LEVY OF A SPECIAL TAX TO FINANCE PUBLIC SAFETY SERVICES AND AUTHORIZING AN INCREASE IN THE APPROPRIATIONS LIMIT FOR THE TOWN OF ROSS

THE PEOPLE OF THE TOWN OF ROSS, CALIFORNIA DO HEREBY ORDAIN AS FOLLOWS:

Section 1. Section 3.20.020 of the Ross Municipal Code is hereby amended and restated in its entirety to read as follows:

Section 3.20.020 Special Tax Imposed.

A special tax for the purpose specified in Section 3.20.010 of this chapter shall be imposed on all improved parcels of real property in the Town of Ross for each fiscal year, commencing with fiscal year 2017-2018. The maximum amount of the special tax for each fiscal year shall be as follows:

a. Single Family Residential Uses: \$970 per dwelling unit on a parcel. For the purposes of this chapter, a dwelling unit means a building designed for or occupied by one family, including a dwelling unit under construction. A residential second unit duly registered with the Town of Ross, or any structure accessory to the primary dwelling, which is used for occupancy by family members, occasional guests, or servants, is not a dwelling unit for the purposes of this chapter.

b. Multi-Family, Commercial or Other Non-Residential Uses: \$970 per parcel. Beginning with fiscal year 2018-19 and for each fiscal year thereafter, the maximum amount of the special tax shall increase in an amount equal to the percentage by which the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Area published by the Bureau of Labor Statistics of the United States Department of Labor, or any successor to that index, increased in the twelve months prior to March of the calendar year in which the adjustment is made.

The records of the Marin County Assessor as of March 1st of each year shall determine the use and improvement of each parcel for the calculation of the special tax applicable to that parcel in the following fiscal year.

For the purposes of this chapter, the term "parcel" shall mean a parcel of real property having a separate assessor's parcel number as shown on the last equalized assessment roll of Marin County

Section 2. Section 3.20.040 of the Ross Municipal Code is hereby amended and restated in its entirety to read as follows:

3.20.040 Special Fund, Use of Tax Proceeds, Annual Report.

The proceeds of the special tax imposed by this chapter shall be placed in a special fund to be used solely for the purpose of providing public safety services.

The chief fiscal officer of the Town shall annually file with the Town Council a report regarding the amount of special tax revenues collected and expended and the status of any project authorized to be funded with the special parcel tax revenues, as required by California Government Code Section 50075.3, as such law is amended from time to time.

Section 3. Section 3.20.080 of the Ross Municipal Code is hereby amended and restated in its entirety to read as follows:

3.20.080 Termination of Provisions.

This chapter shall be null and void as of twelve o'clock midnight, June 30, 2025, and shall have no force and effect whatsoever after said time and date. Notwithstanding the previous sentence, section 3.20.050, relating to the collection and enforcement of liens or obligations for the special tax previously levied hereunder, shall continue in effect until such time as the collection and enforcement procedures have been completed.

Section 4. The appropriations limit of the Town of Ross established under Article XIII B, Section 6 of the California Constitution shall be increased by the proceeds received from the special tax imposed by this ordinance. Any future increases in the appropriations limit shall be approved by a majority vote of the voters voting thereon.

Section 5. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any other provision or applications, and to this end the provisions of this ordinance are declared to be severable. The Town Council, and the electorate, do hereby declare that they would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases, parts or portions thereof, be declared invalid or unconstitutional.

Section 6. This ordinance shall be adopted and become effective only if approved by two-thirds of the voters voting thereon, at an election to be held on November 8, 2016.

Section 7. The Mayor is hereby authorized to attest to the adoption of this ordinance by signing where indicated below.

I hereby certify that the foregoing ordinance was PASSED, APPROVED AND ADOPTED by the people of the Town of Ross voting on the 8th day of November, 2016.

By:

Mayor

ATTEST:

Linda Lopez, Town Clerk