June 11, 2019

To: Members of the Board of Supervisors

From: Sheryl Bratton, County Administrator

Re: FY 2019-2020 Budget: Voter Approved Funding Measures

The Board has expressed interest in reviewing the voter approved tax measure expenditure plans in connection with the Recommended Budget. Included herein are copies of the expenditure plans provided to the voters for the following Sonoma County tax measures:

1. Sonoma County Open Space, Clean Water and Farmland Protection Measure F (approved November 2006)

2. Transit Occupancy Tax (TOT) Measure L (approved November 2016)

3. Sonoma County Parks and Conservation Sales Tax Measure M (approved November 2018)
VOTER'S PAMPHLET
MEASURES, ANALYSES AND ARGUMENTS
(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

FULL TEXT OF MEASURE F
THE SONOMA COUNTY OPEN SPACE, CLEAN WATER AND FARMLAND PROTECTION MEASURE
ORDINANCE NO. 5672R OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA
EXTENDING THE IMPOSITION OF A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION
Section 1. TITLE. This Ordinance shall be known as the Sonoma County Open Space, Clean Water and Farmland Protection Measure. The County of Sonoma, hereinafter shall be called "County." This Ordinance shall be applicable in the incorporated and unincorporated territory of the County.

Section 2. EFFECTIVE DATE; OPERATIONAL DATES; ADMINISTRATION.
A. This Ordinance shall become effective upon its approval by a two-thirds majority of the electors voting on the measure.
B. This Ordinance shall become operative on April 1, 2011; provided, however, that the Sonoma County Agricultural Preservation & Open Space Expenditure Plan ("the 2006 Expenditure Plan"), attached hereto as Exhibit "A," shall become operative on the effective date of this Ordinance.
C. The existing contract between the Sonoma County Agricultural Preservation & Open Space District and the Sonoma County Open Space Authority shall remain in effect, subject to amendments, through March 31, 2011.
D. Prior to April 1, 2011, the District and the County shall enter into a contract for the administration of the 2006 Expenditure Plan. That contract shall become operative on the expiration of the current contract between the Authority and the District and shall provide for the administration of the 2006 Expenditure Plan by the District and the funding of the District's annual budgets by the County from funds available in the Open Space Special Tax Account.

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 extend the imposition of 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 7255.5 of Part 1.7 of Division 2 which authorizes the County to adopt this tax Ordinance which shall be operative if 2/3 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 the extension of 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 1.5 of Division 2 of the Revenue and Taxation Code and to authorize the issuance of limited tax bonds to finance the purchases of open space lands that are consistent with this Ordinance.
C. To adopt the extension of a retail transactions and use tax Ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself 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 the extension of 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.
E. To authorize the issuance of bonds and the undertaking of lease-purchase financing obligations to finance the acquisitions specified in Exhibit "A."

Section 4. EXPENDITURE PLAN; LIMITATION OF EXPENDITURES; FISCAL OVERSIGHT. Pursuant to the requirements of Government Code §50075.4, (1)
cont. next page
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FULL TEXT OF MEASURE F, CONT.

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 "County" 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 11. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6367 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

Section 12. 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.

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 primarily 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 County which is shipped to a point outside the County, 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.
   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.

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FULL TEXT OF MEASURE F, CONT.

Section 14. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandamus or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, against any officer of the State or the County, 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 15. AUTHORIZATION TO ISSUE LIMITED TAX BONDS AND LEASE-PURCHASE FINANCING AUTHORITY. Pursuant to Government Code §55800 et seq., the County is authorized to issue limited tax bonds payable from the tax imposed by this Ordinance. The County may, from time to time, enter into lease-purchase agreements with the County’s Treasurer and the District for the purpose of assisting in the purchase of properties anticipated by Exhibit “A.”

Section 16. 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 17. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of County transactions and use tax and shall take effect immediately upon approval of the electorate.

Section 18. TERMINATION DATE. The authority to levy the tax imposed by this Ordinance shall expire on March 31, 2031.

PASSED AND ADOPTED by the Board of Supervisors of the County of Sonoma, State of California, on July 18, 2006, by the following vote:

SUPERVISORS:

SO ORDERED.

By: s/ Paul L. Kelley
Chairman, Board of Supervisors
County of Sonoma, State of California

ATTEST:

By: s/ Eeve T. Lewis
County Clerk and Ex-officio Clerk of the Board of Supervisors of said County

FULL TEXT OF MEASURE F, CONT.

EXHIBIT A

AGRICULTURAL PRESERVATION AND OPEN SPACE 2006 EXPENDITURE PLAN

The purpose of this expenditure plan is to implement the Sonoma County General Plan and the general plans of the County’s incorporated cities by preserving agricultural land use and open space. This purpose will be accomplished primarily through the purchase of development rights from willing sellers in areas of the County which are designated in the County and cities’ General Plans open space elements and may include the purchase of fee interests for outdoor public recreation where the public use would not be inconsistent with the open space designations listed below.

The open space designations eligible for protection under this expenditure plan include community separators, greenbelts, scenic landscape units, scenic corridors, agriculturally productive lands, biotic habitat areas, riparian corridors and other areas of biotic significance, and other open space projects.

1. Community separators and greenbelts are lands that function as open space to separate cities and other communities and protect city and community identity by providing visual relief from continuous urbanization. These lands are frequently subject to development pressures, and therefore, have been identified as priority sites for acquisition to prevent urban sprawl, to retain the rural and open character of the county and to preserve agricultural uses.

2. Scenic landscape units and scenic corridors are areas of high scenic quality including natural landscapes and backdrops that provide visual relief from urban densities and maintain the open nature of the County.

3. Agriculturally productive lands include working farms and ranches and other lands used for the production of food, fiber, and plant materials and the raising and maintaining of livestock and farm animals.

4. Biotic habitat areas, riparian corridors, and other areas of biotic significance include freshwater and tidal marshes, wetlands, special status species locations, woodlands and forests, wildlife habitat corridors and lands along creeks and streams critical to protecting fisheries and water quality. These sensitive natural areas require protection, restoration, and resource management, and include the Petaluma River, Laguna de Santa Rosa, Rupelian River, Sonoma Creek and San Pablo Baylands.

5. Other open space projects include, but are not limited to, urban open space and recreation projects within and near incorporated areas and other urbanized areas of Sonoma County. Funds for these projects shall be available to cities, the County and other entities through a matching grant program, with preference given to acquisition and development projects that link communities. Examples of these projects include creek restoration and enhancement, such as along the Petaluma River, Santa Rosa Creek, and Laguna de Santa Rosa, trails, athletic fields, and urban greenspace.

6. Operation and maintenance of land includes limited funding for initial public access, operation and maintenance of recreational lands purchased in accordance with this Plan. No more than 10 percent of total revenues generated over the life of the Measure shall be made available for operation and maintenance purposes.
Currently, the Sonoma County Agricultural Preservation and Open Space Authority proceeds of this tax, which was first imposed in 1991, have been used to purchase properties such as Taylor Mountain, Mantini Ranch, Tolay Regional Park, and Saddle Mountain. In addition, tax revenue has been used to purchase conservancies and corridors (areas of high scenic quality including natural landscapes and backdrops); preservation of agricultural lands from development; protect working farms and ranches; protect drinking water sources; improve water quality in lakes, rivers and streams; create and improve parks and trails; and preserve the coastline and beaches, shall the current quarter-cent sales tax, funding the Sonoma County Agricultural Preservation & Open Space District, be continued for twenty years, and bonds authorized to finance projects, with required independent audits and citizen oversight without increasing taxes?

**COUNTY OF SONOMA MEASURE F**

Sonoma County Open Space, Clean Water and Farmland Protection Measure. To preserve natural lands from development; protect working farms and ranches; protect drinking water sources; improve water quality in lakes, rivers and streams; create and improve parks and trails; and preserve the coastline and beaches, shall the current quarter-cent sales tax, funding the Sonoma County Agricultural Preservation & Open Space District, be continued for twenty years, and bonds authorized to finance projects, with required independent audits and citizen oversight without increasing taxes?

**COUNTY AUDITOR'S FISCAL IMPACT STATEMENT — MEASURE F**

Revenues:
This measure does not increase the current sales tax. This measure continues the current Open Space sales tax collected in Sonoma County of 1/4 of one percent (.25%) for twenty years after March 31, 2011 for open space eligible for protection under the Agricultural Preservation and Open Space 2006 Expenditure Plan. Open space that is eligible for protection, under this Plan, include community separators, greenbelts, scenic landscape units, scenic corridors, agriculturally productive lands, biotic habitat areas, riparian corridors and other areas of biotic significance, and other open space projects.

Based on current sales tax collections, historical annual growth in sales tax, and the assumption that the tax will remain in effect for twenty (20) years, the Auditor-Controller estimates the sales tax collected, annually, under this measure will be approximately $17 million to $30 million.

Proceeds from this sales tax shall be deposited into the Open Space Special Tax Account and shall be spent only to implement the projects in the 2006 Expenditure Plan below. The County Auditor shall prepare and file, annually, with the Board of Supervisors reports containing amounts of funds collected and expended and the status of any project(s) required or authorized to be funded. Fiscal oversight will be provided by the Sonoma County Open Space Authority.

Expenditures:
The revenues generated by this measure are available solely for open space eligible for protection set out in the Agricultural Preservation and Open Space 2006 Expenditure Plan, and summarized below:

1. Community Separators and greenbelts are lands that function as open space to separate cities and other communities.
2. Scenic landscape units and scenic corridors are areas of high scenic quality including natural landscapes and backdrops.
3. Agriculturally productive lands include working farms and ranches and other lands used for the production of food, fiber, and plant materials and the raising and maintaining of livestock and farm animals.
4. Biotic habitat areas, riparian corridors, and other areas of biotic significance include freshwater and tidal marshes, wetlands, special status species locations, woodlands and forests, wildlife habitat corridors and lands along creeks and streams critical to protecting fisheries and water quality.
5. Urban open space projects include urban open space and recreation projects within Sonoma County.
6. Operation and maintenance of land includes limited funding for initial public access, operation and maintenance of recreational lands purchased per this Plan. Limited to 10% of total revenues.

Bonds:
This measure includes the authorization to issue limited bonds and, from time to time, enter into lease-purchase agreements with the County's Treasurer. The maximum indebtedness, including issuance cost, interest, and debt service costs shall not exceed the total amount of proceeds from this sales tax.

In accordance with the Election Code, the scope of this fiscal impact analysis has been limited to the measure's effect on revenues and expenditures. It does not address larger countywide fiscal issues such as the measure's effect on the overall County economy.

By: Kathleen Larocque
Deputy County Counsel
### VOTER'S PAMPHLET

#### MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)

Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

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| As Sonoma County grows, Measure F is a unique opportunity to protect our quality of life now, and for future generations. Measure F will permanently protect lands threatened by development and preserve water quality, rivers, streams, working farms and natural areas — with no increase in taxes. Measure F will continue funding the Sonoma County Agricultural Preservation and Open Space District, responsible for preserving over 68,900 acres of clean water sources, scenic vistas, wildlife habitat, working farms and vineyards, parks and trails since its establishment by voters in 1990. Every district purchase is subject to community and taxpayer oversight — ensuring that public funds are spent wisely and efficiently. Every landowner is a willing seller and eminent domain is prohibited. Measure F will protect open space, clean water, family farms and our quality of life by: protecting important rivers, streams, lakes and groundwater to preserve drinking water quality in our communities for future needs; preserving beaches and coastal lands; conserving natural areas and open space, including those where children can be educated about nature and wildlife conservation; preserving working farms, ranches, orchards and vineyards; protecting fish and wildlife habitat; protecting oak woodlands, grasslands and redwood forests to improve air quality; helping create and maintain parks in and near urban areas; and protecting natural, scenic areas from growth and development. Remember, Measure F is not a tax increase — it will simply continue an existing tax. Measure F has a strict 20-year time limit, requires citizen oversight and ensures that all expenditures are subject to independent annual audits. We must act now to protect Sonoma County's natural areas, clean water, farms, and wildlife. The longer we wait, the more expensive it will be to protect what is left. Please join us in voting yes on Measure F. For more information visit www.FriendsOfSonomaCounty.org. | The measure to renew the Open Space District and associated tax does not deserve voters' support. Over the past 15 years the Open Space District has largely wasted over $200 million and achieved little measurable benefits for Sonoma County residents. Let's be clear; there is no objection to maintaining land for agriculture, open space, green belts or for recreation. The point is that taxpayers don't have to buy the land or easements on the land to achieve these worthy goals. Cities and the County already have many tools at their disposal to accomplish these objectives. These tools include the General Plan, zoning laws that specify how land with various zoning classifications can be used. In addition every city in Sonoma County except Cloverdale has voter passed urban growth boundaries that limit the ability of those cities to expand urban development outside those boundaries. We ask, how does purchase of an agricultural easement make sense for a farm that is designated for agricultural use in the general plan, is zoned only for agriculture and is far outside any city's urban growth boundary? Does buying forestland that is already designated a scenic resource in the General Plan and for which there is no practical other use and no conceivable threatened development represent an efficient use of limited public resources? Future generations deserve the right to decide for themselves, by majority rule, the best use of the lands in Sonoma County. Acquisition of land and restrictive easements has the undemocratic effect of allowing today's citizens to make land use decisions for all future generations. To spend taxpayer resources on 'protecting' land that does not need protecting is simply a waste. With all the real needs of government for funds, we do not have the luxury of wasting any funds while real needs go unmet. |}

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**Sonoma County**

49-503 9455
COUNTY OF SONOMA
MEASURE L

SONOMA COUNTY TOURIST TAX: To address the impacts of tourists by investing in roads, emergency response, workforce housing for families and veterans, water quality protection, and other County services, shall Sonoma County increase the transient occupancy tax from 9% to 12%, until repealed, and paid only by guests staying overnight at lodging facilities within the unincorporated area, in line with many neighboring cities and counties, providing $4 million annually to local County services, subject to annual audits?

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE L

Measure L asks voters whether the County should increase its transient occupancy tax which is assessed on persons occupying lodging for a period of thirty consecutive days or less. The tax applies to various types of lodging, including vacation rentals, hotels, motels, recreational vehicle parks, and campgrounds. The tax is collected by the lodging operator and remitted to the Sonoma County Tax Collector.

For over two decades, the transient occupancy tax rate in the unincorporated area of Sonoma County has been nine percent, or nine cents on each dollar of the rate charged. If approved, this measure will amend the current transient occupancy tax ordinance to increase the transient occupancy tax rate in the unincorporated area of Sonoma County to twelve percent, or twelve cents on each dollar of the rate charged.

The transient occupancy tax is a general tax. Revenues from the transient occupancy tax rate increase may be used for general governmental purposes, including those to offset the impacts of tourists, road maintenance, emergency response services, fire safety, workforce housing for families and veterans, water quality protection, and other County services. In the past, approximately 75 percent of the amount collected has been appropriated under the guidelines of the County Advertising and Promotions Program.

State law permits a county to levy a tax on guests occupying temporary lodging located in the unincorporated area of the county. This measure would increase the transient occupancy tax rate only as to lodging in the unincorporated area of Sonoma County. The measure would not change the transient occupancy tax rate for lodging located within incorporated cities. Transient occupancy rates currently applicable in the cities of Sonoma County vary from nine to twelve percent.

The ordinance increasing the transient occupancy tax rate from nine to twelve percent will become effective only if approved by a majority of those voting on the measure.

A "yes" vote on Measure L will authorize the County to increase the transient occupancy tax by three-percent increase as described above, and the new tax rate would take effect on January 1, 2017.

A "no" vote will not increase the tax rate, and the County will continue to collect the transient occupancy tax at its current rate.

The Sonoma County Board of Supervisors unanimously approved the ordinance to increase the existing transient occupancy tax and voted to place Measure L on the ballot for voter approval. The full text of Measure L follows this analysis.

BRUCE D. GOLDSTEIN
County Counsel
By: s/ Robert Pittman
Chief Deputy County Counsel

COUNTY AUDITOR'S FISCAL IMPACT STATEMENT — MEASURE L

This measure would increase the Transient Occupancy Tax (TOT) Rate from 9 percent to 12 percent within the unincorporated areas of the County.

Transient Occupancy Tax is a charge added to the billing for lodging at a motel, hotel, bed and breakfast, or other lodging facility for guests staying fewer than 30 consecutive nights. Currently, the lodging billing includes a charge of 9%, or $9 on a $100 room rate. This measure would increase the charge to 12%, or $12 on a $100 room rate.

This proposed 3% rate increase will generate approximately $4.8 million in additional annual revenues. This revenue increase could fluctuate depending on the lodging occupancy, room rates, and/or the number of lodging facilities available in the unincorporated areas of the County.

Through the annual budget process and public hearings required by State law, these increased revenues would be budgeted for general governmental expenditures. Per the Sonoma County Board of Supervisors' Advertising and Promotions Policy, 75% of TOT revenue is to be used to encourage tourism, agriculture, and economic development in the County by supporting a series of promotional, community, and cultural activities. The remaining 25% of the revenue is to be used for County services such as public safety and law enforcement, health services, and public facilities.

In accordance with the Elections Code, the scope of this fiscal impact analysis has been limited to the measure's effect on revenues and expenditures. It does not address larger countywide fiscal issues such as the measure's effect on the overall County economy.

s/ Donna M. Dunk
Sonoma County Auditor-Controller-Treasurer-Tax Collector
ARGUMENT IN FAVOR OF MEASURE L

Sonoma County’s Transient Occupancy Tax (also known as “TOT” or “Tourist Tax”) is charged only to guests who stay overnight in our hotels, inns, vacation rentals, and campgrounds. This tax is one of the most direct ways for our County to collect revenue from visitors, which helps address the impacts of tourism. Visitors use our roads, emergency services, and other county services, and impact our environment and natural resources, as they enjoy all Sonoma County has to offer. Raising the TOT is a fair way to recover increased costs associated with visitor stays in the County.

Measure L will not raise taxes for residents.

The County’s TOT rate has been 9% for over 20 years. Many local cities and comparable counties have TOT rates (including tourism assessments for cities) greater than the proposed increase. Measure L levels the playing field and will keep the TOT rate equal to or below taxes in neighboring cities and counties such as Napa County, San Francisco City and County, Sacramento County, Santa Rosa, Healdsburg, Sonoma, Rohnert Park, and Windsor. These communities are collecting their fair share and so should we.

Measure L reduces the burden on residents to pay for County services. Measure L will generate an estimated additional $4 million a year. The Sonoma County Board of Supervisors members have expressed their intent to allocate the increased revenue in line with County policy to fix our roads, and to fund fire and emergency services, workforce development, workforce housing, vacation rental code enforcement, and water quality protection.

We enjoy the luxury of living in a world class destination. Let’s ensure that distinction is protected by asking visitors to pay their share. Measure L keeps our tourism industry competitive while addressing its impacts.

s/ David Rabbitt  
Sonoma County Supervisor  

s/ Paula Cook  
Veterans’ Housing Builder

s/ Herman J. Hernandez  
Realtor Retired Housing Director

s/ John Lowry  
Realtor

s/ Ross Liscum  
Vietnam Veteran, Fair Board

s/ Craig S. Harrison, President

s/ Susan Gorin  
Sonoma County Supervisor

SONOMA COUNTY TAXPAYERS ASSOCIATION
s/ Timothy J. Hannan, President

ARGUMENT AGAINST MEASURE L

Here we go again -- more taxes. This time the tax would come in the form of an increase in the rate of tax on tourists and other out-of-town guests staying in hotels and motels. The room rate would be increased from 9% to 12%. How much more of a financial strain can the County put on tourists before they begin to say “Let’s go somewhere else”? Let’s not find out. More importantly, this increase in the tax on tourists would be a general tax, meaning that the revenue could be used for anything the supervisors want. By far the biggest budgetary problem facing the supervisors is the County employee pension problem. One year ago, an Independent Citizens Advisory Committee on Pension Matters was formed to examine the pension problem. The Committee noted: “The total annual cost of employee pensions is approximately 36% of (the County’s) payroll, and career employees can take home more in pension and Social Security benefits when retired than they took home while working.” Meanwhile, the ever-increasing burden of County employee pensions continues to eat into funds needed for such essentials as road repair and public safety. As the Committee noted, what is needed at the Board of Supervisors is “a higher sense of urgency in pension reform efforts to reduce costs, free resources, and reduce risk.” Measures to increase general tax revenue, such as Measure L, would only reduce that needed sense of urgency. That would head the supervisors away from fiscal responsibility, which would be the wrong direction.

Vote no on Measure L.

SONOMA COUNTY TAXPAYERS ASSOCIATION
s/ Timothy J. Hannan, President

REBUTTAL TO ARGUMENT AGAINST MEASURE L

Proponents of Measure L note that Sonoma County’s transient occupancy tax (hotel tax) at 9% is lower than the TOTs charged by other local governments in the North Bay Area. That must give Sonoma County a competitive advantage in the tourist industry. Why lessen that advantage? By the proponents’ rationale, local governments should play “follow the leader” in raising taxes. Further, proponents state that the County supervisors have “expressed their intent” to allocate the increase in revenue to fixing roads, funding emergency services, and protecting water quality. But Measure L proposes a general tax, not a special tax. That means the supervisors can promise one thing but do another. By far the biggest challenge to the County’s fiscal health is the bloated County employees’ pension plan. The Independent Citizens Advisory Committee’s study made a number of recommendations which, if implemented, will go a long way toward solving the pension problem. The supervisors should be spending their time and energy on implementing the Committee’s recommendations rather than asking for yet another tax increase.

SONOMA COUNTY TAXPAYERS ASSOCIATION
s/ Timothy J. Hannan, President

ARGUMENT AGAINST MEASURE L

Here we go again -- more taxes. This time the tax would come in the form of an increase in the rate of tax on tourists and other out-of-town guests staying in hotels and motels. The room rate would be increased from 9% to 12%. How much more of a financial strain can the County put on tourists before they begin to say “Let’s go somewhere else”? Let’s not find out. More importantly, this increase in the tax on tourists would be a general tax, meaning that the revenue could be used for anything the supervisors want. By far the biggest budgetary problem facing the supervisors is the County employee pension problem. One year ago, an Independent Citizens Advisory Committee on Pension Matters was formed to examine the pension problem. The Committee noted: “The total annual cost of employee pensions is approximately 36% of (the County’s) payroll, and career employees can take home more in pension and Social Security benefits when retired than they took home while working.” Meanwhile, the ever-increasing burden of County employee pensions continues to eat into funds needed for such essentials as road repair and public safety. As the Committee noted, what is needed at the Board of Supervisors is “a higher sense of urgency in pension reform efforts to reduce costs, free resources, and reduce risk.” Measures to increase general tax revenue, such as Measure L, would only reduce that needed sense of urgency. That would head the supervisors away from fiscal responsibility, which would be the wrong direction.

Vote no on Measure L.

SONOMA COUNTY TAXPAYERS ASSOCIATION
s/ Timothy J. Hannan, President
FULL TEXT OF MEASURE L

Exhibit A

ORDINANCE NO. ( )

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA, AMENDING THE PROVISIONS OF SECTION 12-11 OF THE SONOMA COUNTY CODE TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE FROM NINE (9) PERCENT TO TWELVE (12) PERCENT

The Board of Supervisors of the County of Sonoma, State of California, ordains as follows:

Section 1. Amendment of Sonoma County Code Section 12-11.

Section 12-11 of the Sonoma County Code is amended to read as follows:

"Section 12-11. Imposition of tax-payment of tax by transient. For the privilege of occupancy at any lodging, each transient is subject to and shall pay a tax in the amount of twelve (12) percent of the rent charged. Said tax constitutes a debt owed by the transient to the county which is extinguished only by payment to the Operator or to the county. The transient shall pay the tax to the Operator of the lodging at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space at the lodging. It is the responsibility of the Operator to collect the tax. If, for any reason, the Operator fails to collect the tax due at the time the rent is collected, the Operator becomes liable for the tax due."

Section 2. Nature of Tax.

If approved by a majority of the electorate voting on the measure, the ordinance will increase the transient occupancy tax rate from nine (9) percent to twelve (12) percent of rent charged. The transient occupancy tax is a tax imposed upon transients for the privilege of occupying lodging located within the unincorporated territory of Sonoma County. The tax increase would be collected by operators, in the same manner as the current transient occupancy tax is collected. The collection of the tax from operators would be administered by the Sonoma County Tax Collector as provided in Chapter 12, Article III of the Sonoma County Code.

Section 3. General Tax.

The transient occupancy tax imposed by this ordinance is a general tax within the meaning of Government Code §53721 and Article XIII C, §1(a) of the California Constitution. The revenue generated by this general tax is available for general governmental purposes. To that end, the Auditor-Controller is instructed to deposit the revenue from the tax into the County General Fund and to include her estimate of the revenue from this general tax, together with her estimates of other revenue sources, in the tabulation that she is annually required to prepare by Government Code §29060. The revenue from this general tax shall be available to the Board of Supervisors for annual appropriations in the County's budget for any lawful expenditure. Nothing in this ordinance nor in any other ordinance, advisory measure, resolution, or policy shall be construed as limiting, in any way, the amount or the objects of the appropriations and expenditures that can be made from the revenues of the tax nor be construed as creating a continuing appropriation.

Section 4. 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 5. Election.

An election shall be held on November 8, 2016, on the issue of increasing the transient occupancy tax rate from nine (9) percent to twelve (12) percent.

Section 6. Effective and Operative Dates.

This ordinance shall take effect immediately upon its adoption by a majority of the electorate voting on the ordinance at the November 8, 2016, general election. The operative date of Section 1 shall be January 1, 2017.

Section 7. Compliance with the California Environmental Quality Act (CEQA).

Pursuant to CEQA Guidelines Section 15376(b)(4), adoption of this ordinance as a government funding mechanism is not a project subject to the requirements of CEQA.

In regular session of the Board of Supervisors of the County of Sonoma introduced on the 19th day of July, 2016, and finally passed and adopted this 9th day of August, 2016, on regular roll call of the members of said Board by the following vote:

SUPERVISORS:

Gorin: ___ Rabbitt: ___ Zane: ___ Gore: ___ Carrillo: ___

Ayes: ___ Noes: ___ Absent: ___ Abstain: ___

WHEREUPON, the Chair declared the above and foregoing ordinance duly adopted and

SO ORDERED.

Chair, Board of Supervisors
County of Sonoma

ATTEST:

Veronica Ferguson, County Clerk and
Clerk of the Board of Supervisors
MEASURES, ANALYSES AND ARGUMENTS
(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

COUNTY OF SONOMA
MEASURE M

To improve and protect Sonoma County’s regional and neighborhood parks; safeguard water supplies, streams, rivers; reduce future wildfire risk; preserve fish and wildlife habitat; conserve natural areas for future generations; support community health and expand walking, hiking, and biking trails; shall Sonoma County establish a one-eighth cent special transaction and use tax (sales tax) countywide for a ten-year period, providing approximately $115 million annually, with citizens’ oversight and annual audits?

COUNTY COUNSEL’S IMPARTIAL ANALYSIS OF MEASURE M

Measure M asks voters whether the County should impose a one-eighth of one percent special sales tax countywide for a period of ten years to fund improvements and maintenance for both Sonoma County Regional Parks and local city parks. These improvements include water quality protection projects and fire safety measures listed in the Expenditure Plan attached to the Measure. If approved, Measure M would impose a special tax that will provide approximately $115,000,000 annually. As a special tax, funds may be used only for the specific purposes set forth in the full text of the Measure published in this ballot pamphlet. The tax money will be placed in a special fund maintained in the County Treasurer, and will be audited annually by an independent accountant.

The Expenditure Plan lists four categories of projects for funding, including: support for local city parks and recreation needs, investment in maintenance, safety, and recreation services for County regional parks, trails, and open space preserves; improving access to County regional parks, trails, and open space preserves; protecting natural resources; and improving waterways and water quality. Specific projects in each of these categories are listed in the Expenditure Plan. The Expenditure Plan provides that tax proceeds will be used to supplement existing funding for all benefited agencies and will not be used to supplant an agency’s historical general fund support except during limited specified circumstances. If legal environmental review, such as under the California Environmental Quality Act (CEQA) or other applicable law, is required for any particular project, the Plan provides that it be performed before the project is undertaken.

If voters approve Measure M, the Board of Supervisors will establish an independent Citizens’ Oversight Committee to receive the reports and expenses from the tax. The Committee will produce an annual or written report for the Board of Supervisors and respective city councils setting forth the Committee’s findings and conclusions. Any written report will be available as a public record. Each year, Regional Parks and each incorporated city are required to prepare a report detailing the prior fiscal year’s activities related to the tax and projects funded by the tax.

The tax proposed by the ordinance will become effective only if approved by a two-thirds majority of those voting on the measure.

A “yes” vote on Measure M will authorize the County to increase the sales tax rate one-eighth percent, or one-eighth cent on each dollar countywide.

The new rate would go into effect on April 1, 2019, and remain in effect until March 31, 2029. The proposed sales tax would be imposed and collected by merchants in the same manner as existing sales tax. The ordinance would raise the County’s spending limit for the maximum period allowed by law to allow the County to spend the revenue raised by the tax.

A “no” vote on Measure M will prohibit the County from imposing the proposed sales tax.

The Board of Supervisors unanimously voted to place this measure on the ballot. The full text of Measure M, including the Expenditure Plan, follows this analysis.

BRUCE D. GOLDSTEIN
County Counsel

By: s/ Robert Pittman
Assistant County Counsel

COUNTY AUDITOR’S FISCAL IMPACT STATEMENT — MEASURE M

This measure would increase the sales tax collected in Sonoma County by one-eighth of one cent per dollar (0.125%) on all taxable sales occurring in Sonoma County.

Based on records from the California State Board of Equalization for the period of July 2017 through June 2018, the additional sales tax rate of 0.125% would yield approximately $12.3 million each year for Sonoma County Regional Parks, Trails, Open Space Preserves, and Local City Parks.

Under the Expenditure Plan for this measure, 66.7% of net proceeds would be allocated to Sonoma County Regional Parks and 33.3% would be allocated among the incorporated cities in Sonoma County. Over the 10 year life of the measure, County and City parks would receive approximately $123.0 million in additional funding.

The first proceeds from the measure would be realized in June 2019, with the first full year of revenues impacting the budget for fiscal year 2019-2020. Based on the fiscal year 2018-2019 adopted budget for the Sonoma County Regional Parks department, revenues (including use of fund balance and General Fund contributions) with the measure in place would increase by 28.0%, or $8.20 million.

The cities’ 33.3% portion of net proceeds under this measure would be distributed to all incorporated cities based on their pro rata share of population in incorporated Sonoma County cities. Based on this method, annual estimated revenue increases would be as follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Rosa</td>
<td>$ 2,025,500</td>
</tr>
<tr>
<td>Petaluma</td>
<td>711,600</td>
</tr>
<tr>
<td>Rohnert Park</td>
<td>494,700</td>
</tr>
<tr>
<td>Windsor</td>
<td>318,400</td>
</tr>
<tr>
<td>Healdsburg</td>
<td>136,900</td>
</tr>
<tr>
<td>Sonoma</td>
<td>129,200</td>
</tr>
<tr>
<td>Cloverdale</td>
<td>103,600</td>
</tr>
<tr>
<td>Sebastopol</td>
<td>88,400</td>
</tr>
<tr>
<td>Total</td>
<td>4,095,900</td>
</tr>
</tbody>
</table>

Expenditures:

The Expenditure Plan provides for investment into four program categories. The expenditure categories and revenue allocation percentage are noted below.

(1) Support local city parks and recreation needs – 33.3%;
(2) Invest in maintenance, safety and recreation services in Sonoma County Regional Parks, trails, and open space preserves – 25.0%;
(3) Improve access to Sonoma County Regional Parks, trails, and open space preserves – 23.4%; and
(4) Protect natural resources in Sonoma County Regional Parks, trails, and open space preserves – 18.3%.

The proceeds from the measure should not be used to supplant an agency’s historic general fund contribution in support of the operating cost for providing its park and recreation programs, facilities, and services. Other than during times of financial downturn or other unexpected event, general fund contributions, adjusted for onetime funding, should not be less than allocated for the previous fiscal year.

The Board of Supervisors shall establish a citizens’ oversight committee to provide transparency and ensure fiscal accountability.

If the election is successful, the County will be reimbursed for the cost of the election from the proceeds of the tax.

In accordance with the Elections Code, the scope of this fiscal impact statement has been limited to the measure’s effect on revenues and expenditures. It does not address larger countywide fiscal issues such as the measure’s effect on the overall County economy.

s/ Erick Roer
Auditor-Controller-Treasurer-Tax Collector
MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

ARGUMENT IN FAVOR OF MEASURE M

Vote Yes on Measure M to maintain and improve Sonoma County parks; promote resilience to fire; provide clean water, wildlife, and fish habitat; and enhance opportunities to hike, bike, camp, and enjoy the outdoors. Measure M has a detailed plan to renovate older parks, protect natural areas, reduce future wildfire risks, expand trails, and preserve access for future generations to get outdoors.

Measure M invests in our community by maintaining city and county parks. It helps us provide and improve public access to the coast, lakes and rivers, and miles of trails connecting our neighborhoods. Incredible parks like Spring Lake, Doran, Helen Putnam, Taylor Mountain, Riverfront, and Ragle Ranch will be stewarded for our community’s shared health, wellness and connection to the natural world.

Park use and acreage have increased dramatically over the past several years but funding has not kept pace. Measure M represents a modest but significant investment in managing public safety, repairing parks infrastructure, and taking care of our parks.

Lands acquired for parks will be developed, improved and fully opened more quickly with support from Measure M.

Funds from Measure M may only be used for our parks. An independent citizen oversight committee and annual audits will ensure that every penny is used for voter approved parks only purposes. To receive the funds, agencies must maintain previous funding levels for parks.

Protect Sonoma County’s parks for future generations so our children and grandchildren can enjoy our parks just as we do. Vote Yes on M.

s/ Caryl Hart PhD                   s/ Herman J. Hernandez
Former Regional Parks Director    Latino Community Leader

s/ Peter A. Lang                   s/ Tony Crabb
Safari West Founder               Puma Springs Vineyard Owner

s/ Sue Conley
Cowgirl Creamery Co-founder

ARGUMENT AGAINST MEASURE M

This is the second county parks tax measure brought before voters in as many years, the first having been rejected in 2016. This measure has been tweaked from its 2016 sibling in ways arguably more appealing to voters. Unfortunately, the core defect that caused voters to reject the measure in 2016 remains.

Excess pension costs and the board of supervisors’ inability reign in these costs has led to the steady march of sales tax measures paraded before voters every election cycle. In addition to the rejected parks tax measure two years ago, voters were asked in that same election to approve additional taxes for libraries and increased hotel bed taxes. Two years earlier, voters were asked to approve sales tax increases for road repairs. Even now, plans are being laid for additional sales tax requests in 2020, one for fire protection services and a second for continued Highway 101 widening.

Why, you might ask, are all these vital government services required to come hat in hand before voters every year asking for additional funding? The Independent Citizens Pension Advisory Committee, made up of independent county residents appointed by the board of supervisors to evaluate the county’s pension reform efforts to date, reported in 2016 that the county spent $289 million in excess pension costs over the past ten years. That was money that should have been used for libraries, parks, road repairs and fire services.

Until the board of supervisors musters the necessary will to address skyrocketing pension costs that sap our ability to fund every other vital government function, voters will continue to be asked to approve more and more tax increases. And until the supervisors get serious about pension reform, we cannot support giving them any more money.

Vote no on Measure M.

SONOMA COUNTY TAXPAYERS ASSOCIATION

s/ Daniel A. Drummond, Executive Director

REBUTTAL TO ARGUMENT AGAINST MEASURE M

Yes on Measure M to support parks.

Measure M is a modest investment that provides a stable source of parks funding and prevents future cuts in services and fee increases.

Measure M is the result of years of work by parks staff and supporters and reflects the priorities and feedback of hundreds of civic leaders and thousands of community members. Parks are core to our county’s quality of life and contribute to our communities’ immediate recovery and long-term resilience.

County and city parks are seeing a steady increase in visitation at the same time that facilities are aging and in need of repair. Regional Parks has a significant maintenance backlog for parks built decades ago. City parks are in a similar situation. This measure provides resources to increase public safety in our parks while preserving natural resources, reducing the threat of wildfires, repairing existing parks, and creating access to new parks and trails.

Measure M funding cannot be used to meet any other county need or obligation and would not affect any current pension liability.

Sonoma County is one of a very few Bay Area counties without dedicated parks funding. Measure M will support our county’s regional and city parks, allowing them to address critical needs and preserve the integrity of our parks for our children and grandchildren. This funding puts us on par with other counties and allows us to pursue newly available matching state funds under Prop 88.

Sonoma County’s parks benefit everyone. Vote Yes on M

s/ Sylvia Lemus                   s/ Leland Fishman
Community Leader, HR Professional Businessman, Community Leader, Rotarian

s/ Karen Collins                 s/ Dr. Ari Hauptman
Sonoma County Parks Commissioner Pediatrician, Parks Foundation Director

s/ Steve Rabinowitz
SRJC Instructor, Former Councilmember
MEASURES, ANALYSES AND ARGUMENTS
(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

FULL TEXT OF MEASURE M
ORDINANCE NO. 6238

AN ORDINANCE OF THE
BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA,
IMPOSING A TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE
ADMINISTRATION

The Board of Supervisors of the County of Sonoma, State of California, ordains as follows:

Section 1. TITLE. This ordinance shall be known as the Sonoma County Parks Improvement, Water Quality, and Fire Safety Measure Transactions and Use Tax Ordinance. The County of Sonoma, hereinafter shall be called “County.” This ordinance shall be applicable in the incorporated and unincorporated territory of the County.

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 7285.5 of Part 1.7 of Division 2 which authorizes the County to adopt this tax ordinance which shall be operative if a (2/3) majority of the voters 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 therefor that can be administered and collected by the California Department of Tax and Fee Administration 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 California Department of Tax and Fee Administration 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.

E. To establish a local funding source for Sonoma County Regional and local City Park deferred maintenance, improvement, programs for youth and adults, and wild land fire prevention as set out in detail in the expenditure plan (“Expenditure Plan”) adopted as part of this Ordinance.

F. Park maintenance and improvements are essential to protecting parks, picnic areas, natural areas, water quality, wildlife and fish habitat, hiking and biking trails, sports fields, playgrounds and other recreational opportunities for future generations.

G. Sonoma County and Cities own thousands of acres of parkland that could be opened and made accessible to the public through this investment, allowing for more hiking, biking and horseback riding trails, picnic areas, campgrounds and athletic facilities for Sonoma residents to visit and enjoy.

H. The proposed tax would encourage interagency efforts to promote recreation, health, agricultural viability, protection of watersheds, promotion of biodiversity and economic vitality consistent with the County’s mission of investing in beautiful, thriving and sustainable communities for all and enriching the quality of life in Sonoma County.

I. The proposed tax would provide needed funding to enable Sonoma County Regional and City Parks to (i) fund currently unfunded deferred maintenance of existing infrastructure, and (ii) redevelop existing facilities and install new infrastructure that would make Sonoma County Regional / City parks more sustainable in accordance with the attached expenditure plan.

Section 4. CONTRACT WITH STATE. Prior to the operative date, the County shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the County shall not have contracted with the California Department of Tax and Fee Administration 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 and unincorporated territory of the District at the rate of 1/8th percent 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 their 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 California Department of Tax and Fee Administration.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the District 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 1/8th percent 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.

CONT. NEXT PAGE
MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)

Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

### FULL TEXT OF MEASURE M, CONT.

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:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this County 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, California Department of Tax and Fee Administration, 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 County or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, 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 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 “District” 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.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>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.</td>
</tr>
<tr>
<td>2.</td>
<td>Sales of property to be used outside the District which is shipped to a point outside the District, 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 District shall be satisfied:</td>
</tr>
<tr>
<td>a.</td>
<td>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-District 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</td>
</tr>
<tr>
<td>b.</td>
<td>With respect to commercial vehicles, by registration to a place of business out-of-District and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.</td>
</tr>
<tr>
<td>3.</td>
<td>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.</td>
</tr>
<tr>
<td>4.</td>
<td>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.</td>
</tr>
<tr>
<td>5.</td>
<td>For the purposes of sub-paragraphs (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.</td>
</tr>
<tr>
<td>C.</td>
<td>There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this District of tangible personal property:</td>
</tr>
<tr>
<td>1.</td>
<td>The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.</td>
</tr>
<tr>
<td>2.</td>
<td>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.</td>
</tr>
<tr>
<td>3.</td>
<td>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.</td>
</tr>
</tbody>
</table>
MEASURES, ANALYSES AND ARGUMENTS

FULL TEXT OF MEASURE M, CONT.

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

7. “A retailer engaged in business in the District” 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 District.

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.

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 County, or against any officer of the State or the County, 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.
MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

FULL TEXT OF MEASURE M, CONT.

WHEREUPON, the Chair declared the above and foregoing ordinance duly adopted and

SO ORDERED.

Chair, Board of Supervisors
County of Sonoma

ATTEST:

___________________________
Chair, Board of Supervisors
County of Sonoma

___________________________
Sheryl Bratton, County Clerk and
Clerk of the Board of Supervisors

EXPENDITURE PLAN

SONOMA COUNTY PARKS IMPROVEMENT, WATER QUALITY AND FIRE SAFETY MEASURE

The expenditure plan for Sonoma County Parks Improvement, Water Quality, and Fire Safety Measure (“Expenditure Plan”) provides for investment into four program categories. Each program category will receive a percentage share of sales tax revenues, currently estimated at $115 million (in 2018 dollars) over a 10-year period.

Project Descriptions

The Expenditure Plan has four program categories that include specific program areas. The Expenditure Plan calls for a specific percentage of revenue to be allocated to each of the categories and the funding then distributed to the proposed list of program areas.

Cost for the items listed under each expenditure category includes support cost for accounting, planning, reservations and marketing, project management and audits.

The list below does not reflect priority order.

1. SUPPORT FOR LOCAL CITY PARKS AND RECREATION NEEDS - 33.3% $38,300,000

- Maintain parks and recreation facilities to ensure safe, clean, accessible visitor experiences
- Improve and develop athletic fields, playgrounds, restrooms, picnic areas and visitor amenities
- Create and expand parks, trails, bikeways, public art, and recreation & historical facilities
- Plan and develop bike paths and trails with connections to schools, community spaces and regional trails
- Provide recreation, education and health programs for the community
- Decrease future fire risks, fuel loads and invasive plants on city owned open space parks
- Improve trails along waterways and riparian areas to benefit fish, wildlife habitat and water quality

2. INVEST IN MAINTENANCE, SAFETY AND RECREATION SERVICES IN SONOMA COUNTY REGIONAL PARKS, TRAILS AND OPEN SPACE PRESERVES – 25% $28,750,000

- Complete deferred maintenance in parks, trails, parking areas and restrooms
- Improve ongoing maintenance of parks, trails, signs, parking areas, fences and buildings
- Provide recreation, education and health programs
- Build and update playgrounds and natural play areas
- Improve sports fields and active recreation parks
- Improve and expand permanent restrooms, picnic areas, and visitor centers
- Provide environmental and cultural education at visitor centers and community sites
- Complete trails and amenities in existing open space parks
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

**FULL TEXT OF MEASURE M, CONT.**

<table>
<thead>
<tr>
<th>3. IMPROVE ACCESS TO SONOMA COUNTY REGIONAL PARKS, TRAILS AND OPEN SPACE PRESERVES – 23.4%</th>
<th>$26,840,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operate and maintain parks to ensure safe, clean, accessible visitor experiences</td>
<td></td>
</tr>
<tr>
<td>Repair and expand regional trails, including Class 1 bike paths</td>
<td></td>
</tr>
<tr>
<td>Enhance access to Sonoma Coast, including expansion of coastal trails</td>
<td></td>
</tr>
<tr>
<td>Improve and expand access to Russian River and Petaluma River</td>
<td></td>
</tr>
<tr>
<td>Provide outdoor education and recreation programs for underserved children, families and seniors</td>
<td></td>
</tr>
<tr>
<td>Update park signs, maps and visitor information</td>
<td></td>
</tr>
<tr>
<td>Plan, develop, operate and maintain new open space parks</td>
<td></td>
</tr>
<tr>
<td>Support expansion of Bay Area Ridge and San Francisco Bay Trails in Sonoma County</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. PROTECT NATURAL RESOURCES IN SONOMA COUNTY REGIONAL PARKS, TRAILS AND OPEN SPACE PRESERVES – 18.3%</th>
<th>$21,110,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease future fire risks, fuel loads and invasive plants</td>
<td></td>
</tr>
<tr>
<td>Improve waterways and riparian areas to benefit fish, wildlife habitat and water quality</td>
<td></td>
</tr>
<tr>
<td>Monitor and manage soil, vegetation and wildlife conditions</td>
<td></td>
</tr>
<tr>
<td>Develop and implement natural resource management plans</td>
<td></td>
</tr>
<tr>
<td>Enhance grazing to improve fire safety and biodiversity</td>
<td></td>
</tr>
<tr>
<td>Protect and interpret natural and cultural resources through educational programs and services</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURE PLAN COST OVER 10 YEARS</strong></td>
<td><em>$115,000,000</em></td>
</tr>
<tr>
<td><strong>10 YR Measure – 1/3rd to City Parks and Recreation Needs</strong></td>
<td>$38,300,000</td>
</tr>
<tr>
<td><strong>10 YR Measure - 2/3rds to Regional Parks</strong></td>
<td>$76,700,000</td>
</tr>
<tr>
<td>*Assumes $11.5 million per year</td>
<td></td>
</tr>
</tbody>
</table>

**Oversight and Administration**

The implementation of the Sonoma County Parks Improvement, Water Quality, and Fire Safety Measure will be the responsibility of the Sonoma County Regional Parks Department (SCRPD). The SCRPD Director reports to the Sonoma County Board of Supervisors.

**Independent Citizens’ Oversight Committee and Annual Audit**

The Board of Supervisors shall establish a citizens’ oversight committee to provide transparency and ensure fiscal accountability. The committee shall review the receipt and expenditures of the revenue from the transactions and use tax, including the County’s annual independent audit. The committee’s review shall be completed in conjunction with the County’s budget process. The committee shall produce an annual oral or written report on its review which shall be considered by the Board at a public meeting. The committee may provide budget recommendations to the Board and City Councils regarding expenditures from the transactions and use tax. Any written report shall be a public record. The Board shall adopt a resolution regarding the appointment of seven committee members, and any additional duties of the committee. A minimum of two of Committee members will be selected from a list of names submitted by the Mayors of Sonoma County Cities, provided such suggested names are submitted. In the absence of one or both names from City Mayors the Sonoma County Parks Advisory Commission Chair and Vice Chair will serve on the Oversight Committee. Each Board of Supervisor Member will appoint one person to serve on the Citizen’s Oversight Committee. Committee members will serve a three year term and are eligible to be reappointed to one additional three year term.

The funds collected from the transactions and use tax ordinance shall be accounted for and tracked by the County Auditor-Controller Treasurer-Tax Collector in four separate funds to facilitate citizen oversight.

The amount generated by this revenue source and how it was used shall be included in the annual audit of the County’s financial operations by an independent certified public accountant, which the committee shall review.

To preserve the integrity and independence of the oversight process, the committee’s responsibilities shall not include decision-making on spending priorities, financing plans or tax rate projections or assumptions and the committee shall have no authority to direct, nor shall it direct, County or City staff or officials.

**Annual Report**

An annual Sonoma County Parks Improvement, Water Quality, and Fire Safety Measure Transactions and Use Tax Ordinance Report shall be prepared by the SCRPD and each city no later than the last day of the sixth month following the end of each fiscal year. The Report shall be submitted to the Citizens’ Oversight Committee for review. The Committee will submit their findings and conclusions to the County Board of Supervisors and City Councils. The Report will also be made available to the public. The Annual Report shall detail the prior fiscal year’s activities related to the retail transactions and use tax. The Report shall include revenues generated by the Transactions and Use Tax, expenditures (in summary form),

CONT. NEXT PAGE
MEASURES, ANALYSES AND ARGUMENTS
(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

FULL TEXT OF MEASURE M, CONT.

funds carried over from previous fiscal years, and any remaining funds to be carried over for expenditure in subsequent fiscal years. The report may also include any future expenditures/projects that the entity is considering and for which they are seeking confirmation of eligibility for use of the proceeds from this Parks measure.

California Department of Tax and Fee Administration Costs.

Payment for the costs of contracting with the California Department of Tax and Fee Administration for administration of the tax shall be the responsibility of the County. If the election is successful, the County shall be reimbursed for any fee charged by the California Department of Tax and Fee Administration from the proceeds of the tax.

Election and Administration Costs

Payment for the costs of the election shall be the responsibility of the County. If the election is successful, the County shall be reimbursed for the cost of the election from the proceeds of the tax. The annual administrative cost borne by the County’s Auditor staff and the California Department of Tax and Fee Administration will be deducted from the annual proceeds from 1/8th percent sales tax before distribution to the cities and the County park department.

Allocation of Transaction Tax Proceeds

The net proceeds from the 1/8th percent tax after deduction for California Department of Tax and Fee Administration and the County Auditor-Controller, Treasurer, Tax Collector cost for the administration of the tax shall be distributed as follows: 33.3% of proceeds from the 1/8th percent transaction tax will be distributed to all incorporated cities based on their pro rata share of the most current total population of incorporated Sonoma County cities as provided by the State of California Finance Department. A onetime change over the 10 year term of this measure can be made to the per capita method of distributing the 33.3% share to cities by agreement of a 2/3rds majority of the City Managers or their designee’s from each of the incorporated Sonoma County Cities.

Maintenance of Effort Requirement

The proceeds from this measure should not be used to supplant an agency’s historical general fund(s) contribution in support of the operating (non-capital project) cost for providing its park and recreation programs, facilities and services. Other than during times of financial downturn or other unexpected event, General Fund contributions, adjusted for onetime funding, should not be less than allocated for the previous fiscal year. For purposes of this section a financial downturn is defined as a time where total general fund revenues for the county/city have declined by 1% or more when compared to the previous year.

Tax proceed recipients (cities and county) with reductions to General Funded Parks Departments due to financial downturn will not be deemed as in violation of the maintenance of effort requirement provided the actual amount of General Funds provided for operating Parks and Recreation programs, facilities and services is no less than the lowest amount provided over the three fiscal years of 15/16, 16/17 and 17/18 as shown in those three years’ Adopted Budgets. Tax proceed recipients as part of their budgeting process shall annually determine the budgeted general fund(s) non-capital contributions, adjusted for onetime funding, for parks and recreation uses.

Implementation Guidelines

A. The duration of the tax will be 10 years, beginning on April 1, 2019 and expiring on March 31, 2029.

B. Environmental reporting, review and approval procedures as provided for under the National Environmental Policy Act, and/or the California Environmental Quality Act, or other applicable laws will be adhered to as a prerequisite to the implementation of any project.

C. Actual tax proceeds may be higher or lower than estimated in this Sonoma County Parks Improvement, Water Quality, and Fire Safety Measure Transactions and Use Tax Ordinance over the 10-year term. The Expenditure Plan is based on the percentage distributions to each Program Category and the dollar values included are estimates only. Actual tax proceeds will be programmed annually in accordance with the percentage distributions in the Expenditure Plan.

Attachment C

Estimates Of Funds to Cities Based Per Capita

<table>
<thead>
<tr>
<th>33.3% Cities, 66.6% County Percentage of Population</th>
<th>% of Tot city Pop.</th>
<th>Allocation/Year</th>
<th>10 Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Rosa</td>
<td>50.03%</td>
<td>$1,917,737</td>
<td>$19,177,370</td>
</tr>
<tr>
<td>Petaluma</td>
<td>17.19%</td>
<td>$659,107</td>
<td>$6,591,070</td>
</tr>
<tr>
<td>Rohnert Park</td>
<td>11.96%</td>
<td>$458,542</td>
<td>$4,585,420</td>
</tr>
<tr>
<td>Windsor</td>
<td>7.70%</td>
<td>$295,094</td>
<td>$2,950,944</td>
</tr>
<tr>
<td>Healdsburg</td>
<td>3.33%</td>
<td>$127,171</td>
<td>$1,277,167</td>
</tr>
<tr>
<td>Sonoma</td>
<td>3.09%</td>
<td>$118,612</td>
<td>$1,186,120</td>
</tr>
<tr>
<td>Cloverdale</td>
<td>2.51%</td>
<td>$96,342</td>
<td>$963,415</td>
</tr>
<tr>
<td>Sebastopol</td>
<td>2.14%</td>
<td>$82,171</td>
<td>$821,714</td>
</tr>
<tr>
<td>Cotati</td>
<td>2.04%</td>
<td>$78,088</td>
<td>$780,885</td>
</tr>
<tr>
<td>Total</td>
<td>100.00%</td>
<td>$3,833,410</td>
<td>$38,334,100</td>
</tr>
<tr>
<td>Unincorporated</td>
<td></td>
<td>$7,666,590</td>
<td>$76,665,900</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$11,500,000</td>
<td>$115,000,000</td>
</tr>
</tbody>
</table>