

# **Local Ballot Measure: R**

# **Measure R**

# **City of Cloverdale**

# **Measure Question**

To maintain important City services, including: repairing potholes/streets; installing City power backup systems for PG&E power shutdowns; preparing/responding to natural disasters/health emergencies; maintaining rapid 911 response; supporting youth/teen programs; and other City services; shall Cloverdale's measure extending the existing voter-approved Utility Users Tax at the current 3%, without increasing the rate, until ended by voters, providing \$445,000 annually, exempting low-income seniors, requiring citizen oversight, with no money for Sacramento, be adopted?

#### What Your Vote Means

YES	NO
A "Yes" vote is a vote to approve the extension of the voter-approved UUT at the current three percent (3%) tax rate until ended by the voters.	A "No" vote is a vote to not extend the UUT, and the UUT would expire on January 1, 2023.

### For and Against Measure R

FOR	AGAINST
No argument was submitted in favor of Measure R	SONOMA COUNTY TAXPAYERS' ASSOCIATION Daniel A. Drummond, Executive Director

Sonoma County 49-534 9572



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Arguments and rebuttals are the opinions of the authors. They are printed exactly as submitted, including errors.

#### City Attorney's Impartial Analysis of Measure R

The City Council of the City of Cloverdale is submitting to the voters the question of whether to approve an ordinance that would extend an existing three percent (3%) Utility Users Tax ("UUT") on telecommunication (including landline telephone and cell phone services), video (including cable television), and electricity and gas services within the City. The UUT is based upon the amount charged by each service provider for the services used.

If approved, Measure R would continue the existing UUT first approved by voters in 2014, without a tax rate increase, until ended by the voters. If Measure R is not approved, the existing UUT will expire in 2023.

Because Measure R does not limit the use of UUT revenue, it is a "general tax," not a "special tax," restricting the funds to specific purposes. The City would be allowed to use the funds for any legitimate governmental purpose. As noted in the ballot question, examples of uses of revenue from the UUT include streets and pothole repair, installing City power backup systems for PG&E power shutdowns, maintaining rapid 911 response, supporting youth and teen programs, and other city services. Measure R would generate approximately \$445,000 in funds annually. California law prevents the State and Sonoma County from redirecting revenue from the Measure for their uses. Instead, it must be used in Cloverdale for local city services.

Measure R requires the City Council to establish a three-member citizens' oversight committee to review and report on the receipt of revenue and expenditure of UUT funds. Beginning in fiscal year 2025-2026, and every fifth fiscal year thereafter, the committee would prepare the required reports and submit them to the City Council as part of its budget considerations. The Measure requires the City's independent auditors to include an accounting of revenue from and expenditure of UUT funds in the City's annual financial audits. The independent auditor's reports would be submitted to the citizens' oversight committee.

Measure R would continue to provide low-income senior exemptions for telecommunications, electricity, and gas services. To qualify for an exemption, the person responsible for paying the bill would have to be 65 years of age or older and eligible to participate in an existing low-income service plan for the applicable service.

A "Yes" vote is a vote to approve the extension of the voter-approved UUT at the current three percent (3%) tax rate until ended by the voters. A "No" vote is a vote to not extend the UUT, and the UUT would expire on January 1, 2023. Measure R would be approved if it received a simple majority of "Yes" votes.

The above statement is an impartial analysis of Measure R. If you desire a copy of the proposed Ordinance, please call the City Clerk's office at (707) 894-1712, and a copy will be mailed at no cost to you.

DATED: August 17, 2020 s/ Jose M. Sanchez City Attorney

#### **Argument Against Measure R**

Measure R is a forever tax that never goes away. If approved, you will never again be asked to renew it. You will never again have the opportunity to evaluate how your city council spends the tax proceeds. Your city council members will never again need to justify their spending decisions. Goodbye to transparency and accountability.

Oh sure, your council members are telling you this tax remains only "until ended by voters." That seemingly benign phraseology belies the near impossibility of average citizens getting a repeal measure on the ballot.

Unless you and an army of volunteers intend to spend a month camped out in front of the grocery store and post office collecting signatures, plan on hiring professional paid signature gatherers to get the necessary signatures.

Plan also on hiring expensive political consultants and attorneys to guide you through the legal process and draft the ballot language and other necessary paperwork. And should you manage to do all that, remember you still need to run a campaign supporting your measure. It is a daunting task, and one your council members are relying on to shield them from future scrutiny.

The current tax doesn't even expire until 2023 so why are you being asked to renew it now? Your council members know that forever taxes are controversial and usually rejected by voters. By bringing the renewal now, they give themselves two bites at the apple - try now to get the renewal as a forever tax and if that doesn't work, bring it back in 2022 with the ten year expiration it should have had from the beginning.

Your city council is employing a sneaky strategy that exploits your unfamiliarity with the ballot measure process. You deserve better from your elected representatives.

Be informed. Vote No.

SONOMA COUNTY TAXPAYERS' ASSOCIATION s/ Daniel A. Drummond, Executive Director

No argument was submitted in favor of Measure R

Sonoma County 49-535 9572



## **Local Ballot Measure: R**

#### Full Text of Measure R

# CITY OF CLOVERDALE CITY COUNCIL ORDINANCE NO. \_\_\_\_\_-2020

AN ORDINANCE OF THE CITY OF CLOVERDALE AMENDING CHAPTER 3.40 OF THE CLOVERDALE MUNICIPAL CODE TO EXTEND THE UTILITY USERS' TAX AT THE CURRENT RATE UNTIL ENDED BY THE VOTERS

THE PEOPLE OF THE CITY OF CLOVERDALE DO ORDAIN AS FOLLOWS:

**SECTION 1. Amendment to Municipal Code.** Section 3.40.280 "Termination of Tax – Sunset" of the Cloverdale Municipal Code is hereby amended to read as follows (deletions in strikethrough; additions in *italics*):

#### 3.40.280. Termination of Tax - Sunset

A. The levy of taxes as provided in this Chapter shall remain in full force and effect until ended by the voters expire on January 1, 2023, unless re-enacted by a majority vote of the electorate voting on the question. The City Council may terminate the tax by a majority vote of the City Council at any time.

B. The termination of the levy of taxes as provided in this Chapter shall not terminate the obligation to pay taxes levied on services used prior to such date. Taxes levied prior to such date shall remain a debt payable to the City. All provisions in this Chapter, except those relating to the levy of taxes, shall continue in full force and effect after such date.

**SECTION 2.** Amendment to Municipal Code. Section 3.40.290 "Annual Audit—Citizens' Oversight" of the Cloverdale Municipal Code is hereby amended to read as follows (deletions in strikethrough; additions in *italics*):

#### 3.40.290. Annual Audit-Citizens' Oversight

A. Annually the city council retains an independent auditor to conduct an audit of and provide audited financial statements for all of the city's financial activities. The auditor shall include an accounting of the revenue received from the tax and expenditures thereof in the audited financial statements. The auditor's report shall be presented to the council and the committee established in subsection B of this section and made available to the public. Additionally, the finance manager shall annually prepare and present to the council and the public a report in conjunction with the audit that reviews the status and performance of the programs and services funded wholly or partially with proceeds of the utility users' tax

B. During the Beginning in Fiscal Year 2025-26 and every fifth fiscal year thereafter that this chapter is in effect, the city council shall appoint a three-member committee to review and report on the receipt of revenue and expenditure of funds from the tax authorized by this chapter. The committee members shall be either Cloverdale residents or representatives of Cloverdale businesses. The auditors' annual reports and finance manager reports required by subsection A of this section shall be provided to the committee. The committee shall review the auditors' reports and finance manager reports and prepare a separate report that reviews the status and performance of the programs and services funded wholly or partially with proceeds of the utility users' tax. The committee's report shall be completed and submitted to the city council as part of its budget considerations in 2020 the fiscal year in which the committee members are appointed. The council shall appoint a committee again during the seventh year that this chapter is in effect, and the committee shall prepare a report on the status and performance of the programs and services funded wholly or partially with proceeds of the utility users' tax to be submitted to the council as part of its budget considerations in 2022.

C. By June 30, 2019 2025, the city council shall adopt a resolution establishing the composition of the committee required by subsection B of this section, setting the terms of office of the committee members, and defining the scope of the committee's responsibilities, which at a minimum shall include the actions listed in subsection B of this section. The city council shall appoint all members of the committee by December 31, 2019, and December 31, 2021 2025 and every fifth December 31 thereafter.

**SECTION 3.** Effective Date. This Ordinance, if approved by a majority of the voters of the City of Cloverdale at the General Municipal Election of November 3, 2020, shall become effective ten (10) days after the declaration of the results of that election by the City Council of the City of Cloverdale, pursuant to Elections Code section 9217.

**SECTION 4. Publication.** Within fifteen (15) days after the passage of this Ordinance, the City Clerk shall cause this Ordinance or a summary thereof to be published or to be posted in at least three (3) public places in the City of Cloverdale in accordance with the requirements of California Government Code section 36933.

**SECTION 5. Codification.** Upon adoption of this Ordinance pursuant to the voter approval referenced above, the City Clerk, in consultation with the City Attorney, is hereby authorized and directed to codify this Ordinance in the Cloverdale Municipal Code.

**SECTION 6.** Severability. If any section, subsection, sentence, clause, or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed the Ordinance codified in this Chapter, and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of this Chapter would be subsequently declared invalid or unconstitutional.

**SECTION 7. Execution**. The Mayor is hereby authorized to attest to the adoption of the Ordinance by the voters of the City by signing where indicated below.

It is hereby certified that the foregoing Ordinance No. \_\_\_\_-2020 was APPROVED by the following vote of the People of the City of Cloverdale on November 3, 2020:

YESES:

NOES:

It is hereby further certified that the foregoing Ordinance No. \_\_\_\_-2020 was adopted by Declaration of the November 3, 2020 election results by the City Council of the City of Cloverdale on \_\_\_\_\_\_, by the following vote:

AYES: NOES: ABSENT: ABSTAIN:

APPROVED: ATTESTED:

Gus Wolter, Mayor Irene Camacho-Werby, City Clerk

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