



Legislation Text

File #: 16-0069, **Version:** 1

Recommendation to receive and file the memorandum to the members of the City Council from the Department of Financial Management dated January 13, 2016 entitled, "Responses to Questions from the December 22, 2015 Study Session on the City's Infrastructure Needs," along with the Revenue Measure Options presentation; or

Direct City Manager to provide additional information relative to the implementation of revenue measure options for the City; or

Direct City Attorney to prepare any and all documents necessary for a possible revenue measure in the City, to be returned to the City Council for a vote to place the measure on a ballot. (Citywide)

On December 22, 2015, a Study Session on the City's Infrastructure Needs was given to the City Council. During that meeting the City Council requested information on the potential for new sources of revenue. Following this Study Session, a memorandum dated January 13, 2016 was released, responding to questions raised by members of the City Council that were not answered during the Study Session. In response to a request for options for new sources of revenue, an updated Revenue Measure Options presentation was attached to the memorandum. This presentation was originally given on April 17, 2012, pursuant to a request by the City Council at the time, for options that are available to the City for tax measures. The updated presentation provides a list of potential tax options along with details about the tax, any existing rates, if applicable, limitations on uses, and potential revenue generation. Information on the voting requirements needed by the City Council to put an item on the ballot, the timing of potential ballot measures, as well as the requirements of the electorate to enact the tax, is also discussed.

Should the City Council wish to proceed with a ballot measure, action would be needed to determine the measure type and tax amount, the ballot measure language, and the timing of the ballot initiative. The information provided in the Revenue Measure Options presentation could serve as the basis from which the City Council could start its deliberations on a potential tax measure in the City.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Budget Management Officer Victoria Bell on January 13, 2016.

City Council action is requested on January 26, 2016, to provide sufficient time to give direction to staff, depending on the direction of the City Council.

There are no costs to receive, and filing the report. If the City Council requests additional information, staff will assess the costs depending on the information requested. The potential cost of conducting an election was included in the memorandum to the members of the City Council dated January 13, 2016 entitled "Responses to Questions from the December 22, 2015 Study Session on the City's Infrastructure Needs." The cost varied depending on timing of the ballot initiative and whether the City or the County were to conduct the election. If the City were to expand the June 2016 election to all nine Council Districts, the estimated cost would be \$900,000, assuming that the City conducts the election. If the City were to call a special election and administer it on any date that is not regularly scheduled, and it is the only ballot measure on the ballot, the cost to the City would be \$1.6 million. If the City were to request that the County conduct the election by consolidating it onto either the June 7, 2016 Statewide Primary Election or the November 8, 2016 Statewide General Election, the estimated cost is \$565,000 for the June election, and \$433,000 for the November election.

If the City Council directs the City Attorney to prepare a resolution and/or other documents for a possible revenue measure, the specific cost of the relevant election and the potential new revenue generated would be provided when the resolution is presented for City Council consideration.

Approve recommendation.

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER