



Folsom City Council Staff Report

MEETING DATE:	4/9/2024
AGENDA SECTION:	Old Business
SUBJECT:	Potential Special Sales Tax Ballot Measure for the November 2024 General Municipal Election and Direction to Staff
FROM:	City Attorney's Office

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council consider a proposed ballot measure for a Special Sales Tax at the tax rate of 1.0% to be presented to Folsom voters at the November 2024 General Municipal Election.

BACKGROUND / ISSUE

At the January 9, 2024 City Council meeting, the City Council directed staff to bring back a proposed ballot measure for a one-percent Special Sales Tax for consideration at the second City Council meeting in March.

A Statewide General Election is scheduled to be held in Sacramento County on November 5, 2024. A General Municipal Election for the City of Folsom may be consolidated with the Statewide General Election for the purpose of submitting a ballot measure to the voters if desired by the City Council. All eligible voters throughout the City will be able to vote to approve or reject the proposed ballot measure.

POLICY / RULE

Special Tax: Revenue and Taxation Code Section 7285.91 authorizes cities to levy, increase, or extend a transactions and use tax for specific purposes, at a rate of 0.125% or a multiple thereof, subject to approval of two-thirds (2/3) of the City Council and two-thirds (2/3) of qualified voters voting on the issue.

ANALYSIS

At the Council’s direction, staff prepared a proposed ballot measure for a new special sales tax in the City at the rate of 1.0 percent:

Special Tax – City Revenue Measure (1.0 Percent Transactions and Use Tax)

CITY OF FOLSOM					
MEASURE “ ____ ”	<table border="1"><tr><td>YES</td><td></td></tr><tr><td>NO</td><td></td></tr></table>	YES		NO	
YES					
NO					
FOLSOM PUBLIC SAFETY AND ESSENTIAL CITY SERVICES MEASURE					
Shall the measure to enhance public safety and services by enacting a 1 percent special sales tax (transaction and use tax), providing approximately \$29 million annually until ended by voters, for these specific purposes: ____% for police, ____% for fire, ____% for parks/trail improvement, ____% for traffic/street maintenance, ____% for economic development, and ____% for capital improvement projects, requiring local control, citizen oversight and independent annual audits, with all funds staying in Folsom, be adopted?					

Special tax requires two-thirds (2/3) vote of the voters to pass (66.7%). Revenue from the proposed special tax measure will be distributed in their respective shares and deposited in special accounts for use only for the purposes stated in the ballot measure and not for general governmental purposes.

If passed, collection of the proposed tax would begin on April 1, 2025 and would continue until repealed by voters of the City in a future election.

FINANCIAL IMPACT

This item seeks direction from the City Council and has no impact on the City’s general fund.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §15061(c)(3)), or are otherwise not considered a project as defined by Public Resources Code §21065 and CEQA Guidelines §15060(c)(3) and §15378. The Council’s direction to staff meets the above criteria and is not subject to CEQA. No environmental review is required.

Respectfully submitted,

Steven Wang, City Attorney

*This page is intentionally left blank
to facilitate double-sided printing
and minimize paper use.*



CITY OF
FOLSOM
DISTINCTIVE BY NATURE