



## City of Grass Valley City Council Agenda Action Sheet

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**Title:** Introduction of Ordinance No. 826 Imposing a 3/8-cent (0.375%) Transaction and Use Tax associated

**CEQA:** Not a Project.

**Recommendation:** That Council Introduce the attached Ordinance No. 826, waive full reading, and read by title only.

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**Prepared by:** Timothy M. Kiser, City Manager

**Council Meeting Date:** April 2, 2024

**Date Prepared:** April 1, 2024

**Agenda:** Administrative

**Background Information:** On October 24th, 2023, the Grass Valley City Council unanimously passed Resolution No. 2023-62, setting in motion a decision for the community. The resolution called for an election on March 5, 2024, inviting citizens to consider a 3/8 percent general sales tax (a transactions and use tax) measure aimed at bolstering Fire Resiliency and Vegetation Management. This initiative, encompassed within Ordinance 826, known as the "2023 Grass Valley Transactions and Use Tax Ordinance," is the result of deliberation and community input. On February 13, 2024, City Council approved Resolution No. 2024-09 formalizing the Expenditure Plan for the general sales tax on the March 5, 2024 election ballot.

With the March 5, 2024 Election now certified by the Nevada County Elections that 3/8 percent general sales tax (a transactions and use tax) measure (Measure B) aimed at bolstering Fire Resiliency and Vegetation Management has passed the City needs to formally adopt Ordinance No. 826 - 2023 Grass Valley Transactions and Use Tax Ordinance. This Ordinance solidifies Measure B's requirements, including a sunset clause of 7 years and annual audits, ensuring transparency and accountability in the allocation of resources. Moreover, the establishment of a citizen oversight committee (the "Independent Citizens' Advisory Committee") underscores the commitment to prudent stewardship of public funds. This commitment to transparency and accountability reflects the City Council's unwavering dedication to serving the best interests of the community.

Staff is requesting the City Council to introduce the attached Ordinance No. 826, waive the full reading, and read by title only. A public Hearing and the second reading of this Ordinance shall be held on April 9, 2024.

**Council Goals/Objectives:** The execution of this action attempts to achieve Strategic Goal #5 - High Performance Government and Quality Service.

**Fiscal Impact:** There is no Fiscal Impact of improving the Ordinance. The 3/8 percent General Sales Tax passed in March, is estimated to generate \$2.55 million annually for seven years.

**Funds Available:** Yes

**Account #:** General Fund Reserves

**Reviewed by:** Tim Kiser, City Manager

**Attachments:** Ordinance 826