



City of Grass Valley City Council Agenda Action Sheet

Title: Consider Resolution No. 2024-09 Formalizing Expenditure Plan for March 5, 2024 Election 3/8 percent (0.00375) general sales tax (a transactions and use tax) measure for Fire Resiliency and Vegetation Management

CEQA: Not a Project.

Recommendation: That Council adopt Resolution No. 2024-09 Formalizing Expenditure Plan for the general sales tax on the March 5, 2024 election ballot.

Prepared by: Timothy M. Kiser, City Manager

Council Meeting Date: February 13, 2024

Date Prepared: February 7, 2024

Agenda: Public Hearing

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 calls 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.

Through a series of City Council Meetings, a comprehensive expenditure plan has been formulated. This plan, outlined below, delineates the utilization of funds should the general sales tax of 0.375% (.00375) be ratified by Grass Valley residents during the upcoming March 5, 2024 Election. Central to this proposal is 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.

In adherence to the provisions set forth in Ordinance 826, the Grass Valley City Council is obligated to adopt, after a duly noticed public hearing, a definitive plan delineating the allocation of proceeds garnered from the imposed tax. The Independent Citizens' Advisory Committee reviews the plan at least annually and recommends any changes to the City Council. This commitment to transparency and accountability reflects the City Council's unwavering dedication to serving the best interests of the community. The proposed expenditure plan is attached hereto as **Attachment A**.

Attachment A
Expenditure Plan

3/8 Percent (.00375) Sales Tax increase

50%/50% Split between Resiliency and Vegetation Mitigation (\$2.55 Million+/- to be generated annually)

- Resiliency - 50% of \$2.55 M or \$1.25+/- M Annually
 - Move Closer to National Standards by increasing from two to three Firefighters per engine (\$900K+/-)
 - \$250K to Operate a Veg. Management, Education & Inspection Program (up to 3 Personnel)
 - \$100K Annual Fire Vegetation / Green Waste Pickup/Drop-off
- Vegetation Mitigation - \$1.3/- M (Contracted Work and Grants)
 - \$1 M - Fuel Reduction (140+/- Acres of Fuel Reduction around the City)
 - \$250K Creating Grants for residences/ businesses for assistance in Fuel Reductions (Priority on hardships and low income)
 - \$50K/yr. for long-term green waste solutions

After a public hearing, staff is requesting Council review and approve the Expenditure Plan and associated Resolution 2024-09. The proposed resolution is attached for the Council's review and consideration.

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 proposed Expenditure Plan. If the 3/8 percent General Sales Tax passes in March, it 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: Resolution 2024-09