



CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP

DATE: March 3, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Douglas L. White, City Attorney

SUBJECT: Waive the Second Reading and Adopt an Ordinance of the Sonora City Council Amending Section 3.16.020 of the Sonora Municipal Code

RECOMMENDATION:

Waive the Second Reading and Adopt Ordinance No. 903, an Ordinance of the Sonora City Council amending Section 3.16.020, Rate, of Chapter 3.16, Sales and Use Tax, of Title 3, Revenue and Finance, of the Sonora Municipal Code.

BACKGROUND:

During the City of Sonora ("City") Council meeting on June 3, 2024, the City Council adopted Resolution No. 06-03-2024-C authorizing Amendment #1 to the Agreement for Revenue Redistribution Pertaining to the South Bypass Annexation to the City of Sonora ("Amendment #1 to the South Bypass Agreement"). The City and Tuolumne County ("County") signed Amendment #1 to the South Bypass Agreement effective June 4, 2024. Amendment #1 to the South Bypass Agreement increases the City's share of the local general fund Bradley-Burns tax that was established in the South Bypass Agreement. The South Bypass Agreement established that County shares a portion of the one percent of the 1 ¼% Bradley-Burns local tax that is distributed to local agencies to support local government general funds. In 1991, the City and County agreed to the tax redistribution in which the City would receive .87 of the one percent and the County would receive .13 of the one percent. Amendment #1 to the South Bypass Agreement will reduce the County's share from .13 to .11 and increase the City's share from .87 to .89.

DISCUSSION / ANALYSIS:

Cities and counties may adopt a Bradley-Burns tax by ordinance.¹ The City and County already adopted resolutions authorizing Amendment #1 to the South Bypass Agreement to increase the City's share of the local general fund Bradley-Burns tax to .89 of the one percent, and the City and County signed Amendment #1 to the South Bypass Agreement effective June 4, 2024. The proposed Ordinance amends section 3.16.020 of the Sonora Municipal Code to reflect the City's increased share of the Bradley-Burns tax effective June 4, 2024, as agreed upon by the City and County in Amendment #1 to the South Bypass Agreement.

¹ Rev. & Tax. Code, § 7202.



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FISCAL IMPACT:

The amendment to section 3.16.020 of the Sonora Municipal Code benefits the City by increasing the City's share of the tax revenue as agreed upon in Amendment #1 to the South Bypass Agreement.

ENVIRONMENTAL:

The Ordinance is not a "project" under the California Environmental Quality Act since it does not have the potential to cause a direct or reasonably foreseeable indirect physical change in the environment.²

CORE COUNCIL PRIORITIES:

Economic Development/Growth and General Plan.

ATTACHMENTS:

- Ordinance No. 903
- Resolution No. 06-03-2024-C
- Amendment #1 to the South Bypass Agreement signed by the City and County effective June 4, 2024

CORE COUNCIL PRIORITIES:

Fiscal Responsibility and Stability, Infrastructure and Engineering, Economic Development/Growth and General Plan

² Pub. Res. Code, § 21065.