

**RESOLUTION 23-24-\***

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK APPROVING AND SUBMITTING TO THE VOTERS OF THE CITY OF SUTTER CREEK AN INITIATIVE MEASURE PROPOSING A ONE AND ONE-HALF PERCENT (1.5%) TRANSACTION AND USE (“SALES”) TAX FOR THE GENERATION OF GENERAL MUNICIPAL REVENUE; REQUESTING THE AMADOR COUNTY BOARD OF SUPERVISORS CONSOLIDATE THE ELECTION REGARDING THE PROPOSED ORDINANCE WITH THE NOVEMBER 2024 GENERAL ELECTION; PERMITTING THE AMADOR COUNTY ELECTIONS DEPARTMENT TO ADMINISTER THE ELECTION CONCERNING THE PROPOSED ORDINANCE; DIRECTING THE CITY OF SUTTER CREEK TO REIMBURSE THE ELECTIONS DEPARTMENT FOR SUCH SERVICES; PROVIDING THE PROCEDURES FOR AUTHORIZING ARGUMENTS FOR AND AGAINST THE PROPOSED ORDINANCE; AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS THEREOF**

**WHEREAS**, thanks to beautiful natural surroundings, rich history, a lively downtown, and safe neighborhoods, the City of Sutter Creek (“City”) is a great place to live, work, raise a family, and retire, and

**WHEREAS**, in a recent survey, 96% of residents rated the City as a good place to live; and

**WHEREAS**, much of the City’s aging infrastructure is in need of repairs and upgrades, including 15 miles of local roads maintained by the City with many rated as “failing;” and

**WHEREAS**, potholes and crumbling roadways damage vehicles, discourage tourists, and require repaving and maintenance; and

**WHEREAS**, local storm drains were improved in the 1940s, and some have not been maintained since, with the average storm drain being 45 years old; and

**WHEREAS**, repairing roads and the storm drains beneath them at the same time saves construction costs and reduces noise and disruption; and

**WHEREAS**, the City is fortunate to have its own police force, ensuring quicker emergency response times than relying on county sheriffs; and

**WHEREAS**, the cost of providing City services is growing at a faster rate than locally controlled revenues and while the City currently maintains a balanced budget, temporary relief and stimulus funds have run out and sustainable revenue sources are needed to maintain current City services and make critical investments for public safety; and

**WHEREAS**, much of the City’s funding comes from sales taxes paid by residents and visitors shopping in Sutter Creek, but out of every dollar paid in sales tax in Sutter Creek, only 1 cent comes back to the City; and

**WHEREAS**, to support local services and upgrade aging infrastructure, the City Council believes that the portion of the sales tax that stays locally in Sutter Creek must be maximized; and

**WHEREAS**, the City is proposing a 1.5¢ increase in the local sales tax, which would generate approximately \$870,000 annually and 100% of the funds would stay in Sutter Creek for essential City services and infrastructure improvements; and

**WHEREAS**, locally controlled funding from a sales tax that will be paid by visitors and residents would be used to improve the City’s aging infrastructure, including repairing potholes, maintaining City roads, and repairing storm drains at the same time as roads for efficiency; and

**WHEREAS**, locally controlled funding from a sales tax would also be used to protect public safety by maintaining rapid emergency response times, attracting and retaining qualified police officers for police patrols, and managing flammable brush and vegetation to prevent wildfires

**WHEREAS**, locally controlled funding from a sales tax would help the City qualify for state and federal matching funds that will otherwise go to other cities and regions; and

**WHEREAS**, essential purchases like groceries and prescription medicine are exempt from sales tax to help ensure the cost is not a burden to those on fixed or limited incomes; and

**WHEREAS**, a local funding measure would also require independent annual audits and public disclosure of all spending to ensure funds are used properly; and

**WHEREAS**, by law, funds from a local sales tax measure cannot be taken away by the State or redirected to other communities; and

**WHEREAS**, California Elections Code 9222 authorizes the City Council to submit initiative measures to City voters; and

**WHEREAS**, more specifically, California Revenue and Taxation Code section 7285.9 authorizes cities to enact transactions and use taxes upon the approval of two-thirds of a city council and a majority of the city voters in an initiative election; and

**WHEREAS**, “transactions and use” taxes are more generally referred to as “sales” taxes and are imposed by cities and counties throughout California to ensure adequate funding for essential government services; and

**WHEREAS**, the next regularly scheduled election is the November 2024 General Election; and

**WHEREAS**, the City Council proposes this tax to ensure the City may effectively provide essential services, including law enforcement, roads, fire protection, and other services that affect City residents’ quality of life.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** that the City Council of the Sutter Creek ordains as follows:

**Section 1. Call for Election.**

Pursuant to California Constitution Article XIIC, Section 2, Government Code Section 53724, and Elections Code Section 9222, the City Council of the City of Sutter Creek hereby calls an election and submits to the qualified voters of the City a measure that, if approved, would impose a 1.5% transactions and use tax, as authorized by Revenue and Taxation Code section 7285.9. This measure shall be designated by letter by the Amador County Elections Department. Pursuant to Election Code Section 10400 et seq., the election for this measure shall be consolidated with the established election to be conducted on November 5, 2024.

**Section 2. Ballot Language.**

The question to be presented to the voters shall be as follows:

<p><b>Sutter Creek Local Control Measure.</b> To provide locally controlled funding for Sutter Creek essential services such as repairing roads, potholes and storm drains; maintaining rapid emergency response/ police patrols; preventing wildfires; and for general government purposes, shall the City of Sutter Creek’s measure be adopted establishing a 1.5% sales tax paid by residents and visitors, exempting essential purchases like groceries/ prescription medicine, providing approximately \$870,000 annually until ended by voters, requiring public spending disclosure, independent audits, all funds used locally?</p>	<p><b>YES</b> <input type="checkbox"/></p> <p><b>NO</b> <input type="checkbox"/></p>
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**Section 3. Proposed Ordinance.**

The Ordinance authorizing the imposition of the general tax to be approved by the voters is as set forth in **Exhibit A** and incorporated herein by reference. The City Council hereby approves the ordinance, the form thereof, and its submission to the voters of the City at the November 5, 2024 election, as required by Revenue and Taxation Code section 7285.9.

**Section 4. Text of Measure to be Published in the Voter Information Pamphlet.**

The Ordinance attached as **Exhibit A** to this Resolution is available at no cost from the City Clerk's Office at 209-567-2647 or on the City's website: cityofsuttercreek.org. A statement about how to obtain the full text of the Ordinance will be included in the Voter Information Pamphlet below the Impartial Analysis.

In addition, only the Whereas Clauses above, ballot question, Impartial Analysis, and Arguments are to be printed in the Voter Information Pamphlet for this measure.

**Section 5. Request to Consolidate, Conduct Election and Canvass Returns.**

The Board of Supervisors of the County of Amador is hereby requested to authorize the County Clerk/Recorder/Registrar of Voters to render all services necessary and proper for the conduct of the special municipal election called by this Resolution. Pursuant to California Elections Code section 10403, the City Council hereby requests that the Amador County Board of Supervisors consolidate that election with the election to be conducted on November 5, 2024 and order the

general municipal election to be conducted by the Registrar of Voters. The Amador County Elections Department is authorized to canvass the returns of the special election, and the election shall be held in all respects as only one election.

The City Clerk's Office is authorized, instructed and directed to work with the County Elections Department as needed to properly and lawfully conduct the election. The ballots to be used in the election shall be in form and content as required by law. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

**Section 6. Time and Place of Election.**

The polls for the election shall be open at 7:00 a.m. on the day of the election and shall remain open continuously from that time until 8:00 p.m. that same day, when the polls shall be closed, except as provided in Section 14401 of the Elections Code of the State of California. The notice of the time and place of holding the election is hereby given, and the City Clerk is authorized to give further notice of the election, as required by law.

**Section 7. Publication of Measure.**

The City Clerk's Office is hereby directed to cause notice of the measure to be published once in accordance with Section 12111 of the Elections Code.

**Section 8. Submission of Ballot Arguments.**

The City Clerk's Office, with the concurrence of the County Elections Official, has fixed 4:30 p.m. on July 30, 2024 as the deadline for submittal of arguments for or against the measure. The direct arguments shall not exceed three hundred (300) words, and shall not be signed by more than five (5) persons. The City Council does not adopt the provisions of Elections Code Section 9285(a); there shall be no rebuttal arguments.

**Section 9. Council Preparation of Argument In Support of Measure.**

The City Council hereby authorizes the Mayor or Vice Mayor to prepare and file the written primary argument in support of the ballot measure described above, pursuant to Article 4 of Chapter 3 of Division 9 of the California Elections Code. At the discretion of the Mayor or Vice Mayor, the argument may also be signed by other members of the City Council, bona fide associations of citizens, or by individual voters who are eligible to vote.

**Section 10. Impartial Analysis.**

Pursuant to California Elections Code Section 9280, the City Council hereby directs the City Clerk's Office to transmit a certified copy of the measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit the impartial analysis to the Elections Division by no later than 5:30 p.m. on July 19, 2024.

**Section 11. Implementation.**

The City Clerk's Office is directed to file with the Board of Supervisors and the Registrar of Voters certified copies of this resolution. The City will reimburse the County for the actual cost incurred in conducting the election upon receipt of a bill stating the amount due as determined by the Election Official.

**Section 12. Jurisdictional Boundaries**

The jurisdictional boundaries of the City of Sutter Creek have not changed since the last general municipal election.

**Section 13. CEQA**

The approval of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., "CEQA," and 14 Cal. Code Reg. §§ 15000 et seq., "CEQA Guidelines"). The transactions and use tax to be submitted to the voters is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action or actions. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the City would undertake the required CEQA review for that particular project. Therefore, under CEQA Guidelines section 15060 review under CEQA is not required.

**Section 14. Passage of this Resolution.**

This tax is a general tax requiring the approval of a majority of qualified electors casting votes. While the measure lists several of the various municipal purposes to be funded, the list is illustrative only and the City Council retains complete discretion to expend the tax proceeds for any lawful purposes the City of Sutter Creek.

**Section 15. Contract with the State.**

The City Manager is authorized to negotiate and execute an agreement with the California Department of Tax and Fee Administration in accordance with Revenue and Taxation Code Section 7270 to perform all functions incident to the administration and operation of the ordinance.

The foregoing resolution was duly passed and adopted at a regular meeting of the City Council of the City of Sutter Creek on the 24th day of June 2024, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:
  
- ATTEST:

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Claire Gunselman, Mayor

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Karen Darrow, City Clerk

# EXHIBIT A