

**BALLOT TITLE AND SUMMARY FOR  
NEVADA CITY SPECIAL TAX MEASURE FOR  
NOVEMBER 8, 2016 ELECTION**

**BALLOT TITLE: Nevada City Fire and Police Transactions and Use Special Tax**

**SUMMARY OF ORDINANCE 2016-02 OF THE CITY OF NEVADA CITY  
IMPOSING A SPECIAL TRANSACTIONS AND USE TAX TO BE  
ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**

The approved ordinance adopts a special three-eighths ( $3/8$ ) cent per dollar retail transactions and use tax for the November 8, 2016 ballot that will become operative if two-thirds ( $2/3$ ) of the electors voting on the measure approve its imposition at that election. By the express terms of the ordinance, use of all funds generated from this tax is restricted to be used exclusively for professional fire and police protection purposes. If approved by the voters, the tax will be administered and collected by the State Board of Equalization. All revenues from this tax will be spent locally and expenditures will be subject to required annual financial audits and review by an independent Citizens Oversight Committee established to assure use for the intended purpose.

The tax was determined to be necessary to ensure that Nevada City's Fire Station 54 can remain operational, continuing to provide essential fire protection, 9-1-1 response and emergency medical services to the community, and to fund an additional Police officer for dedicated patrol and crime prevention services. As provided in the ordinance, it is intended that the revenues generated will provide the ongoing resources for Nevada City to maintain and operate its own municipal fire and police departments to adequately provide public safety for its residents and to participate in mutual aid agreements with like agencies rather than one-time expenditures, so collection of the tax will continue without any set term, subject to termination by a majority of the voters at a future election called for that purpose.

The ordinance was passed and adopted by a unanimous vote of the City Council on April 13, 2016 and, if approved by the voters, becomes operative the first day of the first calendar quarter commencing more than 110 days after approval of the ordinance.

A copy of the full text of the ordinance is available for review at City Hall, 317 Broad Street, Nevada City, CA 95959.

NEVADA CITY CITY COUNCIL

By: Corey Shaver, Administrative Supervisor

Reviewed and approved by: Hal DeGraw, Contract City Attorney

**RESOLUTION NO. 2016-31**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEVADA CITY  
CALLING AND GIVING NOTICE OF THE HOLDING OF A MUNICIPAL  
ELECTION FOR SUBMISSION TO VOTERS OF A BALLOT MEASURE  
RELATING TO A TRANSACTIONS AND USE TAX FOR SPECIAL PURPOSES  
AND REQUESTING CONSOLIDATION WITH THE STATEWIDE GENERAL  
ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016**

**WHEREAS**, Section 7285.91 of the California Revenue and Taxation Code authorizes any city to levy, increase, or extend a transactions and use tax ("sales tax") for specific purposes at the rate of 0.125 percent, or a multiple thereof, if the ordinance proposing that tax is approved by a two-thirds vote of the members of the City Council and a two-thirds vote of the qualified voters of the City voting in an election on the issue; and

**WHEREAS**, the City Council has so approved such a special tax ordinance and desires to submit a ballot measure imposing that transactions and use tax to the voters for their approval at an election called for that purpose; and

**WHEREAS**, Article XIIC, Section 2(d) of the California Constitution precludes imposition of any special tax unless that tax is submitted to the electorate and approved by a two thirds vote; and

**WHEREAS**, a statewide general election is set for Tuesday, November 8, 2016, in accord with California Elections Code Section 1000; and

**WHEREAS**, Council desires to call an election on the tax measure to be called for Tuesday, November 8, 2016 and consolidated with the statewide General Election on Tuesday, November 8, 2016, to be held and conducted in the manner prescribed for consolidated elections in California Elections Code Section 10418:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Nevada City does resolve, declare, determine, and order as follows:

**SECTION 1.** A Municipal Election in the City of Nevada City is called for November 8, 2016, to submit a ballot measure imposing a special sales tax of three-eighths cent per one dollar to the voters for approval and, pursuant to California Elections Code §§10400 *et seq.*, it is requested herein that this election be consolidated with the statewide General Election on Tuesday, November 8, 2016.

**SECTION 2.** Pursuant to Elections Code §1002, the Nevada County Board of Supervisors is requested to authorize the County Clerk to render all services necessary for the conduct of the election regarding the special tax measure and the City of Nevada City hereby agrees to reimburse the County of Nevada for the costs of conducting this election.

SECTION 3. As required by Elections Code §10403(a)(3), the City acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code §10418 and that in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding consolidated municipal elections.

SECTION 4. Said proposition shall appear on the ballot for said municipal election in the following form:

“To ensure Nevada City’s Fire Station remains operational, continues to provide essential fire protection, 9-1-1 response, and emergency medical services to the community, and to fund one additional Police Officer for dedicated patrol and crime prevention services, shall the City of Nevada City enact a three-eighths cent per one dollar transactions and use tax, with all funds to be spent locally, and subject to required annual financial audits and independent citizen oversight?

\_\_\_\_\_YES \_\_\_\_\_NO”

SECTION 5. The ordinance authorizing the special transactions and use tax to be approved by the voters is as set forth in Attachment 1 hereto.

SECTION 6. The City of Nevada City agrees to reimburse the County of Nevada for the City’s prorated share of the costs of the election.

SECTION 7. The City Clerk is hereby directed to cause notice of the measure to be published in The Union, a newspaper of general circulation, at least one time not later than one week before the election pursuant to §12111 of the California Elections Code.

SECTION 8. The proposition shall be submitted to the voters of Nevada City as required by State Statutes approved by the voters of California in 1986 as Proposition 62, and in 1996 as Proposition 218, and in Article XIII C, Section 2(d) of the California Constitution, and as required by §7285.91 of the California Revenue and Taxations Code.

SECTION 9. The sales tax proposed is for use exclusively for professional fire and police protection purposes: including the operation, maintenance, and improvement of fire and police facilities within the City; maintenance, replacement, and upgrading of fire and police equipment; staffing and training of professional career fire and police personnel and support staff; and expenditures necessary to support mutual aid from and to like agencies in other jurisdictions in time of need, and for no other purpose and shall be deposited into a special City fund for allocation only for those specific purposes.

SECTION 10. The transactions and use tax in the City shall be increased by an additional 0.375 percent if two-thirds of the qualified voters voting on the proposition vote in favor thereof.

SECTION 11. The polls for an election shall be open on the day of said election in accordance with the California Elections Code.

SECTION 12. The election shall be held and conducted, election officers appointed, voting precincts designated, ballots printed, polls opened and closed, ballots counted and returned, returns canvassed, results declared, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the election as specified herein. The Board of Supervisors of Nevada County, and the Nevada County Registrar of Voters, are hereby requested to order the consolidation of the municipal election herein called with the statewide general election to be held within the City on November 8, 2016, and the Board and the Registrar of Voters are hereby authorized to canvass the returns of said municipal elections and said municipal election shall be held in all respects as if there were only one election and form of ballot provided for the general election. The County shall certify results of the canvass of the returns of said municipal election to the City Council which shall thereafter declare the results thereof. The measure submitted by the Resolution shall be designated on each ballot by a letter printed on the left margin of the square containing the description of the measure as provided by the California Elections Code.

SECTION 13. All persons qualified to vote at a municipal election in the City upon the date of the election herein provided shall be qualified to vote upon the proposition submitted at said election.

SECTION 14. Ballots for the election shall be provided in the form and in the number provided by law. On said ballot, in addition to any other printed matter which may be required by law, two voting squares shall be set off to the right of the proposition submitted at the election, one having the word "YES" printed before it, and the other having the word "NO" printed before it.

SECTION 15. Each voter to vote for the proposition and for the Transactions and Use Tax shall stamp or write a cross, or indicate by hole punch, or other means, in the blank space opposite the word "YES" on the ballot to the right of the proposition, and each voter to vote against the proposition and the increase to the Transactions and Use Tax shall stamp or write a cross, or indicate by hole punch, or other means, in the blank space opposite the word "NO" on the ballot to the right of the proposition.

SECTION 16. The City Clerk shall transmit, for receipt no later than 5:00 p.m. on July 6, 2016, a certified copy of this Resolution, with Attachments, to the Nevada County Board of Supervisors, County Clerk/Recorder – Elections Division, and to any other appropriate office of Nevada County.

SECTION 17. The City Attorney is hereby authorized and directed to prepare an impartial analysis of the proposition specified in this Resolution showing the effect and operation of the measure. The analysis is to be submitted by the City Attorney to the Nevada County Registrar of Voters, or other appropriate official for printing by no later than 5:00 p.m. on August 12, 2016. The analysis shall not exceed 500 words in length.

SECTION 18. The City Council hereby authorizes the filing of a ballot argument in favor of the proposition to be submitted to the voters at the general election as permitted by law. Said argument shall not exceed 300 words in length. If a person submits an argument against the proposition, the City Council authorizes the submittal of a rebuttal argument not exceeding 250 words. The argument and rebuttal shall otherwise conform to and comply with all applicable provisions of the California Elections Code and be submitted by the deadline as required by the Nevada County Registrar of Voters or other appropriate County official.

**PASSED AND ADOPTED** at the regular meeting of the City Council of the City of Nevada City on the 22<sup>nd</sup> day of June, 2016, by the following vote:

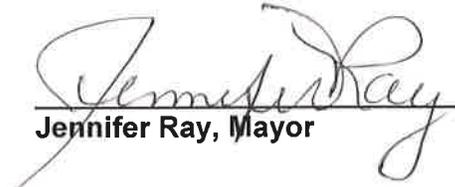
**AYES: RAY, PHELPS, ANDERSEN, BERGMAN**

**NOES: NONE**

**ABSTAIN: NONE**

**ABSENT: STRAWSER**

**ATTEST:**

  
Jennifer Ray, Mayor

  
Niel Locke, City Clerk

**CITY ATTORNEY'S IMPARTIAL ANALYSIS OF  
MEASURE C**

**NEVADA CITY FIRE AND POLICE TRANSACTIONS AND USE TAX**

Prepared by the Contract City Attorney for Nevada City per Elections Code §9280

The City Council of Nevada City has placed Measure C -- a Measure Imposing a Special Transactions and Use Tax -- on the ballot.

Nevada City maintains its own fire and police departments, funded primarily from its general fund. Need for a sustainable funding source to address a fire department staffing shortfall occurred in April 2015 when Nevada County Consolidated Fire District ended an 11-year co-staffing arrangement by withdrawing its 3 firefighters assigned to City Fire Station 54. Attempts to operate with remaining staff and rolling days off adversely affected response time, causing the City to hire 3 new full-time firefighters to operate the station full-time, 24/7 with at least 2 firefighters per shift, adding over \$250,000 in annual operational costs. Pending a permanent solution, the City used Measure L general sales tax revenues to cover the added expense. That tax expires March 31, 2018, and use of those funds for fire services has put other improvement projects on hold. Additionally, the City also identified unmet need for a sustainable funding source for an additional police officer costing \$120,000, and equipment, training and facility costs.

Measure C, if passed by two-thirds of the voters, would impose a 3/8 cent per one dollar sales tax estimated to raise \$432,000 annually, with the proceeds estimated to be used exclusively for professional fire and police protection purposes: including the operation, maintenance, and improvement of fire and police facilities within the City; maintenance, replacement and upgrading of fire and police equipment; staffing and training of professional career fire and police personnel and support staff; and expenditures necessary to support mutual aid from and to like agencies in other jurisdictions.

If adopted, the measure would provide ongoing funding spreading the cost of fire and police services to both the residents of Nevada City and others residing outside the city who shop and make taxable retail purchases in Nevada City. The expenditure plan approved by the City Council for the anticipated sales tax revenue includes costs for 3 firefighters, 1 additional police officer, and police/fire equipment, training & facility maintenance. Tax proceeds will be accounted for in a special fund, subject to an independent annual audit and review by a citizens' oversight committee.

The Ordinance putting this measure on the ballot adopts various provisions required by the State Board of Equalization, which will have the duty of administering and collecting the tax, should the measure be adopted. That ordinance sets forth various exceptions to the transactions and use tax as required by the State Board of Equalization.

If Measure C passes, the sales tax will take effect immediately, continuing indefinitely until terminated by the voters at a subsequent municipal election.

*The above statement is an impartial analysis of Measure C prepared by the contract City Attorney. If you desire a copy of the proposed ordinance, please call City Hall at (530) 265-2496 and a copy will be mailed at no cost to you.*



Harold E. DeGraw, Contract City Attorney  
for Nevada City

Revision dated: August 15, 2016