



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
C12

For the meeting of: July 31, 2018

Date: July 25, 2018
To: Board of Supervisors
From: Amy S. Nilsen, County Administrative Officer *ASN*
Subject: Adoption of Ordinance Relating to the Renewal of Measure Z and Resolution Placing the Renewal Measure on the November 2018 Ballot for Voter Approval (4/5 vote required)

RECOMMENDATION(S):

That the Board of Supervisors

1. Adopt, contingent on voter approval, Ordinance No. *2608*, repealing and replacing Section 718-16 of Chapter 8, Division 1 of Title VII to the Humboldt County Code relating to the renewal of the 0.5% transaction and use tax (Measure Z) administered by the state board of equalization (Attachment 2); and
2. Adopt the attached resolution placing the measure to renew Measure Z on the November 2018 ballot for voter approval (Attachment 1).

SOURCE OF FUNDING: General Fund

DISCUSSION:

This matter concerns placement of a measure to renew the existing, voter-approved half-cent sales tax (enacted as Measure Z) on the November 6, 2018, countywide ballot for voter approval. The proposed

Prepared by Sean Quincey CAO Approval *E. P. Heddley*

REVIEW: Auditor _____ County Counsel *JSS* Human Resources _____ Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. D-1
Meeting of: 7/24/18

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor *Fennell* Seconded by Supervisor *Wilson*
 Ayes *Bass, Wilson, Fennell, Sundberg*
 Nays _____
 Abstain _____
 Absent *Bohn*

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: 7/31/2018
 By: *Kathy Hayes*
 Kathy Hayes, Clerk of the Board

ballot measure allows Measure Z support for public safety and essential services to continue until ended by the voters and will not increase the existing tax rate.

On July 24, your Board introduced the above ordinance with direction to the Clerk of the Board to publish a pre-adoption summary of the ordinance and set the ordinance for adoption at today's meeting. This action completes adoption of the ordinance and will result in the publication of a post-adoption summary.

In addition to these two steps, your Board is required to adopt a Resolution which actually places this matter on the November 2018 ballot. The attached resolution effectuates this final necessary action.

FINANCIAL IMPACT:

There is minimal financial impact to the recommended action. Costs for publication are included within existing budget appropriations. However, Measure Z is expected to generate \$11.7 million in 2018-19. Roughly half of this funding directly supports county staff, and much of the remaining funding supports staff from cities and non-profits that provide essential county services to the public. In total, there are nearly 70 staff supported by Measure Z. If this measure is not renewed, the county and each agency that relies on this funding will need to either find a significant new source of funding, or discontinue or modify their services. The county does not currently have another funding source that could replace the revenue generated by Measure Z.

This action supports your Board's Strategic Framework, Priorities for New Initiatives, by making proactive decisions to partner to promote quality services through facilitating the establishment of local revenue sources to address local needs.

OTHER AGENCY INVOLVEMENT: None.

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board's discretion

ATTACHMENTS:

1. Resolution
2. Ordinance No. 2608

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of July 31, 2018

RESOLUTION NO. 18-78

RESOLUTION PLACING A RENEWAL OF THE HUMBOLDT COUNTY TRANSACTIONS AND USE TAX ON THE NOVEMBER 2018 BALLOT FOR VOTER APPROVAL

WHEREAS, Measure Z has provided critical public safety and essential services to Humboldt County since passage by the voters in 2014; and

WHEREAS, Measure Z has allowed the Sheriff's Office to add new deputies in Northern, Southern and Eastern Humboldt, open substations in Garberville, McKinleyville and Willow Creek, and provide vital equipment for use in emergencies; and

WHEREAS, As a result of Measure Z funding, caseload ratios for Probation Officers have been brought back in line with national standards, allowing the county to more appropriately supervise and manage offenders who are known to be of high risk to re-offend; and

WHEREAS, Measure Z has allowed the District Attorney's Office to recover Deputy District Attorney and District Attorney Investigator positions frozen in prior years, add one new prosecutor and one new investigator, and provided funds to support testimony by experts and witnesses, thereby improving the office's ability to prosecute crime and Increase public safety; and

WHEREAS, despite limited funding, volunteer fire departments and firefighters play critical roles In protecting life and property in Humboldt County and this renewal measure will continue to support firefighters and maintain resources and training that better – and more safely - protect county residents; and

WHEREAS, protective and counseling services for victims and witnesses of child abuses have faced severe reductions in recent years; and

WHEREAS, hard drugs and narcotics like meth continue to be problems in Humboldt County, and continued funds are needed to fight drug-related crimes, eliminate meth labs, and provide drug prevention and rehabilitation services; and

WHEREAS, Public Works has provided maintenance to many miles of county roads, a service that otherwise would have been unlikely without Measure Z funding, and significantly prolonged the life of those roadways; and

WHEREAS, Humboldt County still has a \$150 million backlog of road maintenance projects and over a third of the county's roads are currently classified as "poor" or "very poor", and without additional funding our roads will continue to deteriorate, and become more expensive to repair in the future; and

WHEREAS, over the past 25 years, the State of California has taken \$386 million in revenue from Humboldt County's budget, and this measure provides our area with a guaranteed source of local funding that cannot be taken by the state; and

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WHEREAS, renewing this measure will continue to provide funds for essential services without raising tax rates, including maintaining 911 emergency response, rural ambulance and fire protection services, ensuring 24-hour sheriff's patrols, providing children's mental health and victims of child abuse services, emergency communications systems for natural disasters such as earthquakes or tsunamis, and repairing deteriorating roads; and

WHEREAS, funds from this measure would continue to be subject to strict accountability provisions, including annual audits and a citizens' advisory committee established by the Board of Supervisors to make recommendations to the Board as to the expenditure of funds derived from the tax Imposed by this measure; and

WHEREAS, the Transactions and Use Tax is a general tax and the revenues from the tax will be placed in the county's discretionary General Fund for general purposes; and

WHEREAS, a local half-cent Transactions and Use Tax will continue to benefit the people of Humboldt County by generating revenue of approximately \$12 million per average year; and

WHEREAS, the net proceeds of the Transactions and Use Tax will be used by the county; and

WHEREAS, the Humboldt County Board of Supervisors adopted Humboldt County Ordinance No.2608 on July 31, 2018, which renews the half-cent Transactions and Use Tax approved through passage of Measure Z until ended by the voters; and

WHEREAS, the Humboldt County Board of Supervisors wishes to place this general tax measure on the November 6, 2018 ballot for majority voter approval pursuant to Revenue and Taxation Code Section 7285 and Government Code Section 53723; and

WHEREAS, upon approval of a majority vote, the ordinance will become operative the first day of the first calendar quarter commencing more than 110 days after the adoption of Humboldt County Ordinance No. 2608.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That all the above recitations are true and correct.
2. That the Transactions and Use Tax is a general tax not raised for a specific purpose, in which the revenues from the tax will be placed in the county's discretionary General Fund for general purposes, thereby requiring a majority vote of the voters voting in the election on the tax, which includes voters in both the incorporated and unincorporated areas of the county.
3. This tax shall be applicable in the incorporated and unincorporated territory of the county.
4. This tax will be collected and administered by the State Board of Equalization.
5. The Transactions and Use Tax will remain at the rate of 0.5%.

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6. The net proceeds of this tax will be used by the county for services which will benefit the residents of the county.
7. The Transactions and Use Tax will terminate when ended by voters of Humboldt County.
8. The full text of the Transactions and Use Tax is found in Humboldt County Ordinance No. 2608 and Ordinance No. 2517.
9. The Board of Supervisors hereby directs staff to take whatever action is necessary to place on the November 6, 2018 election ballot, for majority voter approval, the general tax measure, as summarized in the ballot measure statement below, and to place in the ballot pamphlet the full text of Humboldt County Ordinance No. 2608.

Ballot measure statement:

| | | |
|--|-----|--|
| MEASURE, Humboldt County Public Safety/Essential Services Renewal Measure. To maintain essential services including 911 emergency response/rural ambulance/fire protection; ensuring 24-hour sheriff's patrols; providing children's mental health/victims of child abuse services; emergency communications systems; repairing deteriorating roads; and other essential general services, shall a measure to renew the existing 1/2-cent sales tax, generating approximately \$12,000,000 annually until ended by voters, with annual audits/citizen oversight, no increase in tax rate, be adopted? | YES | |
| | NO | |

10. Upon approval of the voters, Humboldt County Ordinance No.2608 will be operative on the first day of the first calendar quarter commencing more than 110 days after the adoption of Humboldt County Ordinance No. 2608.
11. This resolution is effective immediately.

Dated: July 31, 2018



Ryan Sundberg, Chair
Humboldt County Board of Supervisors

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

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RESOLUTION NO. 18-78

Adopted on motion by Supervisor Fennell, seconded by Supervisor Wilson, and the following vote:

AYES: Supervisors Fennell, Bass, Wilson, Sundberg
NAYS: Supervisors --
ABSENT: Supervisors Bohn
ABSTAIN: Supervisors --

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By: Brooke Eberhardt
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

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**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT
REPEALING AND REPLACING SECTION 718-16 OF CHAPTER 8, DIVISION 1 OF TITLE VII
TO THE HUMBOLDT COUNTY CODE RELATING TO RENEWAL OF THE
TRANSACTIONS AND USE TAX ADMINISTERED BY THE STATE BOARD OF
EQUALIZATION**

ORDINANCE NO. 2608

The Board of Supervisors of the County of Humboldt ordains as follows:

SECTION 1. On July 22, 2014, the Board of Supervisors of the County of Humboldt adopted Ordinance No. 2517 related to the imposition of a transaction and use tax to be administered by the State Board of Equalization. The Board of Supervisors now acts to amend that ordinance to remove the termination date of March 31, 2020 while leaving all other provisions of Ordinance No. 2517 unchanged.

SECTION 2. Section 718-16 of Chapter 8 of Division 1 of Title VII is hereby repealed and replaced with the following:

"718-16. Termination.

The authority to levy the tax authorized by this chapter shall continue until ended by voters."

SECTION 3. This ordinance relates to the levying and collecting of County transactions and use taxes and shall take effect immediately from the date of its passage. The transaction and use tax ordinance shall continue to be operative after March 31, 2020 if a majority of the electors voting on the measure vote to approve the renewal of the tax at an election held on November 6, 2018, pursuant to Revenue and Taxation Code Section 7285 and Government Code Section 53723. If the renewal measure is not approved by the voters, the transaction and use tax will terminate on March 31, 2020, unless there is further action by the voters prior to that date. A summary shall be published at least five (5) days before the date set for adoption and again fifteen (15) days after passage of this ordinance. It shall be published once with the names of the Board of Supervisors voting for and against the ordinance in a newspaper of general circulation published in the County of Humboldt, State of California.

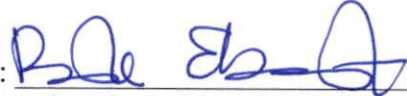
PASSED, APPROVED AND ADOPTED this 31st day of July, 2018 on the following vote, to wit:

AYES: Supervisors Fennell, Bass, Wilson, Sundberg
NOES: Supervisors --
ABSENT: Supervisors Bohn



Ryan Sundberg, Chair
Board of Supervisors of the County of Humboldt,
State of California

(SEAL)
ATTEST:
Kathy Hayes, Clerk of the Board of Supervisors
of the County of Humboldt, State of California

By: 

Brooke Eberhardt, Deputy