

RESOLUTION NO. 2020-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FORTUNA ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF FORTUNA A CERTAIN MEASURE RELATING TO A PROPOSED ORDINANCE AMENDING CHAPTER 3.13 TO TITLE 3 OF THE FORTUNA MUNICIPAL CODE EXTENDING A THREE-QUARTER PERCENT PER DOLLAR TRANSACTIONS AND USE (“SALES”) TAX FOR GENERAL PURPOSES AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020, AS CALLED AND PROPOSED TO THE QUALIFIED ELECTORS BY RESOLUTION NO. 2020-19, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURE; SETTING THE DATES FOR ARGUMENTS ON THE MEASURE AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT TO CONSOLIDATE SAID ELECTION PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE

WHEREAS, at the General Municipal Election on Tuesday, November 8, 2016, the qualified voters of the City of Fortuna approved Measure E, which imposed a three-quarters cent transaction and use tax (“sales tax”) for an eight (8) year period to protect and maintain essential City services, including increasing and restoring police officers and programs, repairing aging/deteriorating streets and potholes, parks maintenance, and programs for youth and seniors; and

WHEREAS, the revenues derived from Measure E are essential to maintain and continue to improve city services, including police protection, code enforcement and other essential services; and

WHEREAS, the general fund revenues generated as a result of Measure E enable the City to address Fortuna’s ongoing public safety and essential service needs; and

WHEREAS, the City desires to amend Chapter 3.13 of the Fortuna Municipal Code to extend the current expiration date of the sales tax beyond March 31, 2025, to ensure a reliable, locally-controlled source of funds to address, plan, and prepare for community priorities including increasing police protection services; maintaining 9-1-1 response; nuisance abatement; repairing and maintaining streets, sidewalks, and drainage; maintaining parks; maintaining programs for youth and seniors; and maintaining other essential services; and

WHEREAS, the City Council desires to submit to the voters at the election a question relating the extension of the three-quarter percent per dollar transactions and use tax for general purposes; and

WHEREAS, a General Municipal Election on Tuesday, November 3, 2020 has been called by Resolution No. 2020-19, adopted on June 15, 2020; and

WHEREAS, the City Council of the City of Fortuna desires that the County of Humboldt Elections Department conduct the municipal election, pursuant to Elections Code Section 10403, to be held on November 3, 2020; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FORTUNA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election of November 3, 2020 the following question:

Extension of Current Essential Services Funding Measure	
Shall the measure to extend the current ¾¢ transaction and use tax for an additional 8 years beyond the March 31, 2025 expiration date to provide approximately \$1,400,000 annually to fund, maintain and improve essential services, including	Yes

police services; nuisance abatement; streets, sidewalks, and drainage; parks maintenance; and programs for youth and seniors; and requiring independent annual financial audits and a community oversight committee, with all funds remaining in Fortuna, be adopted?	No
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SECTION 2. The proposed measure submitted to the voters is attached as Exhibit A. The City Council hereby approves the ordinance by a two-thirds vote of the City Council, the form thereof, and its submission to the voters of the City at the November 3, 2020 General Municipal Election, as required by Revenue and Taxation Code section 7285.9. The ordinance specifies that the rate of the transactions tax shall be three-quarter percent per dollar per dollar of the sales price of certain personal property; it specifies that the rate of the use tax shall be three-quarters of percent per dollar (3/4%) of the sales price of tangible personal property stored, used or otherwise consumed in the City. The State Board of Equalization shall collect the tax from retailers subject to the tax and remit the funds to the City.

SECTION 3. In all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections, including but not limited to Elections Code section 10418.

SECTION 4. Pursuant to the requirements of Section 10403 of the Elections Code, the City Council of the City of Fortuna hereby requests the Board of Supervisors of the County of Humboldt to agree to the consolidation of the Municipal Election with the Statewide General Election on November 3, 2020 and issue instructions to the Humboldt County Elections Department that the election in all respects be held as if there were only one election and to conduct the Municipal Election including the publishing of all election materials, the mailing of sample ballots, the hiring of election officers, canvassing the returns, and the actual conduct of the election.

SECTION 5.

- a. The last day for submission of primary arguments for or against the measure shall be by 5:00 p.m. on August 14, 2020.
- b. The last day for submission of rebuttal arguments for or against the measure shall be by 5:00 p.m. on August 28, 2020.
- c. Primary arguments shall not exceed three hundred (300) words and shall be signed by not more than five persons.
- d. Rebuttal arguments shall not exceed two hundred fifty (250) words and shall be signed by not more than five persons; those persons may be different persons than the persons who signed the primary arguments.
- e. Pursuant to California Elections Code Section 9282, Mayor Sue Long is hereby authorized to file a written argument in favor of the proposed measure on behalf of the City Council. At Mayor Long's discretion, the argument may be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote on the measure. In the event that an argument is filed against the measure, Mayor Long is also authorized to file a rebuttal argument on behalf of the City Council, which may be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote on the measure, which may be different from those who signed the primary argument.
- f. Pursuant to California Elections Code Section 9285, when the City Clerk has selected the arguments for and against the measure, which will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. Rebuttal arguments shall be printed in the same manner as the primary arguments. Each rebuttal argument shall immediately follow the primary argument, which it seeks to rebut.

g. Pursuant to California Elections Code Section 9280, the City Council hereby directs the City Clerk 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 file the impartial analysis with the City Clerk by August 28, 2020.

SECTION 6. The City of Fortuna recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County of Humboldt for all costs associated with the conduct of the City of Fortuna's municipal election to be held on November 3, 2020; and

SECTION 7. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 8. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 9. 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. 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, pursuant to CEQA Guidelines section 15060 CEQA analysis is not required.

NOW THEREFORE BE IT FURTHER RESOLVED the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Humboldt County Registrar of Voters.

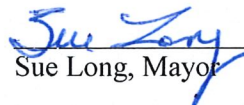
PASSED AND ADOPTED this 6th day of July, 2020, by the following vote:

AYES: Council Member Glaser, Johnson, Stanfield, Mayor Pro Tem Trent, Mayor Long

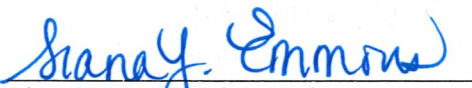
NOES: None

ABSENT: None

ABSTAIN: None


Sue Long, Mayor

ATTEST:


Siana Emmons, City Clerk

APPROVED AS TO FORM:

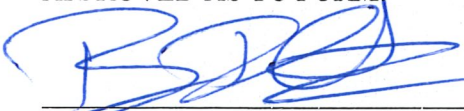

Ryan Plotz, City Attorney

EXHIBIT A

ORDINANCE 2020-743

**AN ORDINANCE OF THE CITY OF FORTUNA
TO EXTEND THE EXISTING CITY OF FORTUNA TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE STATE BOARD OF EQUALIZATION, SUBJECT TO APPROVAL OF A
MAJORITY OF THE ELECTORS VOTING ON THE TAX MEASURE AT THE GENERAL
MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020**

WHEREAS, pursuant to California Revenue and Taxation Code § 7285.9, the City of Fortuna ("City") has the authority to levy a local transactions and use tax for general purposes ("TUT"); and

WHEREAS, at the General Municipal Election on Tuesday, November 8, 2016, the qualified voters of the City of Fortuna approved Measure E, which imposed a three-quarters cent TUT for an eight (8) year period through and including March 31, 2025, to ensure a reliable, locally-controlled source of funds to address, plan, and prepare for community priorities including increasing police protection services; maintaining 9-1-1 response; nuisance abatement; repairing and maintaining streets, sidewalks, and drainage; maintaining parks; maintaining programs for youth and seniors; and maintaining other essential services; and

WHEREAS, the revenues derived from Measure E are essential to maintain and continue to improve essential city services; and

WHEREAS, the City desires to amend Chapter 3.13 of the Fortuna Municipal Code to extend the current expiration date of the sales tax beyond March 31, 2025, to ensure a reliable, locally-controlled source of funds to address, plan, and prepare for community priorities and maintain essential services; and

WHEREAS, after study of the financial issues facing the City, and after extensive efforts to gauge the public's opinions and priorities, the City Council has determined that the most prudent, reasonable, and financially responsible action it can take to preserve the fiscal stability of the City and to protect vital services and facilities in our City is to place before the voters a ballot measure to extend the existing three-quarters cent TUT termination date to March 31, 2033 and to recommend its adoption to the voters; and

WHEREAS, the proposed extension of the City's TUT will be submitted to the voters at the general municipal election on November 3, 2020; and

The People of the City of Fortuna do ordain as follows:

SECTION 1. APPROVAL OF TAX EXTENSION. The qualified votes of the City of Fortuna hereby approve and adopt an ordinance extending the currently imposed transaction and use tax, as codified in Chapter 3.13 of Title 3 of the Fortuna Municipal Code through and including March 31, 2033, unless sooner repealed by the City Council or by the voters.

SECTION 2. AMENDMENT TO THE MUNICIPAL CODE. Section 3.13.200 of Chapter 3.13 of Title 3 of the Fortuna Municipal Code is hereby deleted and replaced in its entirety as follows:

3.13.200 Termination of tax.

The authority to levy the tax imposed by this chapter shall expire March 31, 2033, unless sooner repealed by the City Council or by the voters.

SECTION 3. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect only if approved by a majority of the voters voting on the measure at the November 3, 2020 General Municipal Election and shall become effective ten (10) days

after the City Council declares and certifies by resolution the results of the election and that the measure was approved by a majority of the voters voting thereon.

SECTION 4. CERTIFICATION: PUBLICATION. Upon approval by the voters, the City Clerk shall certify to the passage and adoption of this ordinance and shall cause it to be published according to law and transmitted to the Board of Equalization.

SECTION 5. COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. The approval of this Ordinance 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 enacted by this Ordinance is a general tax that can be used for any legitimate governmental purpose; it is not a commitment to any particular action. 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, pursuant to CEQA Guidelines section 15060 CEQA analysis is not required.

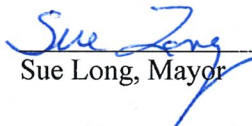
PASSED AND ADOPTED by the City Council of the City of Fortuna on the 6th day of July, 2020, by at least a two-thirds vote of the City Council, as follows:

AYES: Council Member Glaser, Johnson, Stanfield, Mayor Pro Tem Trent, Mayor Long

NOES: None

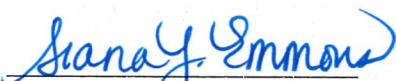
ABSENT: None

ABSTAIN: None



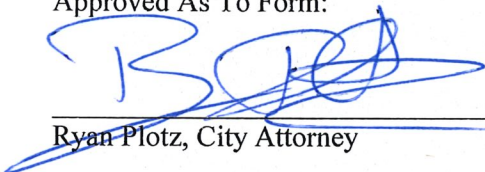
Sue Long, Mayor

ATTEST:



Siana Emmons, City Clerk

Approved As To Form:



Ryan Plotz, City Attorney