

**Resolution No. C-2024-52**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY SETTING A MEASURE ON THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION BALLOT SEEKING VOTER APPROVAL OF A PROPOSED HALF-CENT TRANSACTIONS AND USE (SALES) TAX**

**WHEREAS**, the City contracts with the County of San Mateo Sheriff's Office and 911 Dispatch for law enforcement and public safety services; and

**WHEREAS**, rates for public safety services provided by the County have increased by 51% over the last two years, amounting to nearly \$2.5 million in additional annual costs to the City's General Fund; and

**WHEREAS**, the City has studied the potential impacts of sea level rise and coastal erosion, finding risks to local infrastructure, trails, coastal access, parks, and other local assets; and

**WHEREAS**, service priorities identified by residents through a recent survey include: maintaining 911 emergency response times; maintaining local sheriff patrols; maintaining youth and recreation programs; keeping beaches, parks, and other public spaces healthy, safe, and clean; reducing local traffic congestion; and maintaining the City's financial stability; and

**WHEREAS**, the City has worked to manage its finances, making operational cuts averaging nearly 10% per department, including eliminating discretionary spending and leases and holding staff vacancies open; and

**WHEREAS**, despite efforts to reduce costs, the City's annual deficit is roughly \$4,000,000 this fiscal year alone, which represents roughly 15 percent of Half Moon Bay's general fund budget; and

**WHEREAS**, to fund general City services, including those items discussed herein, the City Council is proposing this measure as a long-term source of locally-controlled funding that can only be used for local Half Moon Bay services and to address local priorities; and

**WHEREAS**, this measure could maintain funding for City services and help implement the plans of the City by establishing a general tax in which the proceeds will be deposited in the City's General Fund for general government use; and

**WHEREAS**, this measure incorporates accountability requirements such as public disclosure of all spending, local control, and annual independent financial audits that ensure funds are spent appropriately; and

**WHEREAS**, pursuant to Section 7285.9 of the California Revenue and Taxation Code, the legislative body of a city may levy a transactions and use (sales) tax for general revenue

purposes, upon a two-thirds vote of the City Council and a majority vote of its qualified voters;  
and

**WHEREAS**, the City Council desires the ability to adopt an ordinance to levy a half-cent per dollar (0.5%) transactions and use tax on businesses operating in the City; and

**WHEREAS**, if approved by voters, a one-cent transactions and use tax would be levied until ended by the voters and would generate approximately \$2,000,000 annually; and  
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**WHEREAS**, California Constitution Article XIII C, Section 2, provides that no local government may increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote, and that a measure proposing to adopt a general tax must be consolidated with a regularly scheduled general municipal election for members of the City Council; and

**WHEREAS**, on May 21, 2024, the City Council adopted Resolution No. C-2024-23, calling a general municipal election on November 5, 2024, and adopted Resolution No. C-2024-24, requesting that the Board of Supervisors of the County of San Mateo consolidate the City's general municipal election with the statewide general election to be held on the same date; and

**WHEREAS**, the Half Moon Bay City Council is authorized by California Elections Code Section 9222 to submit to the voters propositions for the enactment or amendment of any ordinance, including tax measures; and

**WHEREAS**, California Government Code Section 53724(b) authorizes the City Council to place a general tax measure before the voters upon a two-thirds vote of all members of the City Council; and

**WHEREAS**, on the basis of the foregoing, the City Council has determined it is appropriate to place a measure levying a half-cent per dollar (0.5%) transactions and use (sales) tax before the voters at the general municipal election consolidated with the statewide general election on November 5, 2024; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Half Moon Bay does hereby declare, determine and order as follows:

**Section 1. Ballot Measure**

(a) Pursuant to Government Code Section 53724 and Elections Code Section 9222, the City Council orders that the following measure be submitted to the voters of the City of Half Moon Bay on the ballot at the general municipal election on November 5, 2024:

<p><b>To help the City of Half Moon Bay maintain financial stability and essential services, such as maintaining 911 emergency response times, sheriff patrols, and disaster/emergency preparedness; keeping public places safe, healthy, and clean; reducing traffic congestion; and maintaining youth and recreation programs, shall a measure establishing a half-cent (0.5%) sales tax, providing approximately \$2,000,000 annually for general revenue purposes until ended by voters, with annual audits/locally controlled funding, be adopted?</b></p>	<p><b>YES</b></p>
	<p><b>NO</b></p>

(b) As the City Council by resolution on May 21, 2024, requested that the County of San Mateo Board of Supervisors consolidate the City’s general municipal election with the statewide general election to be held on November 5, 2024, pursuant to the requirements of Elections Code Section 10403, the City Council hereby requests that the County of San Mateo Board of Supervisors authorize the submission of this ballot measure to the voters of the City of Half Moon Bay in the consolidated municipal and statewide election held on November 5, 2024.

(c) This ballot measure requires the approval of a majority (50% +1) vote of the City of Half Moon Bay electorate voting on the measure at the November 5, 2024 election in order to become effective.

**Section 2. Proposed Ordinance**

(a) The full text of the proposed Ordinance to be submitted to the voters is attached to this Resolution as Exhibit A.

(b) The City Council hereby approves the submission of the proposed Ordinance, as set forth in Exhibit A, to the voters of the City at the November 5, 2024 general municipal election.

(c) The proposed Ordinance levies a one-half cent transactions and use (sales) tax, which will become operative on the first date of the first calendar quarter commencing more than 110 days after the adoption of the ordinance, and which will continue in effect until ended by the voters. The City of Half Moon Bay will contract with the California Department of Tax and Fee Administration to collect the tax from businesses operating in the City. The proposed tax is for general City purposes and revenues will be deposited in the City’s general fund.

(d) (d) Because the proposed Ordinance is lengthy, in accordance with Elections Code section 9280, the entire text of the measure shall not be placed in the voter information sample ballot and shall instead be available without charge at City Hall, on the City website, and by mail upon request. The City Council requests the County of San Mateo Board of Supervisors to order the County Clerk to mail with the sample ballots the primary arguments for and against the measure,

and to provide absent voter ballots for the election for use by qualified electors of the City who are entitled thereto in the manner provided by law.

(e) If the above ballot measure is approved by the City of Half Moon Bay electorate as outlined above, then the Ordinance shall become effective immediately upon adoption.

### **Section 3. Publication of Synopsis**

The City Clerk is directed to publish a synopsis of the ballot measure in an official newspaper of general circulation as required by Elections Code Section 12111 at least one week before the November 5, 2024 election.

### **Section 4. Submission to County Officials**

The City Clerk is directed to file a certified copy of this Resolution, with Exhibits, with the County of San Mateo Board of Supervisors and the County Elections Official no later than close of business on August 9, 2024.

### **Section 5. Impartial Analysis**

In accordance with Elections Code Section 9280, the City Clerk is directed to transmit a copy of the ballot measure to the City Attorney, who is directed to prepare an impartial analysis not exceeding 500 words showing the effect of the measure on existing law and the operation of the measure. The analysis shall include a statement indicating that the measure was placed on the ballot by the City Council. The impartial analysis shall be filed with the City Clerk by 5:00 p.m. on August 20, 2024.

### **Section 6. Ballot Arguments**

(a) The primary arguments for and against the measure shall be submitted to the City Clerk by 5:00 p.m. on August 13, 2024 and shall not exceed 300 words. The City Council authorizes the following two members of its body, Councilmember Brownstone and Councilmember Penrose, to file a fact-based and informational written argument in favor of the measure as specified above. The argument should not exceed 300 words and should be accompanied by the printed names and signatures of the persons submitting it, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code. The council member authors may identify additional individuals to sign the argument in favor, as long as no more than five total authors sign. The foregoing authorization also applies to the rebuttal argument. Rebuttal arguments concerning the measure may be submitted to the City Clerk by 5:00 p.m. on August 20, 2024 and shall not exceed 250 words.

(b) All arguments shall be filed with the City Clerk, signed, with the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal

officers who is the author of the argument. No more than five signatures shall appear with any submitted argument. An organization or association submitting an argument shall submit with its argument a copy of one of the organizational documents listed in California Elections Code section 9287(b). The arguments shall be accompanied by the Form of Statement to Be Filed By Authors Of Argument to be provided by the City Clerk.

**Section 7. Severability**

If any section, subsection, sentence, clause, phrase or word of this Resolution is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have adopted this Resolution and each section or subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

**Section 8. CEQA**

The City Council hereby finds that the adoption and implementation of the proposed half-cent transactions and use (sales) tax ordinance is exempt from the provisions of the California Environmental Quality Act (Public Resources Code Sections 21000 et seq., "CEQA," and 14 Cal. Code Regs. Sections 15000 et seq., "CEQA Guidelines"), because it involves the creation of a government funding mechanism which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment and thus is not a project subject to the requirements of CEQA pursuant to CEQA Guidelines Section 15378(b)(4), and because it is an organizational and administrative activity of government that will not result in a direct or indirect physical change in the environment pursuant to CEQA Guidelines Section 15378(b)(5).

**Section 9. Certification**

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

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I, the undersigned, hereby certify that the foregoing resolution was duly passed and adopted on the 16<sup>th</sup> day of July, 2024 by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers:        BROWNSTONE, PENROSE, RUDDOCK, RARBACK, JIMENEZ

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:



Jessica Blair, City Clerk

APPROVED:



Joaquin Jimenez, Mayor