

UNION Item 7.A. Consider for Adoption a Resolution Calling for an Election to Be Held on November 8, 2022 for Voter Consideration of a Nine Year Extension (1) Half-Cent Sales Tax



Background

Existing Transactionsand Use (Sales) Tax

- Measure AA first approved by 60.12% in November 2010 (effective April 2011) with an expiration of April 2015.
- Measure AA established half-cent sales tax.
- Measure JJ approved by 73.74% in November 2014 extending expiration by 10 years to April 2025.
- Generates approximately \$6 million annually.

Prior Council Actions

- January 25, 2022: Council resolution authorized appointment of Ad Hoc Subcommittee.
- February 22, 2022: Ad Hoc Subcommittee recommended proceeding with community survey regarding a potential extension of Measure AA.

Prior Council Actions

- April 26, 2022: The City Council received a report from Godbe Research and TBWBH Props and Measures regarding community survey.
- May 10, 2022: The City Council received a further report from staff regarding the potential ballot measure to extend Measure AA. The City Council discussed the potential ballot measure and indicated support for a potential extension of Measure AA for an additional nine (9) years.



Proposed Resolution

Proposed Extension of Existing Sales Tax

- Extends existing half-cent transactions and use (sales) tax by an additional 9 years.
- Remains in effect until March 31, 2034.
- Other revisions including revisions to reflect administration by California Department of Tax and Fee Administration.

Election Timeline

- July 12, 2022: Council adopts resolution.
- July 26, 2022: Direct arguments due.
- August 5, 2022: Rebuttal arguments due.
- November 8, 2022: General election.

Ballot Argument

 The City Council may designate up to two Council Members to draft and submit the ballot argument in favor of the measure and the rebuttal to any argument against the measure.

Recommendation

Adopt a Resolution to submit a proposed measure extending the existing half-cent sales tax by an additional nine years to the voters of Union City.