



Agenda Report

22-936

Agenda Date: 7/12/2022

REPORT TO COUNCIL

SUBJECT

Discussion and Adoption of a Resolution Calling for a Municipal General Election and Ordering Consolidation with the Gubernatorial General Election for the Purpose of Submitting to the Voters a Business License Tax (BLT) Modernization Measure; Authorizing the City Clerk to Contract with the County of Santa Clara for Services to be Performed in Connection with the Gubernatorial General Election to be Held on November 8, 2022, as well as Directing the City Attorney to Prepare an Impartial Analysis; and Setting Priorities for Ballot Arguments (Continued from July 5, 2022)

COUNCIL PILLAR

Deliver and Enhance High-Quality, Efficient Services and Infrastructure

BACKGROUND

At the July 5, 2022 City Council meeting, Staff presented recommendations to adopt two resolutions for the placement of a Utility Transfer Charter Amendment and a Business License Tax Modernization Measure on the November 2022 ballot. (See Attachment 1, RTC 22-891). These recommendations were based on the extensive outreach and engagement process with multiple and diverse stakeholder groups that has occurred since the beginning of the year.

Following the staff presentation, public comments and Council discussion, the City Council unanimously approved the placement of the Utility Transfer Charter Amendment, but continued action related to the Business License Tax Modernization Measure to July 12, 2022 and asked staff to facilitate an ad hoc working group comprised of Councilmembers Chahal, Hardy and Park to further engage with the Silicon Valley Central Chamber and any other stakeholders, regarding comments received on the proposed measure at the July 5, 2022 meeting.

In accordance with Council's direction, a meeting comprised of diverse stakeholders representing the Chamber, large businesses in Santa Clara, City Boards & Commissions and the general public was scheduled for Friday, July 9.

Given the limited time between meetings, it was agreed that a transmittal report would be included in the Council agenda packet with recommendations presented as supplemental material.

This report will serve as the transmittal report.

DISCUSSION

While a supplemental report based on the efforts of the working group will be provided, it should be noted that the continuance of the item requires a resetting of the timelines for submission of the resolution, arguments, rebuttals and impartial analysis to the City Clerk.

In accordance with Elections Code Section 9285(a) the City Clerk as the local Elections Official has set the following deadlines: adoption of the ballot resolution on July 12, 2022; arguments due by 5:00 p.m. to the City Clerk's office on July 26, 2022; rebuttals due by 5:00 p.m. to the City Clerk's office on August 5, 2022. The City Attorney shall draft an impartial analysis on the measure, which is also due on Friday, August 5, 2022. The deadline to submit the Resolution to the County Registrar of Voters (ROV) is 5:00 p.m. on August 12th; the deadline to submit Arguments to the ROV is 5:00 p.m. on August 16 and the deadline to submit Rebuttals and Impartial Analysis to the ROV is 5:00 p.m. on August 23, 2022.

It should also be noted that the recommendation to delete the definition of "fiscal year" in the resolution and attached ordinance presented at the July 5, 2022 Council meeting has been incorporated in the revised proposed resolution, Attachment 3, and will be incorporated into the supplemental report and any other subsequently proposed resolutions.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA guidelines section 15378(b)(5) in that it is a governmental organization or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

Additional ongoing revenues of approximately \$8 million is projected from a successful passage of the proposed Business License Tax Ballot Measure, effective January 1, 2024. The actual amounts will be dependent on the actual proposal, if any, that is brought forward, and whether the measure is successful at the November 2022 ballot.

The FY2022/23 Adopted Budget includes \$350,000 to cover election costs and existing funding to conduct basic education and voter outreach. Actual costs will be determined by the County Registrar of Voters based on the number of ballots and the actual printing costs allocated to the City of Santa Clara. A future budget amendment may be brought forward at a later date if required.

COORDINATION

This report has been coordinated with the City Manager's Office, the Finance Department, the City Clerk's Office and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any report to council may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

ALTERNATIVES

1. Adopt a resolution ordering submission of a ballot measure to the qualified electors of the City; calling for a Special Municipal Election to be held in the City of Santa Clara on Tuesday, November 8, 2022, for the purpose of submitting to City voters a measure modernizing the City's Business License Tax; requesting consolidation with the Gubernatorial General Election and election services from Santa Clara County; directing the City Attorney to prepare an impartial analysis; setting priorities for ballot arguments; and approval of the draft amendment to the Santa Clara City Code to incorporate the proposed changes if the measure is approved by the voters.
2. Other direction as approved by the City Council

RECOMMENDATION

1. Adopt a resolution ordering submission of a ballot measure to the qualified electors of the City; calling for a Special Municipal Election to be held in the City of Santa Clara on Tuesday, November 8, 2022, for the purpose of submitting to City voters a measure modernizing the City's Business License Tax; requesting consolidation with the Gubernatorial General Election and election services from Santa Clara County; directing the City Attorney to prepare an impartial analysis; setting priorities for ballot arguments; and approval of the draft amendment to the Santa Clara City Code to incorporate the proposed changes if the measure is approved by the voters.

Reviewed by: Cynthia Bojorquez, Assistant City Manager

Approved by: Rajeev Batra, City Manager

ATTACHMENTS

1. July 5, 2022 Report to Council (22-891)
2. Summary of Community Engagement Process Input
3. Revised Resolution Placing Business License Tax on November 2022 Ballot from July 5, 2022