

# City of Culver City

Mike Balkman Council Chambers 9770 Culver Blvd. Culver City, CA 90232 (310) 253-5851

## **Staff Report**

File #: 18-01426, Version: 1 Item #: A-3.

CC - (1) (Unanimous Vote Requirement) Declaring a Fiscal Emergency Pursuant to Article XIII C of the Constitution of the State of California; (2) Adoption of Resolutions (A) Calling and Giving Notice of the Holding of a Special Municipal Election to be Consolidated with the Statewide General Election to be Held on Tuesday, November 6, 2018 for the Purpose of Submitting to the Voters Four Questions Relating to One Tax Measure, One Proposed Charter Amendment, and Two Advisory Measures Relating to the Proposed Charter Amendment; and (B) Requesting the Board of Supervisors of the County of Los Angeles Render Specified Services Related to the Conduct of said Election; (3) Discussion and (If Desired) Adoption of a Resolution Authorizing the City Council and/or Certain Council Members to Submit Ballot Arguments Regarding the Measures; (4) Potential Creation and Appointment of Members to an Ad-Hoc Subcommittee to Draft and/or Submit Such Ballot Argument(s); (5) Adoption of a Resolution Providing for the Filing of Rebuttal Arguments for City Measures Submitted at Municipal Elections; and (6) Direction to the City Attorney to Prepare the Impartial Analysis For the City Measures.

Meeting Date: July 9, 2018

Contact Person/Dept: Jeremy Green, City Clerk

Phone Number: 310-253-5851

Fiscal Impact: Yes [X] No [] General Fund: Yes [X] No []

Public Hearing: [] Action Item: [X] Attachments: Yes [X] No []

Commission Action Required: Yes [] No [X]

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (07/03/18)

**Department Approval:** Serena Wright, Administrative Services Director

(07/02/18)

#### **RECOMMENDATION:**

Staff recommends the City Council:

- 1. Declare the existence of a fiscal emergency pursuant to Article XIII C of the California Constitution (a unanimous vote is required for the declaration of fiscal emergency); and,
- 2. Adopt a resolution calling and giving notice of the holding of a Special Municipal Election to be consolidated with the Statewide General Election to be held on Tuesday, November 6, 2018 for purposes of submitting to the voters four ballot measures which are as follows: one tax measure (this tax measure requires the declaration of a fiscal emergency before it can be submitted to the voters); one proposed Charter Amendment; and two advisory measures related to the proposed Charter amendment. These measures, if adopted by the voters, would:
  - a. Implement a Local Transactions and Use Tax of one-quarter cent.
  - b. Change the date of the General Municipal Election from April of even years to match the date of the statewide General election, which currently occurs in November of even years.
  - c. Provide the voters' opinion of the year in which to effectuate the charter change.
- 3. Adopt a resolution requesting the Board of Supervisors of the County of Los Angeles render specified services to the City relating to the conduct of a Special Municipal Election; and,
- 4. Discuss and, if desired, adopt a resolution authorizing the City Council and/or certain Council Members to submit primary arguments regarding the ballot measures.
- 5. Discuss and, if desired, adopt a resolution authorizing the City Council and/or certain Council Members to submit rebuttal arguments, regarding the ballot measures.
- 6. Direct the City Attorney to Prepare the Impartial Analysis For the City Measures.

#### **BACKGROUND:**

#### LOCAL TRANSACTIONS AND USE TAX MEASURE

For several years, the City Council has been presented with information about the mounting fiscal pressures created primarily by the increasing costs required to pay down the City's unfunded pension liability. During the budget process for Fiscal Year 2018-19, the City Manager's budget message focused primarily on the long-term General Fund financial forecast. With significant requests for budget enhancements from public safety, slowing or in some cases negative revenue growth, and expenditures growing at a faster pace due to inflationary factors and the annually increasing pension liability payments, it was clear that some immediate decisions needed to be made. Part of the budget discussions with the community and the City Council centered around options for significantly decreasing expenditures or increasing revenues. With the understanding that nearly twenty percent of the General Fund positions were eliminated when the City was coping with the Great Recession and elimination of the Culver City Redevelopment Agency, it was communicated that reducing positions will have a very direct impact of the levels of service the City can offer the community. Through discussion at a budget study session meeting on June 18, 2018, the City Council

determined it would proceed with putting a quarter-cent sales tax measure on the November ballot. Before this measure can be submitted to the voters, it requires a unanimous vote of the City Council declaring a fiscal emergency.

#### CHARTER AMENDMENT AND ADVISORY MEASURES

At its Regular Meeting held on October 9, 2017, the City Council considered options regarding consolidation of future Culver City Municipal elections with California Statewide elections, in response to the California Voter Participation Rights Act (CVPRA) and the related opinion by the State Attorney General.

At that meeting the Council directed the City to comply with the CVPRA requirement to consolidate the Culver City General Municipal election with one of the statewide election dates held in even number years and approved the adoption of a plan to consolidate with the election in November of even number years. Further, they voted to designate the year of consolidation as 2022, directed staff to prepare draft charter amendment language to be placed on the April 2018 ballot, and to work with then Council Members Clarke and Sahli-Wells to discuss the charter amendment language.

On November 6, 2017, the City Council determined to place the charter amendment measure, which would allow compliance with the CVPRA, on the November 2018 ballot. Any other Municipal Code references to the election in April would also be amended accordingly. Additionally, instead of designating the year 2022 as the implementation year, the City Council added two advisory measures that would allow the voters to advise on which year they preferred the charter change be put into effect (2020 or 2022).

#### **DISCUSSION**

In order to place a tax measure on a ballot other than a regularly scheduled general municipal election, a fiscal emergency must be declared by a unanimous vote of the City Council. As described above, in order to maintain the quality of life in Culver City there is an urgent need to significantly increase general revenues.

To effectuate the placement of the proposed measures on the ballot of the November 6, 2018 election, the City Council is requested to:

- (1) Declare the existence of a fiscal emergency pursuant to Article XIII C of the California Constitution (a unanimous vote is required for the declaration of fiscal emergency); and
- (2) Adopt resolutions (a) calling and giving notice of the holding of a Special Municipal Election to be consolidated with the Statewide General Election to be held on Tuesday, November 6, 2018 for the purpose of submitting to the voters four questions relating to one tax measure (this tax measure requires the declaration of a fiscal emergency before it can be submitted to the voters), one proposed Charter Amendment, and two advisory measures relating to the proposed Charter amendment and (b) requesting the Board of Supervisors of the County of Los Angeles render specified services related to the conduct of said Election; and,

- (3) Discuss and, if desired, adopt a resolution authorizing the City Council and/or certain Council Members to submit Ballot Argument(s) regarding the measures; and,
- (4) Discuss and, if desired, create and appoint Council Members to an Ad-Hoc Subcommittee to draft and/or submit such Ballot Argument(s); and
- (5) Discuss and, if desired, determine and appoint Council members to an Ad-Hoc Subcommittee to draft and/or submit Ballot Rebuttal Argument(s); and
- (6) Direct the City Attorney's Office to Prepare the Impartial Analysis for the City Measures.

### <u>Declaring a Fiscal Emergency</u>

Should the City Council wish to proceed with a special election for the Local Transactions and Use Tax of one-quarter cent, it is necessary to declare a fiscal emergency by adopting the proposed Resolution.

#### Calling of the Special Election

Should the City Council wish to proceed with the Special Municipal Election, staff recommends the City Council adopt the proposed resolution calling and giving notice of the holding of a Special Municipal Election to be consolidated with the Statewide General Election on November 6, 2018.

#### Requesting the County to Conduct the Election

In accordance with Section 10002 of the Elections Code of the State of California, the governing body of any city or district may, by resolution, request the Board of Supervisors of the county to permit the County Elections Official to render specified services to the city or district relating to the conduct of an election. The next established election occurring not less than 88 days after the date of the order of election shall be held on Tuesday, November 6, 2018. Staff recommends the proposed Special Municipal Election be consolidated with the Statewide General Election and recommends the City Council adopt the proposed resolution which requests the Board of Supervisors render specified services to the City relating to the conduct of said election.

### Authorizing the City Council and/or Certain Council Members to Submit Arguments

The City Council, authorized members of the City Council, citizen associations and private citizens may submit arguments for or against the proposed Measure. Only one ballot argument for and one ballot argument against each measure and rebuttals to each may be printed in the sample ballot. The Elections Code gives preference to the arguments submitted by the City Council, as a body, or by Council Members authorized to submit arguments by the City Council.

Should the City Council decide to submit an argument as a body, it is automatically placed in the sample ballot. If the City Council decides to have some of its members submit an argument, those members need to be designated by the City Council in order for their argument(s) to receive priority.

The City Council should decide whether it will submit initial and rebuttal arguments for or against the measure as a body or designate individual Council Members to submit those arguments. If individual members are to be designated, then the City Council should make those designations at this meeting. Please note, that if more than two City Council Members will be working together to write, or intend to give comments on the same argument, then, pursuant to the Brown Act, the discussions and comments among those Council Members can only occur during a duly noticed public meeting of the City Council.

Based on the calendar in the Los Angeles County Measure Information Booklet for the November 6, 2018 election, primary arguments are due to the City Clerk's Office **no later than the close of business (5:30 PM) on August 17, 2018** and shall not exceed 300 words in length. Should the City Council determine that it wishes to review and approve the primary argument as a body, staff recommends such review and approval be placed on the agenda of the July 23, 2018 City Council Meeting.

California Elections Code § 9285 states that "the author or a majority of the authors of an argument relating to a city measure may prepare and submit a rebuttal argument or may authorize in writing another person or persons to prepare, submit, or sign the rebuttal argument and...shall not exceed 250 words."

Rebuttal arguments are due no later than 10 days after the final filing date for primary arguments or **no later than close of business (5:30 PM) on August 27, 2016**. Should a rebuttal argument be needed and deemed desired by the City Council, and the City Council should determine that it wishes to review and approve the rebuttal argument, then such review and approval would need to be conducted by the City Council at a special meeting prior to Los Angeles County's deadline of August 27, 2018.

#### **FISCAL ANALYSIS:**

The cost to hold and consolidate the election with Los Angeles County is estimated at \$80,000, not including costs to provide outreach regarding the election. This estimate is included in the City Manager's Adopted Budget for Fiscal Year 2018/2019.

#### **ATTACHMENTS:**

- 1. Proposed Resolution Declaring a fiscal emergency pursuant to Section XIII C of the California Constitution.
- 2. Proposed Resolution Calling and Giving Notice of the Holding of a Special Municipal Election to be Held on Tuesday, November 6, 2018 Submitting Four Questions Relating to one tax measure, one proposed Charter Amendment, and two advisory measures relating to the proposed Charter amendment;
- 3. Proposed Resolution Requesting the Board of Supervisors of the County of Los Angeles to Render Specified Services to the City of Culver City Relating to the Conduct of a Special

Municipal Election to be consolidated with the Statewide General Election to be Held in the City on Tuesday, November 6, 2018.

- 4. Proposed Resolution Authorizing the City Council and/or Certain Council Members to Submit Arguments Regarding the Four Questions Related to one tax measure, one proposed Charter Amendment, and two advisory measures related to the Charter amendment on the Ballot for the November 6, 2018 Election.
- 5. Proposed Resolution Providing for the Filing of Rebuttal Arguments for City Measures Submitted at Municipal Elections.

#### RECOMMENDED MOTION(S):

That the City Council:

- 1) (Unanimous Vote Required) Adopt a resolution declaring a fiscal emergency pursuant to Section XIII C of the California Constitution; and,
- 2) Adopt the proposed resolution Calling and Giving Notice of the Holding of a Special Municipal Election to be Consolidated with the Statewide General Election to be held on Tuesday, November 8, 2016; Submitting Four Questions Relating to one tax measure (this tax measure requires the declaration of a fiscal emergency before it can be submitted to the voters), one proposed Charter Amendment, and two advisory measures relating to the proposed Charter amendment to the Voters with Exhibit A, the text of the proposed measures; and,
- 3) Adopt the proposed resolution requesting the Board of Supervisors of the County of Los Angeles to Render Specified Services to the City of Culver City Relating to the Conduct of a Special Municipal Election to be Held in the City on Tuesday, November 6, 2018; and,
- 4) Adopt a Resolution Authorizing the City Council and/or Certain Council Members to Submit Arguments Regarding the Four measures;

OR

5) (If the City Council determines to Designate Certain Members to submit such arguments)
Designate the following Council Members to submit ballot arguments regarding four proposed
measures:

OR

6) Discuss the formation of an Ad Hoc Subcommittee and appoint members thereto for the drafting of the primary argument and, if the subcommittee is created, require the subcommittee to complete its work in time to present the City Council with a draft primary

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argument on July 23, 2018;

- 7) Adopt a Resolution providing for the filing of rebuttal arguments regarding the four proposed measures;
- 8) <u>Direct the City Attorney to Prepare the Impartial Analysis For the City Measures.</u>