



REPORT TO COUNCIL City of Sacramento

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www.cityofsacramento.org

Discussion Calendar
July 20, 2010

**Honorable Mayor and
Members of the City Council**

Title: November 2, 2010 General Municipal Election Ballot Measures

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** calling and giving notice of various measure(s) to be included in the consolidated general municipal election of November 2, 2010.

Contact: Stephanie Mizuno, Assistant City Clerk, 808-8093;
Shirley Concolino, City Clerk, 808-5442

Presenters: N/A

Department: City Clerk's Office

Division: N/A

Organization No: 04001021

Description/Analysis

Issue: Council action is necessary to place a measure before the voters of the jurisdiction.

Policy Considerations: This action is consistent with California Elections Code.

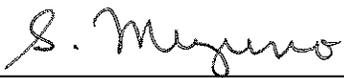
Environmental Considerations: None

Commission/Committee Action: None.

Rationale for Recommendation: The City Council has approved various measures for inclusion on the November 2, 2010, general election ballot and must now, in accordance with California Election Code, adopt a resolution that will place the measures on the ballot.

Financial Considerations: The estimated cost for the first citywide measure for the November ballot is \$138,000, and each subsequent citywide measure is approximately \$24,000.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Stephanie Mizuno,
Assistant City Clerk

Recommendation Approved:


Shirley Concolino
City Clerk

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RESOLUTION NO.

Adopted by the Sacramento City Council

CALLING AND GIVING NOTICE OF THE SUBMITTAL TO THE VOTERS OF VARIOUS QUESTIONS TO BE INCLUDED IN THE CONSOLIDATED GENERAL MUNICIPAL ELECTION OF NOVEMBER 2, 2010

BACKGROUND

- A. On January 26, 2010, the City Council adopted a resolution calling for, and giving notice of, a General Municipal Election to be held on November 2, 2010. The same day, the City Council also adopted a resolution requesting consolidation of the General Municipal Election with the Statewide General Municipal Election of November 2, 2010.
- B. On June 22, 2010, the City Council accepted the County Registrar of Voters "certificate of petition" certifying the initiative petition as sufficient, and approved the placement of the Utilities Rate Hike Rollback Act of 2010 initiative ordinance on the November 2, 2010, ballot.
- C. On July 13, 2010, the City Council approved for placement on the November 2, 2010, ballot a measure to increase the business operations tax rates for marijuana businesses (the "Marijuana Business Tax").
- D. On July 20, 2010, the City Council approved for placement on the November 2, 2010, ballot a measure to establish a parcel tax for the purpose of funding youth programs ("the Youth Jobs and Opportunity Act").
- E. The City Council desires to submit the various measures to the voters at the November 2, 2010, General Municipal Election.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

SECTION 1: The City Council hereby orders that the following questions be submitted to the voters in the City of Sacramento, California on Tuesday, November 2, 2010:

Measure – Utilities Rate Hike Rollback Act of 2010

<p>“Shall the ordinance repealing increases in monthly water, sewer, and garbage collection/solid waste disposal service rates approved by the Sacramento City Council in June 2009, setting these monthly utility service rates at the amounts in effect on February 10, 2010, and allowing the City Council to increase these rates without voter approval beginning July 2012 only if the rates are not increased above the annual increase in a specified consumer price index, be adopted?”</p>	YES
	NO

Measure – Marijuana Business Tax

<p>“Marijuana Business Tax. To help preserve essential services like fire, police, and 911 emergency response, shall City of Sacramento's business operations tax be updated by taxing businesses engaged in medical marijuana transactions, and in commercial production and sale of marijuana if legalized by California voters, at maximum rates of 4% and 10%, respectively, of gross receipts, with City Council discretion to lower tax rates or raise tax rates to the maximums, and requiring independent audits?”</p>	YES
	NO

Measure – Youth Jobs and Opportunity Act

<p>“To fund youth (ages 11 to 25) jobs and workforce readiness, improve academic achievement, and reconnect at-risk youth with the workforce, shall an annual \$29 tax be placed on each parcel of real property within the City of Sacramento, excepting tax-exempt and certain very low income residential properties, for ten years, with expenditure and program recommendations and review by a Council-appointed citizens' advisory board, an annual audit, and an annual program-effectiveness evaluation?”</p>	YES
	NO

SECTION 2: The text of the proposed measures to be submitted to the voters are attached as Exhibits A.

SECTION 3: The ballots to be used at the election shall be in the form and content as required by law.

SECTION 4: The polls for the election shall open at 7:00 a.m. on the day of the election and shall remain open continuously from that time until 8:00 p.m. of the same day when the polls shall be closed, except as provided in section 14401 of the Elections Code.

SECTION 5: In all particulars not recited in this resolution, the election shall be held and conducted as provided by the law for holding municipal elections.

SECTION 6: Notice of the time and place of holding the election is hereby given and the City Clerk is hereby authorized, instructed and directed to give further or additional notice of the election, in the time, form, and manner required by law.

SECTION 7: The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

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Exhibit A-1

UTILITIES RATE HIKE ROLL BACK ACT OF 2010

BE IT ENACTED BY THE PEOPLE OF THE CITY OF SACRAMENTO:

SECTION 1: Findings and Purpose.

The people of the City of Sacramento hereby make the following findings and declare that their purpose in enacting this Utilities Rate Hike Rollback Act of 2010 (or "Act") is as follows:

(a) Findings. The residents, including seniors, renters, homeowners and low and middle income families, and businesses of Sacramento cannot afford to pay the escalating monthly service rates for city utilities approved by the Sacramento City Council. Further, these escalating rates present a clear and present threat to the business climate of Sacramento and the economic health and well being of its citizens.

(b) Purpose. The purpose of the Act is to: (1) reduce monthly utilities rates in the City of Sacramento by repealing and canceling increases in monthly service rates approved by the Sacramento City Council on June 23, 2009 and placed into effect as of July 1, 2010; (2) return monthly service rates to those in effect on February 10, 2010; and (3) make provision for the City of Sacramento to increase monthly service rates without a vote of the people subject to specified conditions.

SECTION II: Repeal of July 1, 2010 Monthly Service Rate Increases.

Sections 13.04.720 (concerning water rates, charges and fees), 13.08.400 (concerning sewer rates, charges and fees) and 13.10.130 (concerning garbage collection/solid waste disposal rates, charges and fees) of the Sacramento City Code are hereby amended to add the following provision at the end of each of said sections:

"Notwithstanding the foregoing, the increases in monthly service rates for residential, commercial, industrial and other ratepayers (collectively, "monthly service rates") set forth in Resolution No. 2009-445, passed and adopted by the Sacramento City Council on June 23, 2009 (hereinafter, the "Resolution"), that are scheduled under the Resolution to become effective on July 1, 2010 are hereby repealed and cancelled as of July 1, 2011. On and after July 1, 2011, monthly service rates shall be the same as the monthly service rates which were in effect on February 10, 2010. The repeal and cancellation of the scheduled July 1, 2010 increases in monthly service rates hereunder shall have no retroactive effect and shall not give rise to any claim for refunds."

SECTION III: Provision Under Elections Code Section 9217 for Future Rate Increases Without Voter Approval.

Sections 13.04.720, 13.08.400 and 13.10.130 of the Sacramento City Code are

hereby further amended to add the following new paragraph "B" at the end of each of said sections, with the existing language of each of such section (as amended by Section II above) hereinafter designated paragraph "A" thereof:

"B. Notwithstanding the limitations imposed on the City of Sacramento by Article II, Section 10 of the California Constitution and Elections Code Section 9217 as a consequence of the voters' passage of this Act, the City Council shall have the authority to establish, from time to time, on and after July 1, 2012, without a vote of the people, higher or lower monthly service rates than those mandated under Section II above provided that the City Council, in the exercise of such authority, does not increase any of the monthly service rates by a percentage amount which exceeds total increases in the cost of living in the one-year period preceding the effective date of such increase. This Subsection B shall be deemed a "provision" within the meaning of the final sentence of Elections Code Section 9217 and adjustments by the City Council in monthly service rates permitted under this Subsection B shall be construed as permitted "amendments" of the Act within the meaning of Article II, Section 10(c) of the California Constitution.

For the purposes of this section, the following terms shall have the following meanings: (1) an "increase" of a "monthly service rate" shall be construed to include all increases (including the proposed increase) in a monthly service rate occurring in the same fiscal year; (2) the phrase "one-year period preceding the effective date of such increase" shall mean a period of time beginning on the first day of the fourteenth (14th) calendar month prior to the effective date of any increase and ending twelve (12) calendar months thereafter; and (3) the phrase "increases in the cost of living" shall mean increases in the All Items Consumer Price Index for All Urban Consumers for the U.S. City Average, with an index base period of 1982-1984=100, published by the Bureau of Labor Statistics, United States Department of Labor (hereinafter, the "CPI-U"). If the CPI-U, as now constituted, compiled and published shall cease to be compiled and published, or is calculated on a significantly different basis following the effective date of this measure, the most comprehensive official index published that most closely approximates the rate of inflation shall be used in its place and stead for purposes of this section."

SECTION IV: Severability.

If any provision of this measure or the application thereof to any person, entity or circumstance is held invalid, that invalidity shall not affect other provisions or applications, and to this end the provisions of this measure are severable.

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Exhibit A-2

ORDINANCE NO. _

Adopted By the Sacramento City Council

On _____

AN ORDINANCE AMENDING SECTION 3.08.120, SECTION 3.08.170 AND ADDING SECTION 3.08.035 TO CHAPTER 3.08 TITLE 3 OF THE SACRAMENTO CITY CODE APPLYING THE BUSINESS OPERATIONS TAX TO MARIJUANA BUSINESSES AT A HIGHER TAX RATE

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1

This ordinance amends section 3.08.120 and 3.08.170 of, and adds section 3.08.205 to, Chapter 3.08 Title 3 of the Sacramento City Code, and is made effective by voter approval of a business operations tax ballot measure.

SECTION 2

BACKGROUND

- A. Through the passage of Proposition 215 in 1996, the voters of California authorized the use of marijuana for medical purposes.
- B. Every person engaged in business activity in the City of Sacramento is required to obtain a business operations tax certificate and pay the City's business operations tax.
- C. The City's business operations tax is based, in part, on the type of business subject to the tax. Currently, medical marijuana businesses are taxed like most other businesses, based on gross receipts.
- D. Proposition 19, if approved by the voters at the November 2, 2010, General Election, will legalize the commercial sale, use, and possession of marijuana for other than medical use.
- E. In applying the business operations tax to marijuana businesses, the City Council is mindful of the fact that the economic burden of taxes imposed on businesses may be directly or indirectly passed on to their customers, in whole or in part. To help mitigate the economic burden that this tax may have on users of medical marijuana, it is the intent of the City Council to tax medical marijuana businesses at a lower rate than businesses that engage in the commercial sale of marijuana for

nonmedical use.

- F. The City now desires to tax marijuana businesses as a specific category subject to a higher tax rate, and to give the City Council authority to implement lower rates as it deems appropriate.
- G. The ordinance will require annual financial audits of tax expenditures and will require voter approval of increases to the tax rates above the authorized maximum rates.
- H. Increasing the business operations tax requires voter approval.
- I. A measure that would give effect to this ordinance is proposed for placement on the November 2, 2010, ballot.
- J. The City depends upon the revenue generated by the business operations tax to continue providing essential City services supported by the City's general fund, such as police, fire protection, and emergency response.

SECTION 3

Section 3.08.120 of the Sacramento City Code is amended to read as follows:

3.08.120 Application for first certificate.

A person making application for the first certificate to be issued, or for a newly established business or for a new ownership of a previously established-business, shall furnish to the administrator a sworn statement, on a form provided by the administrator, setting forth the following information:

- A. The exact nature or kind of business for which a certificate is requested;
- B. The place where such business is to be carried on, and if the business is not to be carried on at any permanent place of business, the places of residence of the owners of the business;
- C. The fictitious name or names under which the business will be operated, if any, and the name of the person to whom the certificate is issued; D. Such further information as the administrator may deem necessary to enable him or her to issue the certificate applied for, including but not limited to gross receipts information for the current and prior years.

The administrator may also collect demographic information from each applicant. This data shall be provided on a voluntary basis.

SECTION 4

Section 3.08.170 of the Sacramento City Code is amended to read as follows:

3.08.170 Gross receipts.

Every person not falling within the categories described in Sections 3.08.180, 3.08.190, 3.08.200, and 3.08.205 of this chapter shall pay an annual business operations tax as follows:

- A. Every person which has gross receipts of ten thousand dollars (\$10,000.00) or less shall pay a tax of thirty dollars (\$30.00) for each year.
- B. Every person which has gross receipts in excess of ten thousand dollars (\$10,000.00), shall pay a tax of thirty dollars (\$30.00) plus \$.0004 for each dollar of gross receipts in excess of ten thousand dollars (\$10,000.00) for the reporting period; provided, however, that the maximum annual tax liability for any person under this section shall be five thousand dollars (\$5,000.00).

SECTION 5

A. This Section 5 shall become operative only if the "Regulate, Control, and Tax Cannabis Act of 2010," adding Article 5 of Chapter 5 of Division 10 of the Health and Safety Code (commencing with section 11300), is not approved by the voters in the General Election on November 2, 2010.

B. Section 3.08.205 is added to Chapter 3.08 of the Sacramento City Code to read as follows:

3.08.205 Marijuana businesses.

- A. Every person engaged in a marijuana business shall pay an annual business operations tax as follows:
 - 1. On and after July 1, 2011, four percent (40/0) of each dollar of gross receipts for the reporting period.
 - 2. Notwithstanding the tax rate imposed in subsection A.1, the City Council may, in its discretion, at any time by resolution implement any lower tax rate it deems appropriate, and may by resolution increase such tax rate from time to time, not to exceed the maximum rate established under subsection A.1.
- B. For purposes of this section, the following terms have the following meanings:
 - "Gross receipts" has the meaning as defined in section 3.08.020, as it pertains to the marijuana business' reporting period, and includes receipts from the sale of marijuana and from the sale of paraphernalia used for consuming marijuana and any other products, goods, or services sold or provided by the marijuana business.

"Marijuana" or "Cannabis" has the meaning as defined in California Health and

Safety Code section 11018.

"Marijuana 'business'" means a business activity including, but not limited to, planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, providing, or selling wholesale and/or retail sales of marijuana. A marijuana business includes any facility, building, structure or location, whether fixed, mobile, permanent or temporary, where marijuana is made available, sold, given, distributed, or otherwise provided in accordance with Health and Safety Code section 11362.5 and Article 2.5 of Chapter 6 of Division 10 of the Health and Safety Code (Health and Safety Code section 11362.7 et seq.). A marijuana business includes medical marijuana "cooperatives" and "collectives" that are established as not for profit businesses.

"Reporting period" means a year, quarter or calendar month, as determined by the administrator.

C. The provisions of section 3.08.210 do not apply to any marijuana business.

SECTION 6

A. This Section 6 shall become operative only if the "Regulate, Control, and Tax Cannabis Act of 2010," adding Article 5 of Chapter 5 of Division 10 of the Health and Safety Code (commencing with section 11300), is approved by the voters and becomes effective on or before July 1, 2011.

B. Section 3.08.205 is added to Chapter 3.08 of the Sacramento, City Code to read as follows:

3.08.205 Marijuana businesses.

A. Every person engaged in a marijuana business under Health and Safety Code section 11362.5 and Article 2.5 of Chapter 6 of Division 10 of the Health and Safety Code (Health and Safety Code section 11362.7 et seq.) shall pay an annual business operations tax as follows:

1. On and after July 1, 2011, four percent (4%) of each dollar of gross receipts for the reporting period.

2. Notwithstanding the tax rate imposed in subsection A.1, the City Council may, in its discretion, at any time by resolution implement any lower tax rate it deems appropriate, and may by resolution increase such tax rate from time to time, not to exceed the maximum tax rate established under subsection A.1.

B. Every person engaged in a marijuana business pursuant to the "Regulate, Control, and Tax Cannabis Act of 2010," adding Article 5 of Chapter 5 of Division 10 of the Health and Safety Code (commencing with section 11300), shall pay an annual

business operations tax as follows:

1. On and after July 1, 2011, ten percent (10%) of each dollar of gross receipts for the reporting period.

2. Notwithstanding the tax rate imposed in subsection 8.1, the City Council may, in its discretion, at any time by resolution implement any lower tax rate it deems appropriate, and may by resolution increase such tax rate from time to time, not to exceed the maximum tax rate established under subsection 8.1.

- C. For purposes of this section, the following terms have the following meanings: "Gross receipts" has the meaning as defined in section 3.08.020, as it pertains to the marijuana business' reporting period, and includes receipts from the sale of marijuana and from the sale of paraphernalia used for consuming marijuana and any other products, goods, or services sold or provided by the marijuana business. "Marijuana" or "Cannabis" has the meaning as defined in California Health and Safety Code section 11018. "Marijuana business" means a business activity including, but not limited to, planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, providing, or selling wholesale and/or retail sales of marijuana. A marijuana business includes any facility, building, structure or location, whether fixed, mobile, permanent or temporary, where marijuana is made available, sold, given, distributed, or otherwise provided in accordance with Health and Safety Code section 11362.5 and Article 2.5 of Chapter 6 of Division 10 of the Health and Safety Code (Health and Safety Code section 11362.7 et seq.), or Article 5 of Chapter 5 of Division 10 of the Health and Safety Code (commencing with section 11300). A marijuana business includes medical marijuana "cooperatives" and "collectives" that are established as not for profit businesses. "Reporting period" means a year, quarter or calendar month, as determined by the Administrator.
- D. The provisions of section 3.08.210 do not apply to any marijuana business.

SECTION 7

Amendment or Repeal. The maximum business operations tax imposed by this ordinance may be decreased, repealed, or amended by the City Council, but may not be exceeded without a vote of the people as required in California Constitution Article XIII C and California Government Code section 53750(h).

SECTION 8

Audit of business operations tax. The City shall annually audit the business operations taxes imposed by this ordinance to verify that tax revenues have been properly expended in accordance with the law. The annual audit shall be performed under the direction of the Director of Finance by a qualified independent third party employing reasonable, cost-effective procedures.

SECTION 9

Severability. If any portion of this ordinance is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, the remaining portions of this ordinance shall remain in effect. The people of the City of Sacramento hereby declare that they would have adopted each portion of this ordinance, notwithstanding the fact that anyone or more portions of this ordinance is declared invalid or unenforceable and, to that end, the provisions of this ordinance are severable.

SECTION 10

Majority Approval; Effective Date. This ordinance shall be effective only if approved by a majority of the voters voting on this ordinance and shall go into effect ten days after the vote is declared by City Council.

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Exhibit A-3

ORDINANCE NO. _

Adopted By the Sacramento City Council

On _____

AN ORDINANCE ESTABLISHING A PARCEL TAX TO FUND YOUTH PROGRAMS AND ESTABLISHING THE SACRAMENTO YOUTH JOBS AND OPPORTUNITY CITIZENS' ADVISORY BOARD

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. Title.

This Act shall be known and may be cited as the "Youth Jobs and Opportunity Act" (or "Act").

Section 2. Findings and Purpose.

The people of the City of Sacramento hereby make the following findings and declare that their purpose in enacting this Act is as follows:

a. Far too many of our youth lack the basic skills needed to be successful in today's competitive workforce. The shortfall in workers with basic skills will cost the United States economy as much as \$16 billion annually in lost productivity. Similar trends exist right here in Sacramento and will limit our economic potential unless we take proactive steps to develop the next generation of skilled workers.

In order to remain competitive in today's changing global economy, Sacramento's young people must be provided with the support, experiences and opportunities that will prepare them to thrive in the workforce and make positive contributions to the community. The strength of Sacramento's economy and community requires a well-educated and skilled workforce now and into the future.

Sacramento has proven local examples of programs that help youth gain valuable skills from job training and employment opportunities. In 2009, the Sacramento Employment and Training Agency provided job skills training to youth, employing these young people in a variety of sectors. Tests conducted after the program showed an increase in skills that participants did not have prior to joining the program. However, these programs require resources and support to continue and succeed. This measure will ensure that successful programs like this receive the resources and support to provide job training, work experience, life skills and opportunity for local Sacramento youth.

b. According to Sacramento Police Department data, youth ages 16-24 in Sacramento make up between 30-35% of homicide victims each year and make up 50-65% of homicide suspects per year over each of the last four years. Over 80% of both homicide victims and suspects were previously in the state or county juvenile justice system.

Investing in young people and their academic and workforce success now will prevent additional costs to taxpayers that come from unemployment and incarceration. According to the Sacramento County Office of Probation, the average cost to host a youth in juvenile detention or prison is \$92,000 per year. The programs and services funded by this measure create the positive pathways for at-risk youth that steer them away from crime and into productive pursuits. In turn, this saves taxpayers money, creates safer neighborhoods, protects our property values and enhances the quality of life in our community.

c. For the 2006-07 academic school year, in Sacramento County, 13,601 students graduated from public high schools. Of those, only 3,099 met University of California/California State University enrollment requirements. The percentage of Sacramento County graduating seniors meeting these requirements has decreased steadily from 34% in 2002-03 to 28% percent in 2006-07.

Truancy centers in Sacramento are working to reverse these trends. Three truancy centers in Sacramento have demonstrated successful results. At one center, 91 percent of students referred for services as of February 2007, are now attending school regularly. This measure will provide the funding needed to protect and expand programs like this that have produced positive and cost-efficient results.

d. The number of reported runaways increased in Sacramento by 35% between 2000 and 2007. In addition, approximately 375 foster care youth age out of the foster care system each year in Sacramento County. Statewide, 50% of foster care youth who leave the system will be homeless within 18 months and less than 50% will be employed 4 years later.

The National Research Council Institute of Medicine has found that the more support and assets youth have access to, the more likely they are to succeed. Continuous exposure to positive settings, experiences and people, as well as opportunities to gain life skills, supports positive development in youth. This measure makes an investment in supportive settings and high-quality opportunities for local youth to help them succeed despite any challenges they may face.

It is critically important to Sacramento's quality of life and economic future to increase the number of young people in Sacramento ready for work and positive adulthood through: (1) increasing youth jobs and job preparation; (2) increasing the number of young people achieving higher education; and (3) reconnecting at-risk youth to pathways of opportunity and productive contributions to their communities.

e. This measure will provide funding for youth between the ages of 11 to 25 years of age by establishing an annual \$29 parcel tax for:

1. Youth Jobs and Workforce Readiness: There are limited opportunities for young people to gain employment and workforce readiness skills in Sacramento. Resources for employers to hire young people or offer them a stipend for internships are critical to expand these opportunities. Many youth also need job skills training in order to qualify for even an entry level job. Workforce readiness for younger youth could include community service opportunities and career awareness promotion at schools. Many youth are also unaware of apprenticeships that could lead to a successful career and this measure would support an increase of young people taking advantage of these opportunities.

2. Improving Academic Achievement: Success in the workforce is increasingly dependent on academic success and at least a high school diploma. Increasing attendance and graduation rates is crucial for Sacramento's ability to prepare the workforce of the future. This measure would support after-school programs that would increase academic achievement as well as evidence-based strategies to reduce drop-outs and truancy. The Student Attendance Centers in Sacramento are one example of a successful collaborative strategy that has significantly reduced truancy at three local high schools, also reducing local neighborhood crime in the process.

3. Reconnecting At-Risk Youth with Workforce: There is a significant population of young people who could be contributing positively to our community economically and socially, but instead are headed towards repeated incarceration and life on the streets due to gang involvement and other high risk behaviors. These at-risk youth need intensive outreach and increased wrap-around services to reconnect them to completing high school and being prepared for the workforce. The at-risk youth population also includes young people currently on probation or parole, as well as those who have recently been involved in the juvenile justice system who want to change their life's direction. These young people need increased opportunities to job training, mental health, anger management and other services, as well as increased caring adults (or street outreach workers) who can connect them to these services.

f. Sacramento taxpayers deserve to know that their tax dollars are spent properly. Accordingly, this measure includes the following specific taxpayer protections:

1. An independent citizen's advisory committee representing a broad range of community members (the Sacramento Youth Jobs and Opportunity Citizens' Advisory Board) will make recommendations for funding awards, review and report on the use of funds to ensure that the monies are used for the purposes specified in this measure

2. Annual audits of the funds from this measure are mandatory

3. By law, no more than 5% of the funding from this measure may be used for administration

4. No more than 5% of the funding will be used to evaluate the effectiveness of the programs receiving funding from this measure

5. An exemption for low income residents will ensure the cost of this measure is not a burden on residents such as seniors struggling to live on a fixed income

6. The parcel tax cannot be increased without a vote of the people of Sacramento

7. This measure will automatically expire in ten years and can only be extended by a vote of the people of Sacramento

Section 3. Terms of Annual Parcel Tax.

Special Youth Jobs and Opportunity Act

(a) There is hereby imposed a Special Youth Jobs and Opportunity Tax ("Special Tax") on each Parcel of real property within the City of Sacramento. The Special Tax shall be for each fiscal year, commencing with the fiscal year 2011-12.

(b) As used in this Act, a Parcel shall mean any parcel of land in the City of Sacramento which receives a separate tax bill for ad valorem taxes from the Sacramento County Assessor. All property which is otherwise exempt from or on which are levied no ad valorem property taxes in any year shall also be exempt from the parcel tax established by this Act.

Section 4. Low-income Exemption.

An exemption from the parcel tax established by this Act shall be made for owners of single family residential units in which they reside whose combined family income from all sources for the previous calendar year is at or below the income level qualifying as "very low income" for a family of such size under Section 8 of the United States Housing Act of 1937, 42 U.S.C.A. Sections 1437 et seq. for each year. The exemption shall be available pursuant to procedures to be prescribed by the Sacramento County Assessor.

Section 5. Allocation of Funds.

(a) All funds shall be expended in a manner that is consistent with the purposes of this Act. The funds shall be administrated by the City of Sacramento Office of Youth Development in accordance with the provisions of this Act. No more than 5% of funds shall be used to pay administrative costs and no more than 5% of funds shall go to evaluation costs. Funds from this Act shall not supplant existing local city funds for youth programs and services.

(b) In addition to funding evidence based programs, the advisory board shall give full consideration to creative and innovative programs that meet the criteria listed below

(c) Allocation:

A. A minimum of 40% of funding shall go towards youth jobs and work force readiness. Funding uses consistent with the Act shall include, but are not limited to:

- Subsidies of youth jobs and internships, including summer and year-long placements
- Increasing participation in apprenticeships
- Job training and pre employment skills development
- Service opportunities and career awareness for younger youth

B. A minimum of 20% of funding shall go towards improving academic achievement. Funding uses consistent with the Act shall include, but are not limited to:

- Afterschool academic enrichment and tutoring programs
- Evidence-based drop-out prevention strategies
- Truancy reduction programs
- College preparatory programs that strengthen the pipeline from middle school through completion of a bachelor's degree

C. A minimum of 20% of funding shall go towards reconnecting youth involved in gang activity and other at-risk youth to the workforce and community. Programs consistent with the Act must serve youth who are on parole or probation, chronically truant, or have dropped out of school. Funding uses shall include, but are not limited to:

- Street outreach workers
- Intensive employment and on the job training
- Intensive mentoring/case management
- Supportive services for juveniles exiting justice system to reduce recidivism rates
- Counseling for families of at-risk youth

(c) City Council Decision on Specific Allocation of Funds.

A. The City Council shall make the final decision on the expenditure of all funds produced by this Act.

B. Before approving any expenditure, the City Council shall first review the recommendations of the Sacramento Youth Jobs and Opportunity Advisory Board created pursuant to Section 6 of this Act. If the City Council decides not follow the recommendations of the Advisory Board, the City Council shall provide a full explanation in writing as to the reasons for not following the recommendations. In addition, the City Council shall hold at least one public hearing to receive comments from residents of the City of Sacramento as to whether they agree or disagree with the City Council's decision to not follow the recommendations. After the public hearing is

held, the City Council shall place on their agenda a vote to reconsider their action to not follow the recommendations of the Advisory Board. In the event that the City Council does not follow the recommendations of the Advisory Board after reconsideration of their original action, the expenditures of funds produced by this Act approved by the City Council must comply with the requirements of Section 5 (b) of this Act.

Section 6. Creation of Sacramento Youth Jobs and Opportunity Citizen's Advisory Board.

There is hereby established a citizens' advisory board to be called the "Sacramento Youth Jobs and Opportunity Citizens' Advisory Board" ("Advisory Board") which shall annually review the revenues, expenditures, and delivery of projects and programs as long as the tax is in place. The Advisory Board shall meet no less than four times a year and will make recommendations for funding awards and allocations based on recommendations from the administrative staff, the community at large and its own deliberations. All allocations shall be consistent with the Act. The Advisory Board shall annually make a report to the Mayor, the City Council, and the public on the expenditure of revenues received under the provisions of this Act. The Advisory Board shall monitor the implementation, quality and performance of programs and activities funded by revenues received under the provisions of this Act.

Advisory Board appointments must be made within 60 days of the effective date of the Act. The Advisory Board membership shall consist of eleven (11) members appointed at large by a majority vote of the Sacramento City Council and shall serve three (3) year terms. The Advisory Board membership shall be appointed for staggered terms to prevent termination of service for all Advisory Board members simultaneously. During the first session of the Advisory Board six (6) members will be drawn randomly to have their terms up for re-appointment by the City Council after one and one half (1 ½) years of service. Members shall be permitted to serve multiple terms. The City Council shall issue a periodic call for applicants. The Advisory Board members shall consist of members with the following qualifications:

- 2 youth (including one youth from the Sacramento City Youth Commission)
 - one youth who is a member of the Sacramento City Youth Commission
 - one youth who is a former or current participant in a youth development program for at risk-youth
 - youth must be between the ages of 11- 25 while serving on Advisory Board
- 1 business community representative
- 1 labor community representative
- 1 education community representative
- 1 youth service provider representative
- 1 rank and file law enforcement officer
- 1 representative from the faith community
- 1 at-large community member
- 1 parent with school aged children between the ages of 11-25

- 1 member representing either the County of Sacramento Human Services or the County of Sacramento Workforce Investment Board.

Advisory Board Duties:

A. The Advisory Board shall develop criteria and timeline for funding approval no more than 120 days after the Advisory Board is appointed by the City Council. The Advisory Board shall have three (3) committees reflecting the funding allocation categories of youth jobs and workforce readiness, academic supports, and reconnecting at-risk youth with workforce and community.

B. The Advisory Board shall develop clear measurements and goals to gauge the success of this Act. Measurements shall include, but are not limited to, the following:

- i. Number of young people placed into jobs;
- ii. Number of young people completing workforce preparation programs;
- iii. Number of young people placed into apprenticeship programs;
- iv. Number of young people who increase their school attendance;
- v. Number of young people who improve their academic performance;
- vi. Decreased recidivism rates.

C. A member of the Advisory Board shall not make or participate in the making of any decision by the Advisory Board where he or she knows that he or she has a financial interest.

Section 7. Annual Audit and Program Evaluation.

The City Auditor shall annually complete an audit of expenditures as part of the administrative costs. No more than 5% of funds shall go towards program evaluation. The City Council shall hire an independent evaluator who shall annually review and evaluate the effectiveness of programs and services funded by revenues produced by this Act and shall publish the findings of the evaluation. Programs shall be evaluated according to how effectively they accomplish the purposes of this Act, measured according to evaluation metrics developed by the Advisory Board.

Section 8. Tax Rate.

The tax imposed on each Parcel of real property shall be \$29.00 dollars per fiscal year.

Section 9. Youth Investment Special Fund.

a. There is hereby established a special fund in the City Treasury entitled the Youth Investment Special Fund ("Special Fund"). The funds collected pursuant to this Act shall be placed in the Special Fund to be used exclusively for the purposes for

which the tax is imposed. Nothing in this section shall prevent the use of these funds to reimburse the General Fund when money is advanced from the General Fund to pay for the uses provided for in this article and recommended by the Board. All interest earning generated by funds on deposit in the Special Fund shall remain in the Special Fund to be used only for the purposes of the Special Fund.

b. If at the end of any fiscal year, any unencumbered money raised may be used in a succeeding fiscal year for the purposes stated in the Act.

Section 10. Expiration Date.

The tax imposed pursuant to Section 3 of this Act shall expire on December 31, 2020.

Section 11. Amendment of Act.

This Act may be amended only by the voters at a City election.

Section 12. Severability.

If any provision of this Act or any application thereof to any person or circumstance, is held invalid, such invalidity shall not affect any provision or application of this Act that can be given effect without the invalid provision or application. To this end, the provisions of this Act are severable.

Section 13. Voter Approval; Effective Date.

This ordinance (referred to herein as the "Act") shall be effective only if approved by two-thirds (2/3) of the voters voting on this ordinance and shall go into effect ten days after the vote is declared by City Council.