

CITY ATTORNEY IMPARTIAL ANALYSIS OF MEASURE Y

If adopted by voters, Measure Y would approve an ordinance enacting a half-cent (0.5%) transactions and use tax locally in the City of Pacifica. A “transactions and use tax” is commonly referred to as a “sales tax.” If approved, the measure would impose a City tax that would add one half cent to the cost of a \$1.00 item purchased in Pacifica. The Measure would amend Title 3 (Finance) of the Pacifica Municipal Code to add a new Chapter 19, “Transactions and Use (Sales) Tax.” The tax would be assessed on the sale of tangible personal property and the storage, use, or other consumption of such property. If approved, the sales tax would become effective and begin collection on April 1, 2023, and would remain in effect for 9 years.

This tax would be a general tax, meaning that revenues raised from the tax would go into the City’s general fund and could be used for any general governmental purposes of the City, including but not limited to police, fire, and medical 9-1-1 emergency response, addressing pollution, business development, erosion control and street and storm drain maintenance to prevent flooding.

If approved, the tax would begin being collected on April 1, 2023, and would expire after 9 years. The California Department of Tax and Fee Administration would administer the tax. The tax would be paid in addition to current sales taxes and would be collected at the same time and in the same manner as existing sales taxes. Both City residents and visitors would pay this tax on retail sales activity in Pacifica. Certain necessities of life, such as groceries or prescription medicine, would be exempt from the tax. By law, all revenues raised by the Measure would belong to the City of Pacifica and could not be taken by the State or any other agency.

The City estimates that the proposed sales tax will generate an additional \$2.6 million annually, but the actual amounts raised will vary based on the level of sales and use occurring in Pacifica. The Measure requires the City Council to create and appoint a Citizen’s Oversight Committee to review the revenues generated and expenditure of funds, and would subject revenues generated as a result of the measure to the same audit requirements that the City uses for the general fund.

In order for Measure Y to be approved, the voters must pass the Measure by a simple majority vote (greater than fifty percent (50%)) vote.

A “yes” vote is a vote to adopt the tax.

A “no” vote is a vote against the tax.

The above statement is an impartial analysis of Measure Y. The full text of Measure Y is printed in the Voter's Information Pamphlet and is also available on the City of Pacifica’s website at: <http://www.cityofpacific.org>. If you desire a copy of the Measure, please call the City Clerk’s office at (650) 738-7307 and a copy will be mailed at no cost to you.

/s Michelle Marchetta Kenyon, City Attorney
City of Pacifica