



## AGENDA

### MEASURE U CITIZENS OVERSIGHT COMMITTEE COMMUNITY WORKSHOP 3:00 PM TUESDAY, JANUARY 28, 2025

Jamie Baker  
Henry Haugse  
Adelia Kehoe  
Frank Smithson  
Geoff Yarema

**AGENDA AND SUPPORTING MATERIALS** – Available for viewing 8:00a.m.-5:00p.m. at City Hall, 1644 Oak Street, Solvang, and on the City’s website <https://www.cityofsolvang.com/agendacenter>. Additional writings distributed to a majority of the Committee after the posting of the agenda will be made available at City Hall and on the City’s website.

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**PARTICIPATING IN THE MEETING** –Measure U Advisory Body meetings will be in person only.

**PUBLIC COMMENT** - The public is encouraged to address the Committee in-person or in-writing on agenda and non-agenda items. If provided in writing, comments must be submitted to the City Clerk at [cityclerk@cityofsolvang.com](mailto:cityclerk@cityofsolvang.com) by 5:00 p.m. on the Friday before the meeting to be considered. Your comment will be recorded and distributed appropriately. In person comments on agenda items will be heard at the time each item is considered, including non-agenda items.

**CAMPAIGN CONTRIBUTION DISCLOSURE** - Pursuant to Government Code Section 84308, any party to a City proceeding must disclose on the record any campaign contributions made to a member of the Advisory Body in excess of \$250 in the past 12 months. This disclosure requirement includes contributions by the party’s agent and aggregated contributions from persons or entities related to the party. Please make the disclosure as soon as possible, but not later than the beginning of the proceeding.

**AMERICANS WITH DISABILITIES ACT** - If, as a participant of this meeting, you need special assistance the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk at either (805) 688-5575 x206 or [cityclerk@cityofsolvang.com](mailto:cityclerk@cityofsolvang.com). 72- hours’ notice is requested.

### 3:00 PM WORKSHOP

#### 1. CALL TO ORDER

ROLL CALL  
PLEDGE OF ALLEGIANCE

#### 2. DISCUSSION ITEMS

- a. Staff Request for Assistance in Prioritizing Measure U Fund Expenditures
- b. Staff Request for Committee Input to Develop Policy Guidelines

#### 3. COMMITTEE MEMBERS’ CLOSING COMMENTS



# MEASURE U OVERSIGHT COMMITTEE STAFF REPORT

## AGENDA ITEM 2.a

Meeting Date: January 28, 2025

**SUBJECT:** Staff Request for Assistance in Prioritizing Measure U Fund Expenditures

**PREPARED BY:** Wendy Berry, Administrative Services Director  
Olivia Uribe-Mutal, Management Analyst

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### DISCUSSION:

The purpose of the workshop is for the Measure U Citizen's Oversight Committee to facilitate community input for Council consideration of prioritization of Fund expenditures.

Measure U, a general tax known as the Solvang Local Control and Essential Services Measure, was placed on the ballot by the City Council through Resolution 22-1180 (Attachment D) and approved by Solvang voters on November 8, 2022. This measure established a one percent sales tax to protect and maintain funding for City of Solvang services such as pothole, and street repair, flammable brush removal, 911 emergency response, neighborhood police patrols, recreation programs, and general government use with independent citizen oversight and no money for administrative overhead.

The Council approved the Citizen's Oversight Committee on April 10, 2023, by adopting Ordinance No. 23-0364 (Attachment E), which codified the Committee established through Resolution 23-1207. This followed Ordinance No. 22-0363, which implemented Measure U and included provisions for the creation of the oversight committee.

The Purpose and Scope for the committee as adopted by Council is to be an 'advisory committee' appointed to review the revenue and expenditure of funds from the tax established by Ordinance No. 22-0363 and to help ensure accountability to voters regarding such expenditures.

The General Duties specified in the ordinance include:

- A. 'The Committee shall serve in an advisory capacity to the City Council and shall have no independent authority to expend or direct the expenditure of funds received by the City under Measure U.
- B. The Committee may conduct hearings, review reports, request funding from the City Council for independent audits of Measure U funds, receive presentations, provide comments, make findings and recommendations, and issue reports to the City Council related to implementation of Measure U and the expenditure of funds received under Measure U.

The categories identified in the ballot language as outlined in Resolution 22-1180 include:

- Potholes and street repair
- Flammable brush removal
- 911 emergency response
- Neighborhood police patrols
- Recreation programs
- General Government Use

The Council appointed five members to the Committee, which held three meetings in 2024.

In its inaugural year, the Committee recognized the need for greater clarity regarding the expenditures consistent with the will of the voters.

The workshop will provide an opportunity to explore potential uses of Measure U funds. Subsequent discussions can include ways the Committee can effectively serve the public. This entails analyzing reports on revenue collection and fund allocation to ensure expenditures align with the voter-approved

measure, evaluating the impact of funded programs and projects by providing feedback on their effectiveness, and issuing reports to the City Council and the public that summarize findings and communicate the impact of Measure U revenues. Additionally, the Committee may focus on offering broad recommendations to the City Council and administration on strategic opportunities or challenges related to the use of funds and fostering broad community engagement to maintain transparency and accountability.

This process is intended to foster collaboration between the Committee, City Council, staff, and the public ensuring that the Committee's future work aligns with the spirit and intent of the original ballot measure.

The Committee has expressed its willingness to provide, if directed by the Council, oversight of Measure E funds. Staff is expected to bring this discussion item to the City Council soon.

For context, On November 5, 2024, City voters passed the general tax, Solvang Tourism Enhancement and Mitigation Measure known as Measure E, increasing by 2% Solvang's existing transient occupancy (hotel) tax charged to hotel guests only to continue funding Solvang tourism-related services, such as pothole, street/ sidewalk repair; traffic safety, parking relief; senior, adult/ youth recreation programs; 911 response; and general government use.

**ATTACHMENTS:**

A: Workshop Discussion

B: Revenue and expense from 7/01/2023-06/30/2025

C. Budget Detail 2024-2025

D: Resolution 22-1180

E: Ordinance No. 23-0364.

## Workshop Discussion

Prioritize city-identified projects and brainstorm additional projects for each category outlined in the ballot language of Measure U.

- **Potholes and street repair**
  - Sidewalk and curb repair
  - Road maintenance
  - Additional suggestions
  
- **Flammable brush removal**
  - HCA Park, goat weed abatement, supplemental brush clearance and tree trimming
  - Fire Safety
  - Additional suggestions
  
- **911 Emergency response and neighborhood police patrols**
  - Camera/video surveillance system
  - Supplemental police services beyond contracted services
  - Additional suggestions
  
- **Recreation programs**
  - Parks and Recreation Masterplan
  - Pickleball Courts
  - Solvang Park Upgrades
  - Additional suggestions
  
- **General Government Use**
  - Marketing
  - Parking improvements
  - Visitor bureau
  - Crossing guards
  - Additional suggestions



City of Solvang



# Account Detail

Date Range: 07/01/2023 - 06/30/2025

Account		Name	Beginning Balance	Total Activity	Total Debits	Total Credits	Ending Balance	
<b>Fund: 207 - MEASURE U</b>								
<u>207-2700-807-30002</u>		Sales Tax	0.00	-3,167,184.64	864,415.46	4,031,600.10	-3,167,184.64	
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance
07/01/2023	GLPKT21972	JN06108	Accrue May 2023 Measure U Revenue			160,380.72		160,380.72
07/01/2023	GLPKT22270	JN06184	Accrue June 2023 Measure U Revenue			261,894.48		422,275.20
07/24/2023	CLPKT07238	R00205397	May 2023 May 2023 STATE OF CA				160,380.72	261,894.48
08/28/2023	CLPKT07316	R00207175	Qtr 2 2023 Qtr 2 2023 STATE OF CA				261,894.48	0.00
09/25/2023	CLPKT07370	R00208697	July 2023 July 2023 STATE OF CA				117,595.74	-117,595.74
10/24/2023	CLPKT07431	R00210241	August 2023 August 2023 STATE OF CA				146,894.33	-264,490.07
11/27/2023	CLPKT07500	R00211892	3rd Quarter 3rd Quarter STATE OF CA				504,617.36	-769,107.43
12/26/2023	CLPKT07561	R00213528	October 2023 October 2023 STATE OF CA				120,232.62	-889,340.05
01/24/2024	CLPKT07635	R00215292	Nov 2023 Nov 2023 STATE OF CA				152,930.98	-1,042,271.03
02/26/2024	CLPKT07684	R00216741	4th Qtr Remit 4th Qtr Remit STATE OF CA				346,534.53	-1,388,805.56
03/25/2024	CLPKT07747	R00218412	January 2024 January 2024 STATE OF CA				148,327.95	-1,537,133.51
04/24/2024	CLPKT07813	R00219948	Feb 2024 Feb 2024 STATE OF CA				101,079.08	-1,638,212.59
05/24/2024	CLPKT07882	R00221570	Q1 2024 Q1 2024 STATE OF CA				242,351.53	-1,880,564.12
06/24/2024	CLPKT07939	R00223195	April 2024 April 2024 STATE OF CA				154,350.01	-2,034,914.13
06/30/2024	GLPKT24219	JN06763	Accrue May Measure U				152,780.41	-2,187,694.54
06/30/2024	GLPKT24487	JN06856	Accrue Sales Tax/Measure U June 2024				253,215.01	-2,440,909.55
07/01/2024	GLPKT24219	JN06763	Accrue May Measure U			152,780.41		-2,288,129.14
07/01/2024	GLPKT24487	JN06856	Accrue Sales Tax/Measure U June 2024			253,215.01		-2,034,914.13
07/02/2024	CLPKT07957	R00223524	04/24 Measure A Jun Remit 04/24 Measure				36,144.84	-2,071,058.97
07/02/2024	GLPKT24090	JN06701	Correct R00223524 Measure A Not Mesaur			36,144.84		-2,034,914.13
07/24/2024	CLPKT07998	R00224781	May 2024 May 2024 STATE OF CA				152,780.41	-2,187,694.54
08/26/2024	CLPKT08060	R00226390	June 2024 June 2024 STATE OF CA				253,215.01	-2,440,909.55
09/24/2024	CLPKT08118	R00228016	July 2024 July 2024 STATE OF CA				154,861.30	-2,595,770.85
10/24/2024	CLPKT08182	R00229586	August 2024 August 2024 STATE OF CA				150,759.06	-2,746,529.91
11/22/2024	CLPKT08255	R00231312	3rd Qtr 2024 3rd Qtr 2024 STATE OF CA				245,311.22	-2,991,841.13
12/24/2024	CLPKT08315	R00232850	October 2024 October 2024 STATE OF CA 99				175,343.51	-3,167,184.64
<u>207-2700-807-42001</u>		Interest Income	0.00	-98,872.95	11,011.47	109,884.42	-98,872.95	
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance
07/01/2023	GLPKT21892	JN06087	LAIF Q4 Interest Accrual			885.05		885.05
07/01/2023	GLPKT21914	JN06099	Amended Q4 LAIF Interest Accrual				53.69	831.36
07/15/2023	GLPKT21891	JN06086	QTR 4 LAIF INTEREST DEPOSIT				885.05	-53.69
07/15/2023	GLPKT21913	JN06098	Amended Q4 LAIF Interest Deposit			53.69		0.00
07/31/2023	GLPKT22039	JN06122	July Bank Interest				27.76	-27.76
08/31/2023	GLPKT22244	JN06179	August Bank Interest				60.05	-87.81

**Detail Report**

Date Range: 07/01/2023 - 06/30/2025

Account		Name	Beginning Balance	Total Activity	Total Debits	Total Credits	Ending Balance	
<a href="#">207-2700-807-42001</a>		Interest Income - Continued	0.00	-98,872.95	11,011.47	109,884.42	-98,872.95	
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance
09/29/2023	GLPKT22416	JN06243	September Bank Interest				85.91	-173.72
10/13/2023	GLPKT22472	JN06255	October LAIF Deposit				5,302.05	-5,475.77
10/31/2023	GLPKT22608	JN06309	October Bank Interest				136.57	-5,612.34
11/30/2023	GLPKT22788	JN06353	November Bank Interest				234.77	-5,847.11
12/29/2023	GLPKT22976	JN06420	December Bank Interest				197.06	-6,044.17
12/31/2023	GLPKT22975	JN06417	December FiveStar Interest				236.81	-6,280.98
01/12/2024	GLPKT23144	JN06454	Jan LAIF Interest Deposit				12,848.33	-19,129.31
01/31/2024	GLPKT23169	JN06467	January M, B&T Interest				280.09	-19,409.40
01/31/2024	GLPKT23170	JN06470	January Five Star Interest				1,918.02	-21,327.42
02/29/2024	GLPKT23309	JN06504	February Bank Interest				368.94	-21,696.36
02/29/2024	GLPKT23310	JN06506	Five Star February Interest				3,122.63	-24,818.99
03/29/2024	GLPKT23486	JN06547	March Bank Interest				320.70	-25,139.69
03/31/2024	GLPKT23487	JN06549	March Fivestar Interest				3,853.49	-28,993.18
04/15/2024	GLPKT23563	JN06570	March 2024 LAIF Interest				9,312.23	-38,305.41
04/30/2024	GLPKT23717	JN06608	April Interest				3,477.81	-41,783.22
04/30/2024	GLPKT23720	JN06609	April Interest				319.51	-42,102.73
05/31/2024	GLPKT23875	JN06651	May FiveStar Interest				3,743.00	-45,845.73
05/31/2024	GLPKT23876	JN06652	M, B&T May Interest				310.90	-46,156.63
06/28/2024	GLPKT24043	JN06688	June Interest				291.02	-46,447.65
06/30/2024	GLPKT24044	JN06690	June Interest				3,942.28	-50,389.93
06/30/2024	GLPKT24168	JN06745	FY 2023-24 Q4 LAIF Interest Accrual				8,803.65	-59,193.58
06/30/2024	GLPKT24442	JN06849	FY 2023-24 LAIF Fair Market Adjustment			1,269.08		-57,924.50
07/01/2024	GLPKT24168	JN06745	FY 2023-24 Q4 LAIF Interest Accrual			8,803.65		-49,120.85
07/15/2024	GLPKT24136	JN06729	Q4 LAIF Deposit					-57,924.50
07/31/2024	GLPKT24296	JN06778	M, B & T July Interest				8,803.65	-57,924.50
07/31/2024	GLPKT24297	JN06780	July Interest				387.45	-58,311.95
07/31/2024	GLPKT24297	JN06780	July Interest				285.83	-58,597.78
07/31/2024	GLPKT24298	JN06781	July Fivestar Interest				4,390.62	-62,988.40
08/30/2024	GLPKT24493	JN06857	August 2024 Interest				410.04	-63,398.44
08/31/2024	GLPKT24493	JN06859	August Interest Five Star				2,213.76	-65,612.20
08/31/2024	GLPKT24493	JN06860	August Interest CA Class				4,104.54	-69,716.74
09/30/2024	GLPKT24689	JN06934	Sept CA Class Interest				5,003.00	-74,719.74
09/30/2024	GLPKT24689	JN06935	Fivestar Sept Interest				1,736.25	-76,455.99
09/30/2024	GLPKT24689	JN06936	MBT Sept Bank fees and Interest				206.86	-76,662.85
10/15/2024	GLPKT24784	JN06956	LAIF INTEREST DEPOSIT				4,524.54	-81,187.39
10/31/2024	GLPKT24909	JN06992	M,B&T October Interest				222.36	-81,409.75
10/31/2024	GLPKT24909	JN06997	FIVESTAR October Interest				1,662.92	-83,072.67
10/31/2024	GLPKT24909	JN06998	CA CLASS October Interest				4,555.09	-87,627.76
11/30/2024	GLPKT25132	JN07033	November M, B & T Interest				250.29	-87,878.05
11/30/2024	GLPKT25132	JN07035	November FiveStar Interest				1,525.39	-89,403.44
11/30/2024	GLPKT25132	JN07036	November CA Class Interest				4,075.21	-93,478.65
12/31/2024	GLPKT25271	JN07069	M, B & T December Interest				296.37	-93,775.02
12/31/2024	GLPKT25271	JN07071	CA Class December Interest				3,678.84	-97,453.86

**Detail Report**

**Date Range: 07/01/2023 - 06/30/2025**

Account		Name			Beginning Balance	Total Activity	Total Debits	Total Credits	Ending Balance
<a href="#">207-2700-807-42001</a>		Interest Income - Continued			0.00	-98,872.95	11,011.47	109,884.42	-98,872.95
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance	
12/31/2024	GLPKT25271	JN07072	FIVESTAR December Interest				1,419.09	-98,872.95	
<a href="#">207-2700-807-56006</a>		Law Enforcement Contract			0.00	2,000,000.00	2,000,000.00	0.00	2,000,000.00
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance	
03/25/2024	APPKT06538	2084	Law Enforcement for April	10004 - Santa Barbara Co Sheriff Dept		248,340.00		248,340.00	
05/02/2024	APPKT06611	2129	Law Enforcement Services - May	10004 - Santa Barbara Co Sheriff Dept		248,340.00		496,680.00	
05/30/2024	APPKT06661	2155	Law Enforcement Services - June	10004 - Santa Barbara Co Sheriff Dept		3,320.00		500,000.00	
07/19/2024	APPKT06771	2217	Contracted Law Enforcement - July	10004 - Santa Barbara Co Sheriff Dept		255,411.00		755,411.00	
08/28/2024	APPKT06827	2266	Law Enforcement Services for August	10004 - Santa Barbara Co Sheriff Dept		255,411.00		1,010,822.00	
09/17/2024	APPKT06853	2297	Law Enforcement Services for September 20	10004 - Santa Barbara Co Sheriff Dept		255,411.00		1,266,233.00	
10/17/2024	APPKT06897	2327	Law Enforcement Services - October	10004 - Santa Barbara Co Sheriff Dept		255,411.00		1,521,644.00	
11/18/2024	APPKT06953	2366	Contracted Law Enforcement Services - No	10004 - Santa Barbara Co Sheriff Dept		255,411.00		1,777,055.00	
12/09/2024	APPKT07004	2375	Law Enforcement Services - December	10004 - Santa Barbara Co Sheriff Dept		222,945.00		2,000,000.00	
<a href="#">207-2700-807-57066</a>		Senior Services			0.00	450,000.00	450,000.00	0.00	450,000.00
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance	
01/06/2025	APPKT07051	INV0013034	Grant Funding FY2024-2025	10128 - SYV Senior Advisory Council/Solva		450,000.00		450,000.00	
<a href="#">207-2700-807-70985</a>		Public Spaces			0.00	237,512.76	237,512.76	0.00	237,512.76
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance	
09/25/2024	POPKT01536	3003	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		89,237.49		89,237.49	
09/25/2024	POPKT01536	3012	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		30,659.88		119,897.37	
11/05/2024	POPKT01552	3003A	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		14,872.91		134,770.28	
11/12/2024	POPKT01558	3012A	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		15,329.94		150,100.22	
12/05/2024	POPKT01564	24-621	Electrical work at Solvang Park for lightshow	10981 - D.L. Electric Inc.		7,495.00		157,595.22	
12/05/2024	POPKT01564	24-621/2	Electrical work at Solvang Park for lightshow	10981 - D.L. Electric Inc.		33,802.00		191,397.22	
12/06/2024	POPKT01564	24-621/3	Electrical work at Solvang Park for lightshow	10981 - D.L. Electric Inc.		6,577.06		197,974.28	
12/12/2024	POPKT01568	3003B	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		14,872.92		212,847.20	
12/12/2024	POPKT01568	4079	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		11,445.00		224,292.20	
01/16/2025	POPKT01581	3012 A	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		3,886.86		228,179.06	
01/16/2025	POPKT01581	3012 A	Solvang Park Lighting Project Julefest	11627 - Full Moon Audio Co.		9,333.70		237,512.76	
<b>Total Fund: 207 - MEASURE U:</b>					<b>0.00</b>	<b>-578,544.83</b>	<b>3,562,939.69</b>	<b>4,141,484.52</b>	<b>-578,544.83</b>
<b>Grand Totals:</b>					<b>0.00</b>	<b>-578,544.83</b>	<b>3,562,939.69</b>	<b>4,141,484.52</b>	<b>-578,544.83</b>

# Fund Summary

Fund	Beginning Balance	Total Activity	Total Debits	Total Credits	Ending Balance
207 - MEASURE U	0.00	-578,544.83	3,562,939.69	4,141,484.52	-578,544.83
<b>Grand Total:</b>	<b>0.00</b>	<b>-578,544.83</b>	<b>3,562,939.69</b>	<b>4,141,484.52</b>	<b>-578,544.83</b>



City of Solvang

# Budget Report Account Summary

For Fiscal: 2024-2025 Period Ending: 06/30/2025

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 207 - MEASURE U</b>								
<b>Department: 2700 - Measure U</b>								
<b>Program: 807 - Measure U</b>								
<b>Revenue</b>								
<a href="#">207-2700-807-30002</a>	Sales Tax	1,750,000.00	1,750,000.00	0.00	726,275.09	0.00	-1,023,724.91	41.50 %
<a href="#">207-2700-807-42001</a>	Interest Income	30,000.00	30,000.00	0.00	40,948.45	0.00	10,948.45	136.49 %
	<b>Revenue Total:</b>	<b>1,780,000.00</b>	<b>1,780,000.00</b>	<b>0.00</b>	<b>767,223.54</b>	<b>0.00</b>	<b>-1,012,776.46</b>	<b>43.10%</b>
<b>Expense</b>								
<a href="#">207-2700-807-56006</a>	Law Enforcement Contract	1,500,000.00	1,500,000.00	0.00	1,500,000.00	0.00	0.00	100.00 %
<a href="#">207-2700-807-57066</a>	Senior Services	450,000.00	450,000.00	0.00	450,000.00	0.00	0.00	100.00 %
<a href="#">207-2700-807-57067</a>	Recreation Services	75,000.00	75,000.00	0.00	0.00	0.00	75,000.00	0.00 %
<a href="#">207-2700-807-57068</a>	Fire Safety	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	0.00 %
<a href="#">207-2700-807-57069</a>	Street Repairs	250,000.00	250,000.00	0.00	0.00	0.00	250,000.00	0.00 %
<a href="#">207-2700-807-60005</a>	Emergency Plan/Supplies	70,000.00	70,000.00	0.00	0.00	0.00	70,000.00	0.00 %
<a href="#">207-2700-807-70959</a>	Traffic Improvements	200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	0.00 %
<a href="#">207-2700-807-70985</a>	Public Spaces	115,000.00	115,000.00	0.00	237,512.76	0.00	-122,512.76	206.53 %
	<b>Expense Total:</b>	<b>2,700,000.00</b>	<b>2,700,000.00</b>	<b>0.00</b>	<b>2,187,512.76</b>	<b>0.00</b>	<b>512,487.24</b>	<b>81.02%</b>
	<b>Program: 807 - Measure U Surplus (Deficit):</b>	<b>-920,000.00</b>	<b>-920,000.00</b>	<b>0.00</b>	<b>-1,420,289.22</b>	<b>0.00</b>	<b>-500,289.22</b>	<b>154.38%</b>
	<b>Department: 2700 - Measure U Surplus (Deficit):</b>	<b>-920,000.00</b>	<b>-920,000.00</b>	<b>0.00</b>	<b>-1,420,289.22</b>	<b>0.00</b>	<b>-500,289.22</b>	<b>154.38%</b>
	<b>Fund: 207 - MEASURE U Surplus (Deficit):</b>	<b>-920,000.00</b>	<b>-920,000.00</b>	<b>0.00</b>	<b>-1,420,289.22</b>	<b>0.00</b>	<b>-500,289.22</b>	<b>154.38%</b>
	<b>Report Surplus (Deficit):</b>	<b>-920,000.00</b>	<b>-920,000.00</b>	<b>0.00</b>	<b>-1,420,289.22</b>	<b>0.00</b>	<b>-500,289.22</b>	<b>154.38%</b>

### Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)
207 - MEASURE U	-920,000.00	-920,000.00	0.00	-1,420,289.22	0.00	-500,289.22
Report Surplus (Deficit):	-920,000.00	-920,000.00	0.00	-1,420,289.22	0.00	-500,289.22

**RESOLUTION NO. 22-1180**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLVANG, CALIFORNIA, APPROVING AN ORDINANCE ENACTING A LOCALLY CONTROLLED 1 CENT TRANSACTIONS AND USE (SALES) TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION, ORDERING THE SUBMITTAL OF SAID ORDINANCE TO THE VOTERS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2022, AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS THEREOF**

**WHEREAS**, Solvang residents prioritize pothole and street repair, flammable brush removal, 911 emergency response, neighborhood police patrols, recreation programs, and other vital city services as important priorities; and

**WHEREAS**, the City wishes to maintain services for Solvang citizens every year at the levels they expect and deserve; and

**WHEREAS**, the City needs additional funding to maintain, among other programs and services, pothole and street repairs, flammable brush removal, 911 emergency response, neighborhood police patrols, and recreation programs; and

**WHEREAS**, this measure will provide Solvang local control over local funds for local needs to benefit the Solvang community; and

**WHEREAS**, Tourists pay two-thirds of the sales tax, ensuring tourists continue to pay their fair share for City services; and

**WHEREAS**, this measure will require an independent citizens' oversight committee, financial audits and yearly reports to the community to ensure that all funds are spent as promised; and

**WHEREAS**, groceries and prescription medications are exempt from this measure; and

**WHEREAS**, the City Council proposes to submit to the voters of the City an Ordinance providing for the levy of a transactions and use (sales) tax.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOLVANG DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council hereby finds that the facts set forth in the recitals of this Resolution are true and correct, and establish the factual basis for the City Council's adoption of this Resolution.

**SECTION 2.** Section 7285.9 of the California Revenue and Taxation Code authorizes any city to levy, increase or extend a transactions and use tax for general purposes at a rate of 0.125 percent, or a multiple thereof, subject to approval by a two-thirds vote of all of the members of the City Council and by a majority of the qualified voters of the City voting in an election on the issue.

**SECTION 3.** By Resolution No. R-2022-1173, adopted on June 13, 2022, the City Council has previously called and given notice of the General Municipal Election to be held in the City on November 8, 2022, and to be consolidated with the statewide general election conducted on the same date. Pursuant to California Elections Code Sections 9222 and 10201, the City Council hereby orders that at the said election, a Transactions and Use Tax Ordinance be submitted to the voters for approval. The full text of the Solvang Transactions and Use Tax Ordinance is attached to this Resolution as Exhibit A and incorporated herein by reference. The measure to be submitted to the voters shall appear and be printed on the ballot as follows:

City of Solvang	
<p><b>Solvang Local Control and Essential Services Measure.</b> To protect and maintain funding for City of Solvang services, such as: pothole and street repair, flammable brush removal, 911 emergency response, neighborhood police patrols, recreation programs and general government use shall the City of Solvang adopt a measure establishing a local 1¢ sales tax, until ended by voters, providing \$1.6 million dollars annually that cannot be taken by the State, with independent citizen oversight, and no money for administrative overhead?</p>	YES
	NO

**SECTION 4.** The City Council hereby approves the proposed Solvang Transactions and Use Tax Ordinance, attached to this Resolution as Exhibit A, to be submitted to the voters. The proposed measure is a general tax, as defined in Article XIIC of the California Constitution, at a rate of 1.0% on transactions and uses in the City as defined in the Ordinance, to be collected by the California Department of Tax and Fee Administration. The Ordinance shall not take effect unless and until approved by a vote of at least a majority of voters voting on the question at the election.

**SECTION 5.** The City Attorney is hereby directed to prepare an impartial analysis of the measure pursuant to Elections Code Section 9280.

**SECTION 6.** The City Council hereby authorizes one or more of its members to submit a ballot argument in favor of or against the measure pursuant to Elections Code Section 9282.

**SECTION 7.** In all particulars not recited in this Resolution, the General Municipal Election shall be held and conducted as provided by law for holding municipal elections. All persons qualified and registered to vote in the City of Solvang as of the date of such election shall be entitled to vote.

**SECTION 8.** Notice of the time and place of holding the General Municipal Election is hereby given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in the time, form and manner as required by law, and to publish a synopsis of the measure as required by law.

**SECTION 9.** The City Clerk is hereby directed to submit a certified copy of this Resolution to the Santa Barbara County Clerk-Recorder's Office and to the Santa Barbara County Board of Supervisors.

**SECTION 10.** The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

**PASSED, APPROVED, AND ADOPTED** on this 27th day of June 2022.

DocuSigned by:

*Charles D. Uhrig*

AA641F9AC73D48C...

Charlie Uhrig, Mayor

APPROVED AS TO FORM:

ATTEST:

DocuSigned by:

*Dave Fleishman*

8CACE76DAD12485...

Dave Fleishman, City Attorney

DocuSigned by:

*Annamarie Porter*

2EFC6CE62C12406...

Annamarie Porter, City Clerk

STATE OF CALIFORNIA            )  
COUNTY OF SANTA BARBARA    )        ss  
CITY OF SOLVANG                )

I, Annamarie Porter, City Clerk of the City of Solvang, California do hereby certify that Resolution No. 22-1180 was passed and adopted by the City Council of the City of Solvang at a regular meeting of said City Council held on the 27th day of June 2022, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:            CLARKE, INFANTI, ORONA, THOMAS, UHRIG

NOES:            NONE

ABSTAIN:        NONE

ABSENT:         NONE

DocuSigned by:  
  
2EFC6CE62C12406...  
Annamarie Porter, City Clerk

## **EXHIBIT A**

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF SOLVANG CALIFORNIA IMPOSING A LOCALLY CONTROLLED ONE CENT TRANSACTIONS AND USE (SALES) TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION**

THE PEOPLE OF THE CHARTERED CITY OF SOLVANG DO ORDAIN AS FOLLOWS:

**SECTION 1.** Chapter 3-6 is hereby added to the Solvang Municipal Code to read as follows:

3-6-1. **SHORT TITLE.** This ordinance shall be known as the City of Solvang Local Control and Essential Services Measure. The City of Solvang hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

3-6-2. **OPERATIVE DATE.** "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

3-6-3. **PURPOSE.** This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2, authorizing the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3-6-4. **CONTRACT WITH STATE.** Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3-6-5. **TRANSACTIONS TAX RATE.** For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of 1.00% of

the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3-6-6. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3-6-7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of 1.00% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3-6-8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3-6-9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of the City shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;
2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.
3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
  - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
  - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3-6-10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3-6-11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance, in which case the tax rate shall be the rate in effect in the City prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance, in which case the tax rate shall be the rate in effect in the City prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance, in which case the tax rate shall be the rate in effect in the City prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3-6-12. AMENDMENTS. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3-6-13. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or

Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3-6-14. CITIZENS' OVERSIGHT COMMITTEE. Although not otherwise required by law, the city council shall, by resolution adopted before the operative date of this chapter, establish a citizens' oversight committee to review the revenue and expenditure of funds from the tax adopted by this chapter. The members' terms and qualifications, and duties and scope of the committee, shall be as established by the resolution."

**SECTION 2.** **SEVERABILITY.** If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**SECTION 3.** **EFFECTIVE DATE.** This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately upon approval by the voters.

**SECTION 4.** **CERTIFICATION.** The City Clerk shall certify the passage of this ordinance and forward a copy of the adopted ordinance to the California Department of Tax and Fee Administration.

**PASSED, APPROVED, AND ADOPTED** by the voters of the City of Solvang, State of California, at the General Municipal Election held on November 8, 2022.

\_\_\_\_\_  
Charlie Uhrig, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Dave Fleishman, City Attorney

\_\_\_\_\_  
Annamarie Porter, City Clerk

**ORDINANCE NO. 23-0364**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOLVANG, CALIFORNIA AMENDING SECTION 1-11-2 OF CHAPTER 11 (CONFLICT OF INTEREST), TITLE 1 (ADMINISTRATION) AND ADDING A NEW CHAPTER 6 (MEASURE U CITIZENS' OVERSIGHT COMMITTEE) TO TITLE 2 (BOARDS AND COMMISSIONS) THEREBY CODIFYING THE MEASURE U CITIZENS' OVERSIGHT COMMITTEE ESTABLISHED BY RESOLUTION NO. 23-1207 PURSUANT TO ORDINANCE NO. 22-0363, A TRANSACTION AND USE TAX ORDINANCE**

**WHEREAS**, on June 27, 2022 the City Council adopted Resolution No. 22-1180 ordering a Transactions and Use Tax Ordinance (also known as Measure U) providing for the imposition of a 1 cent sales tax to maintain funding for City of Solvang services to be submitted to voters for approval in the November 8, 2022 General Municipal Election; and

**WHEREAS**, on November 8, 2022 voters approved Measure U in the General Municipal Election and thereby adopted Ordinance No. 22-0363, "An Ordinance of the City of Solvang California Imposing a Locally Controlled One Cent Transactions and Use (Sales) Tax to be Administered by the California Department of Tax and Fee Administration"; and

**WHEREAS**, Ordinance No. 22-0363, as approved by voters, requires the City Council to adopt a resolution establishing a Citizens' Oversight Committee "to review the revenue and expenditures of funds" from the aforementioned tax and to set the Committee members' terms, qualifications, duties and the scope of the committee; and

**WHEREAS**, on March 13, 2023 by Resolution 23-1207, the City Council formed the Measure U Citizens' Oversight Committee, but the Council wishes to memorialize the formation of the committee in the City's municipal code by ordinance and to add committee membership as a designated filing position for conflicts of interest purposes.

**NOW, THEREFORE**, the people of the chartered City of Solvang do ordain as follows:

**SECTION 1.** The Recitals set forth above are true and correct and are adopted as findings in support of this Ordinance.

**SECTION 2.** The City Council hereby amends and restates Section 1-11-2.B to read as follows, with all other provisions of Section 1-11-2 remaining the same:

B. Designated positions are set forth below in this subsection. Each person filling a designated position, and any person filling a designated position on a temporary or acting basis for more than thirty (30) consecutive calendar days, shall disclose all of the information set forth on conflict of interest forms prescribed by the Fair Political Practice Commission.

Designated positions:

1. City clerk.
2. Administrative services director.
3. Planning/community development director.
4. Parks and recreation director.
5. Public works director/city engineer.
6. Utilities director.
7. Marketing and events manager.

8. Planning manager.
9. Tourism advisory committee members.
10. Design review committee members.
11. Measure U citizens' oversight committee members
12. Consultants. Consultants shall disclose pursuant to this conflict of interest code, provided that the city manager may determine in writing that a particular consultant, although a designated position, is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The city manager's determination is a public record and shall be retained for public inspection.

**SECTION 3.** The City Council hereby adds Chapter 2-6 to Title 2 of the Solvang Municipal Code as follows:

### **Chapter 6 MEASURE U CITIZENS' OVERSIGHT COMMITTEE**

**2-6-1 Purpose and Scope.** The Measure U Citizens' Oversight Committee is an advisory committee appointed by the City Council of the City of Solvang. The purpose of the Committee is to review the revenue and expenditure of funds from the tax established by Ordinance No. 22-0363 and to help ensure accountability to voters regarding such expenditures.

#### **2-6-2 General Duties.**

- A. The Committee shall serve in an advisory capacity to the City Council and shall have no independent authority to expend or direct the expenditure of funds received by the City under Measure U.
- B. The Committee may conduct hearings, review reports, request funding from the City Council for independent audits of Measure U funds, receive presentations, provide comments, make findings and recommendations and issue reports to the City Council related to implementation of Measure U and the expenditure of funds received under Measure U.
- C. City staff shall provide administrative and technical support to the Committee.

#### **2-6-3 Committee Membership and Administration**

- A. **Membership.** The Measure U Citizens' Oversight Committee shall be comprised of five (5) members.
- B. **Appointment.** Each City Council member shall appoint one (1) member of the Measure U Citizens' Oversight Committee.
- C. **Term.** Committee member terms shall be two (2) years. To ensure Committee membership turnover is staggered, the terms of the first Committee members appointed by the Mayor and the Mayor Pro-Tem shall be for one (1) year. All subsequent Committee members appointed by the Mayor and the Mayor Pro-Tem shall be for the regular term of two (2) years, or, if filling a vacancy, the remainder of the term.
- D. **Vacancies.** Vacancies shall be filled by appointment by the City Council member making the original appointment for the unexpired portion of the term.
- E. **Removal.** A member who is absent for three (3) consecutive meetings shall be removed without further action of the City Council and the vacancy filled as set forth in Section 4.F.
- F. **Compensation and Expenses.** Members shall serve with no compensation, but they shall be reimbursed their reasonable expenses as allowed by applicable law, provided the City Council

allocates sufficient funding for such expenses.

- G. **Officers.** Officers of Committee shall include the Chair and Vice-Chair. Each year, officers shall be elected by a majority vote of the members present at the first regular meeting of the Committee in a calendar year. The Vice-Chair shall serve as the Chair, pro tempore, when the Chair is absent.
- H. **Meetings.** The inaugural meeting of the Committee shall be at a time and place set by City Council. Thereafter, the Committee shall meet twice annually at a time and place deemed appropriate by the majority of the Committee. At the discretion of the Chair, meetings may be rescheduled or cancelled. Meetings shall be called, noticed and conducted in compliance with the Ralph M. Brown Act as amended (Government Code Section 54950 *et seq.*).
- I. **Voting.** Only appointed members who are present at a Committee meeting may make a motion, second a motion or vote upon a motion under consideration by the Committee. A motion shall pass if approved by a simple majority of the members present and voting at the meeting unless otherwise required. A quorum shall consist of a simple majority of Committee members (3 of 5 members). The Committee may only take action on items if a quorum of appointed members is present, except that if a quorum is not present, the present members may vote to adjourn the meeting.
- J. **Amendment of Duties.** A majority of the City Council must approve any amendments to the Committee duties set forth herein. The Committee may, by majority vote of the Committee, recommend amendments the Committee’s duties for consideration by the City Council.

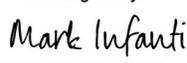
**SECTION 4.** The committee formed by this ordinance shall be the same committee formed by City Council Resolution 23-1207. No substantive difference in the committee’s duties or administration is intended by adoption of this ordinance. To the extent any differences exist between this ordinance and Resolution 23-1207, this ordinance shall prevail.

**SECTION 5.** If any section, subsection, sentence, clause or phrase of this ordinance is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction or preempted by State or Federal legislation, such decision or legislation shall not affect the validity of the remaining provisions of this ordinance.

**SECTION 6.** This Ordinance has been reviewed for compliance with the California Environmental Quality Act (CEQA), and the CEQA guidelines, and the City’s environmental procedures, and has been found to be exempt pursuant to § 15061(b)(3) (general rule) of the CEQA Guidelines, because the City Council hereby finds with certainty that there is no possibility the passage of this Ordinance will have a significant effect on the environment.

**SECTION 7.** Solvang is a Charter City and has adopted its own rules for summarizing and posting ordinances once they are adopted. A summary of this ordinance will be prepared by the City Clerk. The summary will be posted in three locations after adoption as directed in the Solvang Municipal Code. A true and correct copy of the full ordinance together with a record of the vote of each council member shall be kept by the City Clerk.

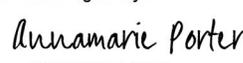
**PASSED, APPROVED, AND ADOPTED** on this 10<sup>th</sup> day of April, 2023.

DocuSigned by:  
  
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 Mark Infanti, Mayor

APPROVED AS TO FORM:

ATTEST:

DocuSigned by:  
  
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 Dave Fleishman, City Attorney

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 Annamarie Porter, City Clerk

STATE OF CALIFORNIA                    )  
COUNTY OF SANTA BARBARA        )ss  
CITY OF SOLVANG                        )

I, Annamarie Porter, City Clerk of the City of Solvang, California do hereby certify that the foregoing Ordinance No. 22-0364 was duly introduced at a regular meeting of the City Council held on the 27th day of March, 2023, and was duly adopted at a regular meeting of said City Council held on the 10th day of April 2023, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:            BROWN, CLARKE, C ORONA, E ORONA, INFANTI

NOES:            NONE

ABSTAIN:        NONE

ABSENT:         NONE

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Annamarie Porter, City Clerk



# MEASURE U OVERSIGHT COMMITTEE STAFF REPORT

## AGENDA ITEM 2.b

Meeting Date: January 28, 2025

**SUBJECT:** Staff Request for Committee Input to Develop Policy Guidelines

**PREPARED BY:** Randy Murphy, City Manager

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### DISCUSSION:

As discussed in more detail in the prior item, City voters passed adopting Measure U in November 2022 that imposed a sales tax increase and directed the Council to establish a citizens oversight committee to review resulting revenues and expenditures. This task was accomplished in March 2023 and Committee members were appointed in January 2024.

During the course of its three meetings so far, the Committee made note of the following:

- Measure U granted the City the power to spend resulting revenues essentially on any general governmental purpose so long as the expenditures were without administrative overhead.
- Nevertheless, the ballot materials stated that the measure revenues would be used to protect and maintain funding for specific, prioritized categories of services, which can be generally summarized as follows:
  - potholes and streets
  - parks and public works
  - flammable brush and fuel removal
  - public safety, 911 emergency response and neighborhood police patrol
  - senior, adult and youth recreation programs
  - quality of life and small-town character

Committee members have expressed a viewpoint that, by naming these categories in the ballot measure (Named Categories), the City effectively created a social contract with the voters, prioritizing evergreen fundamental functions critical to protecting the security and quality of life Solvang residents cherish.

During the course of its inaugural year experience, the Committee developed a consensus that it needed better definition of its role going forward. It then concluded it would be useful for the Council to clarify the standards and policies the Committee should apply to ensure accountability to Solvang voters. So, the Committee voted to convene a workshop during which, among other things, it would seek staff and public input on a series of policy questions and then make recommendations for Council direction.

In preparing for the workshop, the Committee asked:

- member Frank Smithson to seek workshop participation by community stakeholders with specific knowledge about Named Categories to help ascertain needed work in the short and mid-term; and
- Chair Geoff Yarema and vice chair Jamie Baker to prepare a list of questions and proposed answers that reflect, as they understand them, the Committee's discussions over its inaugural year.

The resulting questions and answers can be found in Attachment A.

After the workshop, the Committee plans to present to the Council its recommended oversight and accountability guidelines and request action.

The Committee believes this process is the optimal way for staff, the Committee and the Council to cooperatively guide the Committee's future work, consistent with the spirit and intent set forth in the original ballot materials.

The Committee expects the guidelines resulting from the workshop and Council direction to be a living document, amended and updated from time to time, as working experience dictates. `

The Committee wishes to reinforce that nothing in the answers to these questions or the resulting guidelines is intended in any way to limit the authority of the Council to expend measure revenues or to expand the Committee's role. Rather the purpose of the guidance is to encourage, to the maximum extent possible, conformity with voter expectations.

Staff will present a Resolution to Council soon in order to add to the Committee's responsibilities independent oversight and voter accountability for Measure E, adopted by the voters in November 2024. The Committee has expressed its willingness, if the Council so directs, to accept that role, and will adapt the Measure U guidelines to the extent possible for use with Measure E.

**ATTACHMENTS:**

- A. Questions and Proposed Answers to Establish Policy Guidance for Independent Oversight and Accountability

Measure U Citizens Oversight Committee, City of Solvang  
Questions and Proposed Answers to Establish Policy Guidance for Independent Oversight and  
Accountability  
*Draft* December 30, 2024

1. Should the Committee annually gather information on City needs in the Named Categories and review City plans for expenditures to meet those needs?

Yes. In setting up independent oversight, the voters should expect verification that the City is attending to needs in the Named Categories in a timely way.

2. Should the City generally prioritize measure expenditures on Named Categories?

Yes. Without limiting the discretion of the City Council to spend measure revenues in any way legally authorized, the Committee should encourage prioritization of spending to meet clear needs as they arise in each of the Named Categories, not simply as budgetary stopgaps. The Council's establishment of a track record of attention to these needs is essential to meet voter expectations.

3. Should measure revenue expended on Named Categories be spent primarily to cover costs in excess of spending in such categories at historical levels (as of election date)?

Yes. To the extent possible, the City's general fund should be used for the maintenance of effort in the Named Categories, focusing measure revenues on cost increases above the historical baseline, covering new programs, expanded scopes, inflation and other types of cost increases.

4. Should measure revenues be spent primarily for services benefitting residents, as opposed to supporting tourism?

The Committee sense is that Measure U generally was intended to prioritize spending for the benefit of residents.

5. Should the Committee's role be limited to clearly establishing categories for measure expenditures and leaving to staff the discretion to decide whether and to what extent a given expense is within the spirit and letter of voter intent?

No. The Committee believes:

- such an approach would undermine voter expectations for independent oversight and strict accountability;
- any process inefficiencies can be minimized by early Committee involvement in City budget planning; and
- Committee recommendations on appropriateness of expenditures should limit the need and expense for it to perform, as authorized, independent audits.

6. Should measure revenue be spent primarily on services within Named Categories or should major capital expenses beyond repairs be actively considered?

Case by case. While the ballot materials focus on protecting and maintaining services in the Named Categories, the Committee understands that capital costs sometimes are needed to provide those services. The Committee cautions, however, that capital projects can be very expensive, often involve long term commitments and can handicap revenue availability to meet needed

services in other Named Categories for multiple years. That consequential outcome should be considered in making any capital cost recommendations.

7. Should the Committee periodically review the extent to which the City followed the Committee's recommendations in the prior fiscal year?

Yes. the Committee should annually review the City's actual expenditures of measure revenues during the preceding fiscal year and render a report on its observations. The focus of the report should evolve over time, in cooperation with City staff, so the Committee serves the City in as valuable and efficient a role as possible. Possible inquiries could be:

- the extent to which the Council followed Committee recommendations;
- the extent to which the recommended expenditures were not in fact expended;
- confirmation that measure expenditures were made without administrative overhead;
- recommendations, if any, to the Council to revise the guidelines, based on actual experience;
- and
- whether, when and for what purposes an independent audit is indicated and reservation of funding for same.

8. What role, if any, should the Committee play in making recommendations of specific amounts of monies that should be spent on planned measure expenditures?

Generally, the Committee feels staff should inform the Committee of amounts it expects to spend for the work items it is presenting to the Committee. In taking action, however, the Committee need not recommend specific caps on work items but should focus instead on the extent to which the City's use of measure revenues is meeting priority needs in the Named Categories.

The Committee recognizes that budget planning does not always reflect secured contract bids or even precise cost estimates; even when it does, change orders can occur. As a result, the Committee feels staff needs flexibility in managing ongoing and new work.

Nevertheless, the annual review of prior FY measure expenditures the Committee recommends and any audits the Committee deems appropriate could comment retrospectively on any such noteworthy issues for Council and staff review.