

RESOLUTION NO. 23-175

RESOLUTION OF THE MENDOCINO COUNTY BOARD OF SUPERVISORS AUTHORIZING THE EXAMINATION OF SALES AND TRANSACTIONS AND USE TAX RECORDS BY CIVITAS ADVISORS, INC.

WHEREAS, pursuant to Mendocino County Code Sections 5.16.030, 5.170.040, 5.180.060 and 5.200.040, the County of Mendocino ("County") entered into contracts with the State Board of Equalization ("SBOE") and the California Department of Tax and Fee Administration ("CDTFA"), all of which are now administered by the CDTFA, to perform all functions incident to the administration and collection of local sales and use taxes; and

WHEREAS, the Board of Supervisors of the County deems it necessary for an authorized representative of the County to examine confidential sales and transactions and use tax records of the CDTFA pertaining to sales and transactions and use taxes collected by the CDTFA for the County; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of CDTFA records and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from sales and transactions and use tax records of the CDTFA; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code requires that any person designated by the County shall have an existing contract to examine the County's sales and transactions and use tax records; and

WHEREAS, the BID Advisory Board, MCTC and the County desire to transition from its current business improvement district that was established under the Parking and Business Improvement Area Law of 1989 to one established pursuant to the Parking and Business Improvement District Law of 1994 ("1994 Law"); and

WHEREAS, the County has entered into a contract with Civitas Advisors, Inc. ("Civitas") and the Mendocino County Tourism Commission ("Visit Mendocino"), to provide services to assist with the formation of a business improvement district pursuant to the 1994 Law and disestablishment of the existing Mendocino County Lodging Business Improvement District, which will include examination of information and material regarding sales or transactions and use tax records; and

WHEREAS, the Mendocino County Tourism Commission will be responsible for paying for all services of Civitas pursuant to the contract.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS THAT:

1. The recitals set forth herein are adopted by the Board of Supervisors as findings and they are true and correct.

2. The Auditor-Controller-Treasurer-Tax Collector ("ACTTC"), or other officer or employee of the County designated in writing by the ACTTC to the CDTFA is hereby appointed to represent the County with authority to examine all of the sales or transactions and use tax records of the CDTFA pertaining to the ascertainment of those sales and transaction and use taxes collected for the County by the CDTFA pursuant to the contracts between the County and the State under the Bradley-Burns Uniform Local Sales and Use Tax Law or the Transactions and Use Tax Law.

3. Civitas is hereby designated to examine the sales and transactions and use tax records of the CDTFA pertaining to sales and transactions and use taxes collected for the County

by the CDTFA. The person or entity designated by this section meets all of the following conditions:

- a. Has a contract with the County to examine sales and transactions and use tax records;
- b. Is required by that contract to disclose information contained in, or derived from those sales and transactions and use tax records only to the officer or employee authorized under Section 2 of this resolution to examine the information;
- c. Is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and
- d. Is prohibited by that contract from retaining the information contained in, or derived from those sales and transactions and use tax records after that contract has expired.

BE IT FURTHER RESOLVED that the information obtained by examination of CDTFA records shall be used only for purposes related to the collection of County's sales and transactions and use taxes by the CDTFA pursuant to the contracts between the County and the State, and for the purpose of assisting the County in establishing a new district pursuant to the Property and Business Improvement District Law of 1994.

The foregoing Resolution introduced by Supervisor Williams, seconded by Supervisor Mulheren, and carried this 31st day of October, 2023, by the following vote:

AYES: Supervisors McGourty, Mulheren, Haschak, Gjerde, and Williams
NOES: None
ABSENT: None

WHEREUPON, the Chair declared said Resolution adopted and SO ORDERED.

ATTEST: DARCIE ANTLE
Clerk of the Board

GLENN MCGOURTY, Chair
Mendocino County Board of Supervisors

Deputy

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

APPROVED AS TO FORM:
CHRISTIAN M. CURTIS
County Counsel

BY: DARCIE ANTLE
Clerk of the Board

Deputy