JOHN HASCHAK Supervisor Third District



DAN GJERDE Supervisor Fourth District

COUNTY OF MENDOCINO BOARD OF SUPERVISORS 501 Low Gap Road • Room 1010 Ukiah, California 95482

Date: June 20, 2022

From: Mendocino County Supervisors John Haschak and Dan Gjerde

To: Mendocino County Board of Supervisors

RE: No support for a forever Board of Supervisors Sales Tax

As the saying goes, "Haste makes waste." We are seeing this played out again as some of the Board of Supervisors try to push through a multi-million-dollar sales tax measure where promises about the use of the forever tax is shifting on-the-fly and shrouded in ambiguity.

We are hearing that the community does not want to see higher taxes in 2023 and that the community does not want a forever tax under the control of County Supervisors. Yet supervisors are rushing ahead with a forever sales tax, with nothing more than a non-binding statement on how taxpayer dollars might be spent by future Boards of Supervisors.

Inflation is at a 40-year high, and household budgets are tight. One Supervisor responded to this concern by saying couples paying for \$100 meals on the Coast, with a \$20-25 tip, will not mind paying the extra tax. Reality check: Most people in Mendocino County cannot afford meals in that price range. People are worried they will not be able to pay for basic food, their housing, or be able to keep their vehicles on the road. A big, new sales tax will be a heavy lift.

Please read the attached comments. They are among the first reviews of a Board of Supervisors sales tax. When looking at the early feedback, where is the eagerness for a big, forever sales tax to be controlled by County Supervisors?

Public not buying Supes' Sales Tax proposal

By <u>IIM SHIELDS</u> |

UDJ, Sunday June 19, 2022

In last week's column I explained that three Supervisors, Ted Williams, Mo Mulheren, and Glenn McGourty, are planning to place a sales tax measure on the November ballot. The stated purpose of their proposed sales tax is to provide funding for local fire departments and a resurrected county water agency.

To their credit and recognizing that County citizens are enduring tough economic times, Supes John Haschak and Dan Gjerde are opposed to their colleagues' misguided and ill-advised proposal.

There is absolutely no question that local fire departments, especially in the area of providing lifesaving ambulance services, must receive additional funding, as it is a past, present and ongoing top priority. No argument there.

Keep in mind though that each town's Friends of the Library groups have planned since 2019 to place a sales tax measure on the November ballot, a move that the Supervisors were not only aware of but tacitly encouraged. As pointed out in an editorial by the Ukiah Daily Journal this past Sunday, "A proposal pitting libraries against fire services is not fair and any ballot with two tax measures on it will likely see voters saying no to both."

Also, as I've informed you previously, I've been serving on a steering committee that's been dealing with the re-establishment of a county water agency, but I do not support funding an agency that has no defined organizational structure and purpose. It is currently an unfinished work-in-progress. Succinctly stated, the proposed sales tax measure is both premature and bereft of any broad-based public support at this time.

Far and wide the reception from the public is they don't trust the Supervisors with this unguided missile of a sales tax. I'm also hearing that the cities of Fort Bragg and Willits are not on-board with the proposal.

This week, Willits Mayor Saprina Rodriguez sent the Supervisors an email broadly outlining all of the many reasons why the tax proposal is an idea whose time has not come.

I couldn't agree more with Mayor Rodriguez if I'd written the letter myself.

Here's her analysis on the proposed tax measure and advice to the Supervisors.

I didn't respond late Thursday night to the tax proposal information because I wanted to digest the information Saturday and Sunday and talk to constituents about what they would support. I heard an overwhelming "No" for several reasons.

#1 The first phrase of the tax measure says, "Measure ___ Sales Tax is unrestricted general fund revenue, by this resolution, the County intends to use these revenues for fire protection and water

resiliency projects." The Public does not like unrestricted. "Intends" means little to constituents as Supervisors change with time. An advisory Board is meaningless if they have no real power. The County has a history of forming advisory Boards that have expressed feeling they have no true value. They appear to be more of a formality. Also in that phrase it states, "essential services". To most people this means-whatever the Supervisors deem important.

#2 The Supervisors made a promise to the library. An additional sales tax puts the library tax at risk. You can say that they are not competing, but it's not true. The reality is that voters may be completely turned off by more taxes during a difficult economic time. Is now really the best time to tax people further or offer relief?

#3 The PEOPLE put forth signatures to put the library tax on the ballot. THE PEOPLE did not submit signatures for this proposed tax. This was derived from government.

#4 When was the needs assessment performed to decide what funding level was needed for any of these ideas? My constituents feel the idea of throwing "Fire Funds" in an unrestricted ballot measure is a way of preying on their fears. We have heard no logical argument presented relevant to the needs and shortfall of EACH Fire Department. For example, which local communities have already invested in their fire departments with a special tax? How much tax? Any Fire district would be happy to get more tax money, but when is too much taxes too much? We want a comprehensive plan of what the money would be spent on and know that all districts are already contributing in similar ways to support their local fire departments,

#5 My constituents don't buy into the water theory. The City of Willits residents are already paying a high cost for water infrastructure. We made the investment and are paying for it. Now you want us to pay again to help others who are unwilling or planned poorly? Why should we all pay for Potter Valley water when those living there pay so little for the water they currently use? Check out the water rates. Maybe the first step should be to raise rates there. There was mention of storage capacity in Willits. We believe this was thrown in to include us. We have already allocated funds for another water storage tank. We are not fooled into thinking this funding is really aimed at helping our community. We want to be good neighbors but we want our neighbors to pay their fair share first, then we can all contribute a second round.

#6 What's in it for the County? Will part of these funds be used to subsidize current salaries as they take on additional administrative duties and thus reduce the burden on the general fund? Many are suspicious of Politics at play here for a special group. Why are Supervisors taking on this mountain at a time when they should be focused on bigger budgetary issues? Some don't understand why the County Supervisors are pushing an issue that has so little support.

These are just a few of the arguments I and others have heard.

Jim Shields is the Mendocino County Observer's editor and publisher, observer@pacific.net, the long-time district manager of the Laytonville County Water District, and is also chairman of the Laytonville Area Municipal Advisory Council. Listen to his radio program "This and That" every Saturday at 12 noon on KPFN 105.1 FM, also streamed live: http://www.kpfn.org

comments on proposed sales tax initiative

Tess AlbinSmith <tess@alumni.ucdavis.edu> Tue 6/14/2022 11:24 AM To: bos Cc: Dan Gjerde;, dspaur@fortbragg.com

To the Mendocino County Board of Supervisors.

I read with interest the proposed county sales tax initiative and I have concerns. But in discussions with one other council member and the city manager, we think our council should wait to officially reply when the proposal becomes more clear.

From a personal standpoint, I see many red flags. It's true water supply and fire suppression topics are very sexy, and they are at the forefront of everyone's mind this summer. However, I do not see anything spelled out in the county proposal that would win my vote—at this point it sounds like the tax would create a pot of money that would be up for grabs for just about any project at the whim of the county or local agency. It's all very muddy.

The second biggest problem is the percentage. Our city is planning an initiative for an additional 3/8% sales tax. The county initiative, if passed, would put us over the cap if ours passed. In either case, from a voter perspective (and in this period of high inflation), I would guess multiple sales tax propositions would sound the death knell for all of them.

Please stick with the library sales tax as planned.

Jess Albin-Smith Soroptimist / Symphony / City Council

In Our Opinion: County board should rethink sales tax measures

UDJ, June 12, 2022

We think the Board of Supervisors should think twice before deciding to put sales tax measures on the November ballot.

The board is talking about putting a measure on the ballot raising sales taxes to pay for fire services and a new iteration of a county water agency.

While we don't argue that local fire services need more funding, we disagree that the taxpayers should fork over money to pay for a water department that is not defined with no concrete mission.

Above anything else, local residents, like everyone across the nation, are suffering from high prices due to inflation. The last thing anyone needs is more sales taxes. Yes, we know that the Measure B tax will be going down a bit as dictated by its language, but that's no reason to immediately take those savings and use them to raise more taxes.

Add to that, the local Friends of the Library are planning a sales tax measure on the next ballot. Pitting libraries against fire services is not fair, and any ballot with two tax measures on it will likely see voters saying no to both.

The county should be looking at finding more fire funds all the time, and we are not convinced that they have spent county money wisely enough to claim there isn't any room for fire services in the current budget.

As for a water agency, we tried that already and it failed. Until the county can define what that means in detail and what power that agency would actually have to do what specific tasks – and why shoppers should pay for the costs of local growers – we think it's too early to ask the taxpayers to fork over for it.

UDJ, June 15, 2022 To the Editor:

To the Board of Supervisors: I strongly object to your proposed new sales tax for water and fire. Certainly our local fire departments need additional funding; they would do better to band together and advance individual tax increases for their districts rather than the pittance they are likely to receive after the county siphons off a share. The county owns no water or water rights that I know of, nor would be able to acquire any, so any money they take in for dealing with water would likely be frittered away on cross purposes to the actual water districts in the county.

The manifest incapacity of the supervisors to deal with, for example, cannabis regulation and mental health services, should warn taxpayers against giving them money for new areas they are presently not even involved in. If this tax measure is put on the ballot, I will certainly vote against it.

-Stephanie T. Hoppe, Ukiah