



City of San Leandro

Meeting Date: July 6, 2015

Staff Report

File Number: 15-397 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.D.

TO: City Council

FROM: Chris Zapata
City Manager

BY: David Baum
Finance Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution Establishing the Composition, Defining the Scope of Responsibility, and Appointing Members to the Measure HH Oversight Committee

SUMMARY AND RECOMMENDATIONS

Staff recommends approval of the attached Resolution for the purpose of selecting a five member Citizens Oversight Committee related to Measure HH.

BACKGROUND

Ordinance No. 2014-012 calls for formation of a Citizens Oversight Committee. Section 2-19-165 in summary states:

There shall be a five-person committee of members of the public to review and report on the revenue and expenditure of funds from the tax adopted by this Chapter. Prior to the operative date, the City Council shall adopt a resolution establishing the composition of the committee and defining the scope of its responsibilities. Also prior to the operative date, the City Council shall appoint at least a quorum of the members of the committee; the City Council shall complete the appointment of members of the committee by the end of fiscal year 2015.

Retail businesses and residential and business consumers represent community segments most directly impacted by Measure HH. On March 17, 2015, the Finance Committee recommended that four members from the Measure Z Citizens Oversight Committee should continue as members of the Measure HH Committee. The fifth member, Corina Lopez, must leave the Committee due to her election to the City Council. The Finance Committee recommends the following four candidates:

1. Representative of the Chamber of Commerce - David Grodin
2. Officer from a HOA or Neighborhood Association - Geraldine Mellen
3. City Board or Commission Member - Esther Collier

4. Downtown Business Association member - Sarah Galvin
5. City of San Leandro bargaining unit member who is also a City resident - to be nominated by the City Manager and approved by the City Council

Similar to the Measure Z Committee, the Measure HH Citizens Oversight Committee may need to meet more than once in its first year, although it may not be necessary to meet more than once each year in the future. Staff recommends that membership limits should be set at two three-year terms.

The guidance for the Measure HH Committee is set forth in the ballot language that created Measure HH. The November 2014 Measure HH ballot language provides:

“To protect/maintain local services, including: 911 emergency response; neighborhood police patrols/ anti-gang enforcement; library programs for children, adults/ families; after school programs for children/ teens including, homework assistance/ reading programs; school police officers/ crossing guards; repairing potholes/ maintaining residential streets; and other City services, shall the City of San Leandro extend Measure Z and set the sales tax at 1/2 cent for 30 years, with citizens oversight, annual audits, all funds for San Leandro, no funds for Sacramento?”

More than 60% of voters approved Measure HH. The annual report from the Measure HH Committee will provide information regarding the use of Measure HH funds, including an analysis of such uses against the November 2014 ballot language and produce an annual report similar to reports issued by the previous Measure Z Committee. The first Measure HH annual report is expected in late summer 2015.

Previous City Council Actions

On July 7, 2014, the City Council approved the creation of a Citizens Oversight Committee related to Measure HH.

City Council Committee Review and Action

The City Council Finance Committee reviewed and recommended for City Council approval four members from the current Measure Z Committee to serve on the Measure HH Committee. By the proposed action, the Measure Z Committee will automatically dissolve and be replaced by the Measure HH Committee.

ATTACHMENTS

None.

PREPARED BY: David Baum, Finance Director



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Resolution - Council

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FROM: Chris Zapata
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TITLE: RESOLUTION Establishing the Composition, Defining the Scope of Responsibility, and Appointing Members to the Measure HH Oversight Committee

WHEREAS, on November 4, 2014, the People of the City of San Leandro approved Measure HH, enacting a 0.5% Transactions and Use Tax; and

WHEREAS, the resulting Transactions and Use Tax Ordinance (Ordinance No. 2014-012) calls for the formation of an Oversight Committee comprised of five members to review and report on the revenue and expenditure of funds from the tax; and

WHEREAS, Section 2-19-165 of the San Leandro Municipal Code declares that the City Council is required to adopt a resolution establishing the composition of the committee and defining the scope of its responsibilities; and

WHEREAS, Section 2-19-165 also requires the City Council to appoint members of the committee by the end of fiscal year 2015.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. The composition of the Measure HH Oversight Committee shall be:
 - 1 Representative of the San Leandro Chamber of Commerce
 - 1 Representative from the Downtown Business Association
 - 1 Officer from a homeowner or neighborhood association
 - 1 City Board or Commission member
 - 1 City bargaining unit member who also resides within the City of San Leandro.

All Committee members shall be nominated by the Mayor and their appointments confirmed

by an affirmative vote of the entire membership of the City Council. The City Manager shall recommend to the Mayor for nomination the City bargaining unit member who also resides within the City of San Leandro.

2. The scope of responsibilities and duties of the Measure HH Oversight Committee shall be to develop an annual report on the following:

- Amounts of Transactions and Use Tax revenue generated by Measure HH
- Use of the tax revenue and the impact on the City's operating budget including a statement on the impact of the revenue in reducing the amount of cuts resulting from addressing the budget shortfall
- Statement of expenditures funded by Measure HH revenues
- Impacts of Measure HH on local business competitiveness and the collection of Sales Tax revenues
- Measure HH public information and transparency efforts
- Participation in developing a revenue sustainability plan and strategy

3. The following four members are hereby appointed to the Citizens Oversight Committee for a three-year term:

- David Grodin as the San Leandro Chamber of Commerce member
- Geraldine Mellen as the member who is an officer of a homeowner or neighborhood association
- Esther Collier as the City board or commission member
- Sarah Galvin as the Downtown Business Association member

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