

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE Q

Measure Q is the “City of Davis Essential Services Measure.” If approved by the voters, it would adopt a new local Transactions and Use Tax Ordinance (the “Sales Tax Ordinance”). Measure Q would increase the City’s existing sales tax rate by 1%, or one cent, on every dollar of taxable sales of goods in the City, and on the taxable storage, use or consumption in the City of goods purchased.

This Measure would be a general tax, which means the tax revenue could be spent for all general governmental purposes. The City estimated that this Measure will raise approximately \$11,000,000 per year in new local revenue for use by the City. The City Council’s adopted ballot question states this new revenue would be used for essential City services, which include public safety and emergency response; crime prevention; pothole repair; parks, road, sidewalk, and bike path maintenance; and addressing homelessness, affordable housing, and climate change. The Sales Tax Ordinance would be in effect until ended by the voters. Measure Q was placed on the ballot by unanimous vote of the City Council.

The Sales Tax Ordinance provides that the revenue will be collected by the State of California under a contract with the City, and the revenue will be paid over to the City for use by the City. Accountability over revenue and expenditures from the Sales Tax Ordinance will be provided through the City’s budget process and annual independent audit, which are available to the public. Financial information also is disclosed in the City’s Annual Comprehensive Financial Report and other public documents. The total sales tax rate paid in Davis, which includes the sales tax collected for the State of California, Yolo County, and other public agencies, is 8.25% now. If the Measure is approved by the voters, the total sales tax rate paid in the City would be 9.25%, subject to any changes in state law. Sales tax is not collected on items such as prescription medications or food bought as groceries.

Article XIIC of the California Constitution, commonly known as Proposition 218, requires that the proposed general tax be approved by a majority of the voters voting on the Measure. A “yes” vote on Measure Q is to adopt the Sales Tax Ordinance. A “no” vote on Measure Q is to not adopt the Sales Tax Ordinance.



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City of Davis City Attorney