NOVEMBER 5, 2024, GENERAL ELECTION Local Ballot Measures in the 92014 and 92075 Zip Code Areas

TORREY PINES DEMOCRATIC CLUB October 24, 2024 By: Wayne Dernetz

INTRODUCTION

Within San Diego County, along with the County government, there are 18 incorporated cities, 42 school district, 19 special services districts, and a handful of regional agencies.

For the 2024 General Election several of these agencies have placed 32 local measures on their respective ballots, ranging from bond issues to charter amendments.

This report summarizes five ballot measures from three agencies that will be voted on by voters within the 92014 and 92075 Zip Code Areas – the geographic area of interest for the Torrey Pines Democratic Club and its members.

The agencies whose ballot measures appear on our ballots are the County of San Diego, The City of Del Mar, and the City of San Diego.

MEASURE G: HALF-CENT SALES TAX AUTHORIZATION TO FUND TRANSPORTATION, INFRASTRUCTURE, AND SAFETY PROJECTS WITH SAN DIEGO COUNTY (continued)

SOURCE OF MEASURE: Citizens' Initiative Measure

FISCAL IMPACTS:

- If approved by voters, this measure would impose a one-half cent per dollar (0.5%) sales tax on retail sales of goods and services (consistent with the existing state sales taxes), throughout the incorporated and unincorporated areas of San Diego County.
- Proceeds from the tax are estimated at about \$350 million per year. All proceeds would be administered by the San Diego County Regional Transportation Commission. The Board of Directors of the San Diego Association of Governments (SANDAG) serves as the board of the Commission.
- Uses of anticipated proceeds from the sales tax would be applied as follows:
 - o 50% on capital projects related to transit;
 - o 27% on capital projects related to road and highway traffic flow and commuter safety;
 - 7% for streets, road maintenance, and active transportation, half of which is designated for road projects of cities within San Diego County, based on population;
 - o 12% on transit operations and maintenance for the Metropolitan Transit System and the North County Transit District;
 - o 2% for the repair, rehabilitation, and replacement necessary for rail transit; and
 - No more than 2% on general administration.

MEASURE G: HALF-CENT SALES TAX AUTHORIZATION TO FUND TRANSPORTATION, INFRASTRUCTURE, AND SAFETY PROJECTS WITH SAN DIEGO COUNTY – COUNTY OF SAN DIEGO. (continued)

• The measure also would create a Taxpayer Oversight Committee to evaluate, and to annually certify, whether moneys have been spent according to the Measure's requirements. \$300,000 per year would be allocated for Committee's administrative costs.

SUPPORTERS: President of the San Diego Education Association; San Diego and Imperial Counties Labor Council; Environmental Health Coalition; Middle Class Taxpayers Association; Families for Safe Streets San Diego; Scott Barnett – San Diego Taxpayer Advocate; Benjamin Lopez – Southern CA Partnership for Jobs; Ricard Miller – San Diego Chapter Sierra Club; Carol Kim – San Diego Building Trades & Construction Council; Scott Peters – Member of Congress.

OPPONENTS: Jim Desmond – San Diego County Supervisor; Haney Hong – San Diego County Taxpayers Association; Richard Rider – San Diego Tax Fighters; Carl DeMaio – Reform California; Steven Esparza – California Latino Voters Alliance.

BALLOTS: All ballots in San Diego County

SDCDP RECOMMENDATION: Support

MEASURE A: CITY COUNCIL COMPENSATION – CITY OF DEL MAR

Existing law:

- Del Mar Municipal Code sets the compensation rate for each of its five City Council members at \$300 per month. This rate has not been adjusted since it was adopted in 1988. Under State law, an increase in the compensation rates must be approved by majority vote of the City's voters.
- A recent amendment to existing State law has been approved, effective January 1, 2024, that allows small cities, up to 35,000 in population, to make an adjustment to the monthly rate of compensation up to \$950 per Council member, and to allow the City Council to annually adjust the compensation rate for inflation.

Effect of Measure: If approved by the voters, the compensation for each City Council member would be increased to \$950 per month. This rate matches the lowest rate of compensation paid by any city in San Diego County. If approved, the measure would also allow the City Council to make annual adjustments to the rate of compensation for its members by 5% or an amount equal to the California Consumer Price Index, but not greater than 10% per year. Automatic adjustments are not permitted.

Fiscal Impact: The City estimates the cost of this measure would be \$39,000 annually.

Ballots: City of Del Mar ballots only

MEASURE A: CITY COUNCIL COMPENSATION – CITY OF DEL MAR (continued)

Supporters:

Mayor Dave Druker and City Council members Terry Gaasterland and Tracy Martinez.

Opponents:

None filed.

SDCDP RECOMMENDATION: Support

MEASURE M: TRANSIENT OCCUPANCY TAX (TOT) MEASURE - CITY OF DEL MAR

Source: City Council referred initiative.

Existing Law:

Since 1964, the Del Mar Municipal Code has imposed a Transient Occupancy Tax (TOT) upon guests, who occupy hotels and motels having more than three rooms, for 30 days or less. The owner of the hotel or motel is required to collect the tax from the guest and to remit the proceeds of the tax to the City. The current rate of the Del Mar TOT is 13%.

Effect of Measure:

- Approval of this measure would expand the imposition of the tax upon guests to include guests of all hotels and motels, regardless of the number of units or bedrooms, and would also include guests of Short-Term Rental Units operating in the City. The current rate of the TOT is not affected.
- The measure would also require online travel companies, hosting platforms, and third-party booking vendors (e.g.
 Expedia, Airbnb, VRBO, Booking.com, etc.) to collect and remit the TOT to the City on behalf of the operator.
- The measure would also clarify that the TOT applies to the "full rent" charged, including resort fees, parking fees, cleaning fees, and WIFI/Internet charges, but not including booking fees paid to booking vendors.

MEASURE M: TRANSIENT OCCUPANCY TAX (TOT) MEASURE - CITY OF DEL MAR

(continued)

Fiscal Impact:

The City estimates this measure would increase revenues from the TOT by about \$775,000 per year. TOT revenues

are deposited to the City's General Fund and are available to support all City services and facilities.

Required Vote for Approval: Approval of this measure requires a simple majority of "yes" votes (50% + 1 vote, or

more) from the total of votes cast by the voters.

Supporters:

Dave Druker, Mayor; Terry Gaasterland, Deputy Mayor; Tracy Martinez, City Councilmember; Dan Quirk, City

Councilmember; Dwight Worden, City Councilmember.

Opponents:

None filed.

SDCDP RECOMMENDATION: Support

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MEASURE D: AMENDMENTS TO SAN DIEGO CITY CHARTER TO STRENGTHEN THE INDEPENDENCE OF THE ETHICS COMMISSION – CITY OF SAN DIEGO

Existing Law:

- Under the San Diego City Charter, a City Ethics Commission was established in 2001. The Commission is
 responsible for investigating and enforcing City government ethics laws affecting current and former City
 officials, candidates for office, certain City employees, consultants, lobbyists, and members of City boards and
 commissions who are required to file conflict of interest disclosure forms.
- The Mayor appoints all seven Commission members from a pool of nominees selected by the City Council and City Attorney. The Mayor's appointees are subject to confirmation by a majority of the City Council.
- The City Council confirms the appointment of the Commission's Executive Director; approves the Commission's complaint and investigation procedures; and controls the Commission's budget.

MEASURE D: AMENDMENTS TO SAN DIEGO CITY CHARTER TO STRENGTHEN THE INDEPENDENCE OF THE ETHICS COMMISSION – CITY OF SAN DIEGO (continued)

Effect of Measure:

If this measure is approved by a majority of voters voting at the election:

- The existing Ethics Commission would be disbanded, and a new Ethics Commission would be established as an *independent body* that:
 - o monitors, administers, and enforces the City's governmental ethics laws, proposes new governmental ethics law reforms;
 - o conducts investigations, refers violations to appropriate government and law enforcement agencies;
 - audits disclosure statements; and
 - o advises and educates City officials and the public about governmental ethics laws.
- The City Council may adopt ordinances mandating additional duties and discretionary powers consistent with these Charter provisions and applicable state and federal laws.
- The new Commission would consist of seven members, to be appointed to four-year overlapping terms, and removed by procedures to be adopted by an ordinance of the City Council.
- Commissioners would be limited to two full consecutive terms.
- The new Commission would appoint an Executive Director who serves at the direction and pleasure of the Commission.
- The Executive Director is the appointing authority for all City personnel authorized through the City's normal budget process.
- The Executive Director is authorized to initiate investigations and complaints, subpoena witnesses, compel their attendance and testimony, administer oaths and affirmations, take evidence, and subpoena production of material evidence.
- The new Commission may retain its own legal counsel, independent of the City Attorney.
- The City Council shall allocate funds sufficient for the Commission to carry out its responsibilities.
- The new Commission may be disbanded only upon a vote of a majority of voters at a regular election.

MEASURE D: AMENDMENTS TO SAN DIEGO CITY CHARTER TO STRENGTHEN THE INDEPENDENCE OF THE ETHICS COMMISSION – CITY OF SAN DIEGO (Continued)

Fiscal Impact:

Historically, the City provides about \$1.8 million in General Fund resources, net of occasional supplemental appropriations, for the cost of the existing Ethics Commission. The City estimates the additional costs of the new Commission at about \$65,000 annually to bring the total to the historic average plus supplemental appropriations. The new Commission may also require supplemental appropriations, primarily for special legal expenses, from time to time. If the new Commission's responsibilities are expanded by the City Council, additional fiscal resources may be needed.

Source: City Council referred initiative

Supporters:

Joe LaCava, San Diego City Council President Pro Tem (1st District Councilmember); Mara Elliott, San Diego City Attorney; Caridad Sanchez, City of San Diego Ethics Commissioner; Kim Knox, President, League of Women Voters, San Diego.

Opponents: No opposition has been filed.

SDCDP Recommendation: Support

MEASURE E: CITY OF SAN DIEGO SALES TAX MEASURE

Current Law:

The City of San Diego currently receives a standard rate of 1% of the total retail sales tax rate of 7.75% under State law charged on the sale of goods. According to the State Department of Tax Administration, San Diego's current sales tax rate is the fourth lowest rate among 482 cities in California. Nine of the 18 cities in San Diego County have a higher sales tax rate than San Diego.

Effect of Measure:

If approved, this measure would add a one percent (1%) increase to the City's sales tax rate, providing additional General Fund revenues estimated at \$400 million annually. The revenues from the new tax would supplement, not replace, existing expenditures from the City's General Fund. The additional revenues would be subject to annual budget appropriations by the City Council.

These revenues would help improve response times for public safety services (police and fire protection, emergency medical response services, and 9-1-1 emergency call operations); enhance neighborhood parks, recreation and libraries; increase funding for neighborhood infrastructure, including streets and road maintenance and repairs, streetlights, upgrading maintenance and adding improvements for storm drainage and protection; and other services provided by the General Fund. The measure would remain in effect until repealed by the voters.

MEASURE E: CITY OF SAN DIEGO SALES TAX MEASURE (continued)

Fiscal Impact:

Revenues from the additional 1% sales tax would add about \$400 million annually to the City's General Fund. One hundred percent (100%) of these revenues would be available solely to the City for service enhancements and improvements.

Source: City Council referred initiative

Supporters:

Mayor Todd Gloria; City Councilmember Raul Campillo; San Diego Firefighters, Local 145; San Diego Police Officers' Association; San Diego Middle Class Taxpayers Association.

Opponents:

San Diego County Taxpayers Association; Rick Gentry, former president and CEO of the San Diego Housing Commission; Michael J. Fratalia; Scott Sherman, former City Councilmember; Ronne Froman, Retired Naval Officer.

SDCDP Recommendation: Support