The Watsonville City Council has placed Measure Y on the March 3, 2020, ballot to ask voters to approve an ordinance to renew the City’s existing one-half percent (0.50%) sales tax. Sales taxes are levied on the sale or use of “tangible personal property” sold at retail. Retailers collect the tax at the time of sale and remit the funds to the State Board of Equalization, which administers the tax.

This Measure would continue the one-half percent sales tax (officially referred to as a “transactions and use” tax) on retail sales in Watsonville.

California (Government Code § 50075.1) requires that this special tax:

a) Include a statement indicating the specific purpose of the special tax,
b) Require that special tax proceeds be used only for the specific purposes identified,
c) Provide that an account be created into which the proceeds be deposited, and
d) Require an annual report be provided pursuant to California Government Code Section 50075.3 that contains the amount of funds collected and expended and the status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1.

Measure Y revenue would go into a special public safety fund which may be used only for police services, fire and 9-1-1 emergency response, and parks and recreation and not be used or borrowed against for other purposes.

This Measure will apportion revenues as follows: 54% of funding to Police; 38% to Fire; and 8% to the City’s Parks and Community Services Department to pay to hire more staff, increase youth services and upgrade parks equipment.

A citizen’s oversight committee will continue to review the City’s use of funds to verify the funds are used for only the stated public safety, fire and parks and recreation purposes and publish reports. City financial statements made available to the public in public meetings will disclose how much is collected and how it is spent.

The Measure also requires that independent auditors annually conduct an audit of revenues and expenditures and prepare and provide each year a publicly available report reviewed at a public meeting on the collection, management, and spending of revenue from the tax.

The Measure also requires the City to obtain an independent third-party assessment of community fire and police needs at least every ten years (after census results are complete) to determine short and long-term fire and police facility and service needs.

In summary, the City may use the funds only to “provide additional police and fire personnel, update public safety equipment, facilities and services, enhance youth violence prevention programs and parks and recreation services and only in the proportions provided.”

This tax continues until repealed by voters.
A "Yes" vote is a vote to keep the one-half percent tax. A "No" vote is a vote to not keep the tax. This Measure requires two-thirds (66.67%) of those voters who vote to approve the measure by voting "yes."

Alan J. Smith, City Attorney