CITY OF MILPITAS MEASURE J

City of Milpitas Public Services Reauthorization Measure. To maintain fiscal stability and essential City services, including 911 emergency response, police and fire protection; repairing streets/fixing potholes; tracking/investigating crime; addressing homeless encampments/affordable housing needs; natural disaster/emergency preparation; maintaining neighborhood parks/public infrastructure, shall the measure continuing the existing voter-approved ¼-cent sales tax be adopted, providing approximately \$7,000,000 annually for eight additional years, requiring independent audits, public disclosure, and all funds controlled locally?

Yes No

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE J

Measure J seeks voter approval of an ordinance that adds eight additional years to the term of the City of Milpitas's existing, voter-approved, "Measure F Tax". This quarter-cent transactions and use tax is commonly referred to as a "local sales tax" because it is generally collected along with the state's sales and use tax (which is commonly referred to as the "state sales tax").

The combined rate of all state and local sales taxes in Milpitas is currently 8.25%. Of these taxes, the City of Milpitas only controls the Measure F Tax and the one cent (1.0%) "Bradley-Burns" tax that is levied by each city in California. The rest of the sales taxes that apply in Milpitas are controlled by the state, the county, and various regional transportation agencies.

At the November 3, 2020 general election, Milpitas voters approved the City of Milpitas Public Services Measure (Measure F) for an initial eight-year term that began on April 1, 2021 and will end on March 31, 2029. If Measure J is adopted, the reauthorized tax will continue for eight additional years beyond that end date. The additional period will begin on April 1, 2029 and end on March 31, 2037. The rate of the tax will remain at one quarter-cent (0.25%).

The Measure F Tax currently generates approximately \$7 million in revenues per year. Because the tax rate will not change during the additional period, the City estimates that annual revenues from the reauthorized tax will be similar.

Proceeds of the reauthorized tax would continue to be (i) deposited in the City's general fund, (ii) annually audited and publicly reported in the City's annual audit, and (iii) available for any lawful municipal purpose. Most services provided by the City, such as police/fire/ambulance services, street and sidewalk repair services, and park and recreation services, are funded from the general fund. The general fund budget, and expenditures from the general fund, are controlled locally by the Milpitas City Council.

The reauthorized tax would apply and be collected as provided by state laws governing transactions and use taxes. The reauthorized tax would be administered for Milpitas by the California Department of Tax and Fee Administration. Purchases in Milpitas that are exempt from the statewide sales tax would also continue to be exempt from the reauthorized tax. For example, most groceries, prescription drugs, and purchases of services would be exempt.

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE J-Continued

This measure was placed on the ballot by the City Council of the City of Milpitas.

The above statement is an impartial analysis of Measure J. If you desire a copy of the measure, please call the elections official's office at 408.586.3005 and a copy will be mailed at no cost to you.

/s Michael Mutalipassi City Attorney

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ARGUMENT IN FAVOR OF MEASURE J

Vote <u>Yes on J</u> to maintain our high quality of life and keep Milpitas safe and clean, without raising taxes!

 $\underline{Yes\ on\ J}$ repairs Milpitas' potholes and cracked sidewalks, so we can continue tackling our severe backlog of repair projects! $\underline{Yes\ on\ J}$ makes our streets and sidewalks safer for us to drive around and our children to get to school.

Yes on J simply continues locally controlled funding voters already approved for essential services and programs, all without raising taxes! By law, County and State politicians can't take any of our Measure J funds, every penny must be spent to benefit local Milpitas residents.

We need <u>Yes on J</u> to maintain rapid response times for 911 calls to police, fire, and paramedics which are critical for stopping crime, protecting victims, and saving lives. <u>Yes on J</u> maintains our neighborhood patrols and officers on the street to keep Milpitas safe for our families and businesses.

Yes on J allows Milpitas to maintain our fiscal stability and will support:

- Maintaining 911 emergency response services
- · Repairing streets and fixing potholes
- Maintaining police protection and tracking/investigating crime
- Addressing homeless encampments
- Maintaining fire protection services
- Maintaining neighborhood parks/public infrastructure

<u>Strict accountability provisions</u> ensure Measure J funds are used efficiently, effectively, and for our community priorities. It continues being part of annual financial audits, full public disclosure of spending, and funds are reviewed by a local citizen's oversight committee.

Here's what Measure J is not:

- Measure J is not a tax increase.
- Measure J is <u>not</u> a tax on your home or property.
- Measure J is <u>not</u> applied to food purchased as groceries or prescription medications.

Milpitas police officers, firefighters, business leaders, and neighbors say: $\underline{\text{Yes on J}}$ to keep our community a great place to live!

For Official Measure J Information: www.milpitas.gov

Dave Morris

President, Milpitas Police Officers Association

Gabriel Borland

President, Milpitas Firefighters Local 1699

George H. Loughborough Local Small Business Owner

Henry Nichols Jr. Resident/Taxpayer

Jovita Ghose

Member, Measure F (Fiscal) Oversight Committee

NO ARGUMENT AGAINST MEASURE J WAS SUBMITTED

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