

**STATEMENT OF CANDIDATE FOR
MAYOR
City of Pismo Beach**

ERIK HOWELL

Age: 39

Occupation: Lucia Mar School Board Trustee

Education and Qualifications: I grew up on the Central Coast. After graduating from Harvard, I received my law degree from USC and returned home to practice in San Luis Obispo County. As a member of the Board of Education since 1995 I oversee a budget of \$75 million, one thousand employees, and construction projects in the tens of millions. I am proud of my work on behalf of the children of our community and I promise to bring this same tireless advocacy to the position of Mayor.

I currently serve as President of the Board of Education, a position comparable to Mayor. I will work well with the City Council and bring a style of leadership that respects opposing opinions, yet allows our City to move forward.

In the coming election, the voters of Pismo Beach must decide whether or not we are going to continue in our present direction, and which candidates can best provide the leadership required for the future. Pismo Beach faces many challenges and difficult decisions. We need people willing to meet these challenges and reinforce their decisions with hard work and perseverance. I would appreciate your vote on November 7th and welcome your input. My telephone number is 773-8719.

s/ Erik Howell

**STATEMENT OF CANDIDATE FOR
MAYOR
City of Pismo Beach**

MARY ANN REISS

Occupation: Mayor, Businesswoman

Education and Qualifications: BA Public Administration
As Pismo Beach's first directly elected Mayor, I pledged to bring balance, reason and integrity to city hall. While somewhat challenging, I believe that this goal has been achieved.

As your Mayor, I have always had one goal – to build a strong, fiscally sound and responsive city government. I have worked to protect our quality of life and improve our economic well being.

Even though we have accomplished many infrastructure improvements, we have much more to do. My priorities are committing our long-term community vision to writing as a "road map" for future councils and funding the many capital improvement projects; streets and storm drains, bluff protection, beach access, downtown parking and traffic circulation, streetscape and other enhancements along Shell Beach Road business district and James Way

As your Mayor, I will continue to provide dignified and professional leadership. I will draw on my 27 years of city administration, 10 years on city council and 12 years of living and working in Pismo Beach to continue to improve our city government

If you have questions, please call me at 709-6296.

Please vote to re-elect Mayor Mary Ann Reiss.

s/ Mary Ann Reiss

**STATEMENT OF CANDIDATE FOR
MAYOR
City of Pismo Beach**

BILL RABENALDT

Occupation:

Education and Qualifications: With our community at 80% build-out, it is crucial that what little remains is protected. I would rather go to the dentist every day than subject my family to constant rehashing of past events but it is so important to our collective futures that debates must move forward. My past voting record will speak for itself and I hold these past decisions dear.

Major decisions are going to be made over the next couple of years and the public needs to know how we plan to proceed. Examples include; Increased local sales tax, Downtown development, Downtown parking, Residential street paving programs, Shell Beach enhancement programs, pier development, residential parking restrictions, water, proposed annexations into our City and much more.

I'm already a leader. Former President of the Business Improvement Group for 4 consecutive years, Citizen of the Year, former talk show radio host for 3 years, just re-elected Chairman of Zone 3 Water District, just re-elected President of Public Access Television, a 5 year veteran hosting a weekly television program, owner of 3 businesses in the downtown core and a member of a City Council for 8 years.

Your support means everything. I would appreciate your vote.

s/ Bill Rabenaldt

**STATEMENT OF CANDIDATE FOR
MEMBER OF THE CITY COUNCIL, 4 YEAR TERM
City of Pismo Beach**

SHELLY HIGGINBOTHAM

Occupation: Appointed City Councilmember

Education and Qualifications: I have enjoyed the privilege of serving on the City Council of the City of Pismo Beach for nearly two years. During my term in office, many projects have been completed in the city. As a Councilmember I have worked very hard to study the issues facing our city and have made decisions, which are both logical and ethical. There are still many challenges facing the City and I believe my experience and continuing input on the City Council will be invaluable in dealing with these important issues. As your City Councilmember I have made every effort to make the Council more accountable to its citizens and it is critical that this movement towards greater integrity for the City Council continue. I am committed to insure this effort as I pledge to represent all the citizens of Pismo Beach without personal bias and make decisions that are honestly in the best interest of the residents and businesses of Pismo Beach. The citizens of Pismo Beach can count on me to continue to work hard, study the issues, and stay involved in the community. I would appreciate the opportunity to continue serving the City and its citizens.

I would greatly appreciate your support on November 7

s/ Shelly Higginbotham

**STATEMENT OF CANDIDATE FOR
MEMBER OF THE CITY COUNCIL, 4 YEAR TERM
City of Pismo Beach**

MARILEE HYMAN

Occupation: Retired Businesswoman

Education and Qualifications: I bring 40 years of successful financial and management experience and pledge fairness and civility while working to keep Pismo Beach prosperous and safe for residents, business and visitors.

My community service includes ten years developing Dinosaur Caves Park; regular attendance at Pismo Beach City Council meetings, budget and special workshops; chaired Fire Station Rehab Committee which recommended plans and budget to Council; appointed to Pismo Beach Special Events Committee which coordinates city services for fireworks, car show, etc.; member Shell Beach Improvement Group; former Boardmember SLOCO League of Women Voters as Director of Natural Resources; member Tri-County Task Force on coastal issues.

Education: Mission HS honors, BA cum laude Immaculate Heart, Masters in Sociological Research.

Work experience includes CEO Association for Retarded (200+ employees) responsible for budget, facility planning, transportation, housing and factory operation; administered millions of federal, state and local dollars; wrote official NY State training manual; experienced with all media; developed training materials for first rural Teenage Parents program; high school religious teacher; Family Court and Probation Officer.

I returned home to Five Cities in 1991 while a national publisher's business officer responsible for finances and contracts. Retired in 2005, I can devote full-time to community service.

s/ Marilee Hyman

**STATEMENT OF CANDIDATE FOR
MEMBER OF THE CITY COUNCIL, 4 YEAR TERM
City of Pismo Beach**

RUDY NATOLI

Occupation: Retired

Education and Qualifications: I deeply appreciate the opportunity of serving you and our community on the Pismo Beach City Council for the past eight years. Public service is an honor and a privilege for anyone, but for me it means much more.

It means getting under the hood of city government and working to set smart priorities so we can make the very best decisions for taxpayers.

Please join my campaign to protect and enhance our quality of life in Pismo Beach. The past eight years have seen great progress in our city. Our downtown has received a more attractive appearance. We now own a state-of-the-art Waste Water Treatment Facility, and we developed Dinosaur Caves, Price House Park, and I championed development of Chumash Park. We also reworked our Addie Street Lift Station, built our prize winning boardwalk, and resurfaced most of our streets. I am proud to have been a driving factor in all these projects.

I respectfully ask for your support and thank those of you who cast your vote for me. A vote for me is a vote for a better City Council.

s/ Rudolph R. Natoli

**STATEMENT OF CANDIDATE FOR
MEMBER OF THE CITY COUNCIL, 4 YEAR TERM
City of Pismo Beach**

KRIS A. VARDAS

Occupation: Land Use Consultant

Education and Qualifications: I am a father, homeowner, coach, and a former Pismo Beach Planning Commissioner. My wife Tracey and our children proudly call Pismo Beach home. I have a degree in Environmental Policy/Planning from UC Davis, an MBA from CSU Sacramento and 15 years experience in land use planning. As a program manager for an environmental/planning consulting firm and previously as a project manager with the California State Lands Commission and California Department of Water Resources, I have resolved a variety of issues facing local and state governmental agencies. I am keenly aware that if elected, I would report to and serve the citizens of Pismo Beach. Important issues for our community include:

- Preserving the character of Shell Beach;
- Balancing public trust and private property rights;
- Identifying and preserving key open space areas.
- Ensuring smart and responsible growth;
- Enhancing coastal access and recreational opportunities; and,
- Developing and implementing a downtown parking solution.

I will utilize a balanced approach in the direction of staff and interaction with community members, and other cities and agencies to promote fiscal solvency and to conduct effective short-term and long-term planning. Most importantly, I will bring a high degree of professionalism to the Council.

s/ Kris Vardas

**STATEMENT OF CANDIDATE FOR
MEMBER OF THE CITY COUNCIL, 2 YEAR TERM
City of Pismo Beach**

ARLENE GONZALES-GEE

Age: 61

Occupation: Incumbent / Retired Businesswomen

Education and Qualifications: I will continue to be the voice of the people on the Pismo Beach City Council. My only agenda is to represent the will of the people.

I am a retired successful owner-principle of a legal support service for approximately 27 years and will continue to put this experience to work for you. I will continue to work hard to maintain our city's budget, be accessible, and respond to the needs of our residents, while capitalizing on tourism. I take pride in being accessible to the people.

I appreciate the beauty of our city as a tourist destination, as well as a place to live. I will persist on working with other councilmembers to establish a vision for our city over the next decade, and years to come. I will continue to be an advocate for smart growth and property rights. I stand by my convictions and those of the people I represent.

I love Pismo Beach.

Our city's future is in our hands. Please vote for me on November 7, and I will continue to ensure that we work together to build a successful city, while maintaining the small-town charm of Pismo Beach.

arlenepbcc@aol.com
www.arlenegonzales-gee.org
www.smartvoter.org

s/ Arlene Gonzales-Gee

**STATEMENT OF CANDIDATE FOR
MEMBER OF THE CITY COUNCIL, 2 YEAR TERM
City of Pismo Beach**

TED EHRLING

Age: 76

Occupation: Geologist, General Contractor, and City of Pismo Beach Planning Commissioner

Education and Qualifications: I have been a member of the Pismo Beach Community for over 20 years, and have served as a Planning Commissioner for the last 6 years. I believe that the preservation of our city's beauty and the needs of our growing community are not mutually exclusive, however, action must be based on sound long-term planning.

I have been actively involved in city government as a commissioner, community advocate and business member for several decades, both in the Central Coast and in Southern California. I wish to apply this knowledge in propelling our community safely and productively into the 21st century.

As a geologist, conservationist, and board member of a non-profit park development society, I have extensive experience in the areas of water and land management and a deep appreciation for our natural resources.

Growth is neither our enemy nor the harbinger of sprawl; however, poor planning will certainly lead to the destruction of our pristine environment.

I pledge 100% of my energy and experience to the service of our city, its residents, and its tourists and thank those, who honor and entrust me with their vote.

s/ Ted Ehrling

CITY OF PISMO BEACH
FULL TEXT OF MEASURE CC-06

ORDINANCE NO. O-2006-08
AN ORDINANCE OF THE CITY OF PISMO
BEACH ADDING CHAPTER 3.22 TO TITLE 3 OF
THE PISMO BEACH MUNICIPAL CODE
ESTABLISHING A TRANSACTIONS AND USE
TAX TO BE ADMINISTERED BY THE STATE
BOARD OF EQUALIZATION

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PISMO
BEACH AND THE VOTERS OF THE CITY OF PISMO BEACH, AS
FOLLOWS:

SECTION 1. FINDINGS

A. One of the primary roles of City government is to provide vital public services such as public safety; street and sidewalk maintenance; pothole repair; parks and recreation programs and facilities; and many other essential city services.

B. Over the past six years, the state has taken over three million dollars, and will continue to take money away in the next several years, from Pismo Beach – money that would otherwise be spent on essential City services.

C. Budget cuts have forced the City to reduce spending on street and sidewalk maintenance, pothole repair, upgrades to our pier and replacing storm drains that are already 20-30 years old. As a result, City streets are in poor condition and inefficient storm drainage can lead to flooding.

D. The City's revenue for such vital services comes from property tax, sales tax, hotel tax, and other such revenues.

E. The cost to continue to provide these vital services at current levels of service exceeds the amount of funds and revenues generated from all other sources of income available for such purpose. The imposition of a transactions and use tax in the amount of one-half of one percent, as more fully described and set forth below, is necessary to maintain public good, welfare, and safety.

F. The City must either generate additional revenue or begin making cuts to essential City services.

G. **A local finance measure gives Pismo Beach residents local control.** Every penny generated by the measure stays in Pismo Beach to be used for the needs and services of our residents and the City.

H. The imposition of such a tax will allow the City to provide essential services to occupants of residential and commercial real property throughout the City.

I. All funds from a locally approved transactions and use tax could not be taken away by the State and would stay in Pismo Beach to benefit local residents.

J. A local measure will include tough fiscal accountability provisions including annual independent financial audits.

SECTION 2. AMENDMENT OF CODE.

Pismo Beach Municipal Code Title 3 is hereby amended to add Chapter 3.22 to read as follows:

CHAPTER 3.22. TRANSACTIONS AND USE TAX.

3.22.010. TITLE.

This ordinance shall be known as the "Transactions and Use Tax Ordinance of the City of Pismo Beach". The City of Pismo Beach

hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

3.22.020. PURPOSE.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3.22.030. OPERATIVE DATE.

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

3.22.040. CONTRACT WITH STATE.

Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.22.050. TRANSACTIONS TAX RATE.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of .5% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the City on and after the operative date of this ordinance.

3.22.060. PLACE OF SALE.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

3.22.070. USE TAX RATE.

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from

any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of .5% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.22.080. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.22.090. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name Pismo Beach shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against Pismo Beach or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property, which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3.22.100. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.22.110. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.22.120. AMENDMENTS.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3.22.130. ENJOINING COLLECTION FORBIDDEN.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

SECTION 3. USE OF TAX PROCEEDS.

All proceeds of the tax levied and imposed hereunder shall be accounted for and paid into the City of Pismo Beach General Fund, and may be used for any lawful purpose as designated by the City Council.

SECTION 4. SEVERABILITY.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 5. STATUTORY AUTHORITY FOR TAX.

This ordinance is adopted pursuant to Revenue and Taxation Code section 7285.9.

SECTION 6. ELECTION REQUIRED.

The City Council, in approving this ordinance, declares the urgency of approving the ordinance pursuant to Government Code Section 36937(a) and (b), in that the ordinance relates to an election, and is necessary for the immediate preservation of the public peace, health or safety, because absent adoption as an urgency ordinance, the ordinance will be approved after the date required by the County Recorder for submission of this ordinance for appearing on the November 2006 ballot. This ordinance shall not become operative unless and until a majority of the electors voting on this measure vote to approve the imposition of the tax at the general municipal election to be held on November 7, 2006.

SECTION 7. EFFECTIVE DATE.

If this ordinance is approved by a majority of the electors voting on the issue at the November 7, 2006 general municipal election, pursuant to Elections Code Section 9217, the ordinance shall be become effective ten (10) days after the City Council accepts the certified results of the election.

IMPARTIAL ANALYSIS OF MEASURE CC-06

If approved by the voters, Measure CC-06, entitled "**The Pismo Beach Vital Public Service Protection Measure**", would amend the Pismo Beach Municipal Code to establish a retail transactions and use tax within the City, as authorized by the State Legislature under Revenue and Taxation Code Section 7285.9. This measure would set the retail transactions and use tax rate at one-half of one percent (0.50%). At this rate, for example, a retail transaction \$100 in value would generate a tax of 50 cents. The proposed transactions and use tax would be imposed upon the sale of all tangible personal property sold at retail within the City. This measure would authorize the City to enter into a contract with the State Board Of Equalization to administer and collect the tax.

This measure requires all proceeds of the tax to be deposited into the City's General Fund to be used for such general municipal governmental purposes as the City Council shall direct. Among such purposes are street and sidewalk construction, maintenance and repair, pothole repair, storm drain construction, maintenance and repair, and pier maintenance.

This measure would provide several enumerated exemptions and exclusions from the transactions and use tax. It would further prohibit the issuance of any injunction to prohibit the collection of the tax. The ordinance proposed by this measure will only become effective if approved by a majority of those electors voting on the measure.

A YES vote approves the measure.

A NO vote rejects the measure

s/ David Fleishman, City Attorney, City of Pismo Beach

ARGUMENT IN FAVOR OF MEASURE CC-06

Your "Yes" vote on Measure CC-06 will create an additional revenue stream with which the intent will be to fund, at an accelerated rate, infrastructure maintenance and improvements. We currently do not have enough funding in place to maintain the quality of infrastructure needed to sustain our community well into the future for both our residents and visitors. Our latest resident poll illustrates the desire to improve the conditions of our streets and sidewalks, storm drainage, beach access and parking, among others. An increase in the sales tax rate from 7.25% to 7.75% will create revenue in excess of 1 million dollars. Since this will be a "local" tax all of the increase will be independent of the State and Federal governments.

Consider:

1. The business community has determined that 80-85% of taxable sales is generated by non-residents. None of the other communities that are considering sales tax increases are in this very special situation.
2. Due to the fact that Pismo Beach lacks regional shopping opportunities, the majority of our resident spending takes place in the neighboring cities of Arroyo Grande and San Luis Obispo. Both cities are also considering a sales tax rate increase.
3. Without a "Sunset Clause" our city can consider major construction projects that might need bond funding with this revenue. Projects such as re-construction of Shell Beach Rd, Bello St. Civic Center or Parking Structures can be evaluated.
4. 61% of all sales tax districts in our state are already above 7.25%

Your "Yes" vote will provide the city with the funding it needs for these improvements with very little impact on the individual citizen. Our city will be held accountable for their stated intent to apply this new revenue to infrastructure improvements.

s/ Don Morris
s/ Paul Sawko
s/ Rick Turton

s/ Catherine Tavasti
s/ Kathy Puglisi

NO ARGUMENT AGAINST MEASURE CC-06 WAS SUBMITTED