

Ballot Measures-P

P

City of Laguna Beach, Laguna Beach Utility Undergrounding and Fire Safety Measure

Shall the measure to improve emergency evacuation and access routes, 9-1-1 emergency response in case of disaster, and help reduce wildfire risk by moving overhead wires underground on Laguna Canyon Road, key evacuation routes, and other areas, and providing other fire safety measures and improvements, by levying a one-percent (1%) dedicated sales tax for 25 years raising approximately \$5.6 million annually, requiring financial audits, with all funds for Laguna Beach only, be adopted?

What your vote means

YES	NO
A "yes" vote on Measure P is a vote to adopt an ordinance approving a dedicated 1% increase in the sales tax.	A "no" vote on Measure P is a vote against adoption of the ordinance.

For and against

FOR	AGAINST
Kelly Boyd Mayor, City of Laguna Beach	Jennifer W. Zeiter Co-Founder/President, Stop Taxing Our Property
Rob Zur Schmiede Mayor Pro Tem, City of Laguna Beach	Carolyn Caveccche CEO/President, Orange County Taxpayers Association
Bob Whalen Council Member, City of Laguna Beach	David Rubel President, Laguna Beach Chamber of Commerce and Civic Association
Michael Garcia Fire Chief, City of Laguna Beach	Emil Monda Resident/Security Consultant
Laura Farinella Police Chief, City of Laguna Beach	

Ballot Measures-P

Full Text of Measure P City of Laguna Beach

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LAGUNA BEACH IMPOSING A SPECIAL TRANSACTIONS (SALES) AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

The People of the City of Laguna Beach do hereby ordain as follows:

Section 1. Title. This Ordinance shall be known as the Laguna Beach Utility Undergrounding and Fire Safety Measure.

Section 2. 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.

Section 3. 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 (sales) 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 7285.91 of Part 1.7 of Division 2 of said Code, which authorizes the City to adopt this tax Ordinance, which shall be operative if two-thirds 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 (sales) 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 (sales) and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration 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 California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

(d) To adopt a retail transactions (sales) 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 City sales 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.

Section 4. Contract with state. Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this special sales and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration 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.

Section 5. Special transactions (sales) tax rate. For the privilege of selling tangible personal property at retail, a special tax is hereby imposed upon all retailers in the incorporated area of the City at the rate of one percent (1.0%) 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.

Section 6. 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 California Department of Tax and Fee Administration.

Section 7. Special use tax rate. A special 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 the City at the rate of one percent (1.0%) 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.

Section 8. 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.

Section 9. 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) Whenever the State of California is named or referred to as the taxing agency, the name of this City 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, California Department of Tax and Fee Administration, 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 this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.



Ballot Measures-P

(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.

Section 10. 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 seller's permit shall not be required by this Ordinance.

Section 11. Exemptions and exclusions.

(a) There shall be excluded from the measure of the transactions tax and the use tax the amount of any transactions 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



Ballot Measures-P

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.

Section 12. 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.

Section 13. 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 14. Effective date. This Ordinance relates to the levying and collecting of City transactions (sales) and use taxes and shall take effect immediately.

Section 15. Termination Date. The authority to levy the special tax imposed by this Ordinance shall expire upon the earlier of the 25-year anniversary of the operative date of this Ordinance as defined in Section 2 or the adoption of an ordinance by the voters of the City terminating this Ordinance, provided such termination shall not impair and shall be consistent with financial obligations and commitments of the City, if any, that are dependent on the imposition of the special tax.

Section 16. Use of Tax Proceeds and Expenditure Plan. All proceeds of the taxes levied and imposed under this Ordinance shall be accounted for and paid into a special fund or account designated for overhead utility undergrounding and related and complementary fire safety projects only, including without limitation:

(a) The following preliminary list of potential overhead utility undergrounding projects for key evacuation routes, including all design, engineering, administration, project management, permitting and project approval costs, and construction:

- (1) Laguna Canyon Road, road frontage to El Toro Road;
- (2) Monterey Drive, Hawthorne Road to Linden Street;
- (3) Thalia Street, Temple Terrace to 350 feet southwest of Glenneyre Street;
- (4) Glenneyre Street, Laguna Avenue to Thalia Street;
- (5) Glenneyre Street, Calliope Street to Arch Street;
- (6) Bluebird Canyon, Eastman Way to Cress Street;
- (7) Coast Highway, Agate Street to 200 feet southeast of Upland Road;
- (8) Monterey Street/Virginia Way, West Street to 5th Avenue;
- (9) Temple Hills Drive, northeast and southwest of San Remo Drive;
- (10) Park Avenue, Wendt Terrace to 500 feet east of St. Anns Drive;
- (11) Virginia Way, 7th Avenue to 9th Avenue; and
- (12) San Joaquin Street, Hillcrest Drive to alley 100 feet northeast of N. Coast Highway

The City Council shall have the ability to remove, modify or prioritize projects from the above preliminary list due to cost, environmental impacts, feasibility, and related considerations. The City Council shall also have the ability to add overhead utility undergrounding projects for other key evacuation routes and other areas. Proceeds of the special sales tax shall not in any event be expended to add vehicle travel lanes to Laguna Canyon Road, but may be expended for road improvements along Laguna Canyon Road necessary to construct underground facilities so that vaults, handholes, manholes, and transformers are located outside of vehicle travel lanes but within the Caltrans right-of-way to the extent feasible, and the negotiation and acquisition of real property interests necessary to complete the underground facilities or required above-grade facilities, such as transformers.

- (b) Payment for or construction of utility connections on private property to underground facilities.
- (c) Bond issuance, debt service on indebtedness, and reserve fund costs relating to projects authorized pursuant to this Ordinance.
- (d) Fire safety measures, including without limitation creation and ongoing maintenance of fire breaks, fuel modification zones and similar vegetation management for fire prevention measures; implementation of new and evolving technologies for fire detection and suppression; unmanned aerial support for survey and firefighting purposes; improved fire apparatus and emergency vehicle access to impaired-access neighborhoods; and enhancement of water supplies to combat fires.

Ballot Measures-P

- (e) Projects and programs that provide complementary fire safety improvements based on emerging technologies.
- (f) Proceeds of the taxes shall not be used for salaries of existing personnel, pensions, unfunded pension liabilities, or additional facilities, including fire or police stations.
- (g) Because the proceeds of the taxes shall be used only for overhead utility undergrounding and related or complementary fire safety projects, this Section 16 shall satisfy the expenditure plan requirement of Section 7285.91(c) of the Revenue and Taxation Code.

Section 17. Use of Other Funding Sources. It is the intent of the People that revenues collected under this Ordinance shall supplement, rather than supplant, existing City expenditures for overhead utility undergrounding and fire safety. The City will continue to pursue and utilize alternative sources of funding, in addition to the proceeds of the taxes levied and imposed under this Ordinance, for overhead utility undergrounding and the related or complementary fire safety measures, improvements, and other expenditures described in Section 16 above.

Section 18. Audits and Oversight. The City Council shall establish or designate an audit and oversight committee that will review annually the expenditures of the proceeds of the taxes levied and imposed under this Ordinance and provide a subsequent public report to the City Council regarding the conformity of the expenditures to the provisions of this Ordinance.

Section 19. 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 20. CEQA. This Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") because it is not a "project" within the meaning of CEQA. The voters' adoption of this Ordinance does not constitute the approval of a "project" for reasons that include, but are not limited to, the following: the Ordinance pertains to the conversion of overhead utility distribution system facilities to undergrounding and to related and complementary fire safety projects; the Expenditure Plan referenced in Section 16 does not involve a commitment to or authorize the construction of any project that may result in any direct or indirect physical change in the environment; and the Expenditure Plan is a mechanism for the funding of potential future projects, the timing, approval, and construction of which may be modified or not implemented depending on a number of factors, including future site-specific environmental review pursuant to CEQA. (See Pub. Res. Code§ 21080; Cal. Code of Regs., title 14, §§ 15060(c), 15302(d), 15352, 15378.)



Ballot Measures-P

Impartial Analysis City of Laguna Beach Measure P

This ballot measure, if approved by the voters, would adopt an ordinance enacting a one percent (1%) increase in the transactions (sales) and use tax rate in the City of Laguna Beach, hereinafter referred to as "sales tax." The current sales tax rate in the City is 7.75%. Thus, if the ordinance is adopted, the sales tax rate for taxable purchases would increase to 8.75%. The sales tax increase would be effective for a period of 25 years, unless terminated earlier by the voters.

The sales tax increase is a special tax and therefore requires a 2/3 majority vote for adoption. As a special tax, all new tax proceeds must be placed and accounted for in a separate fund dedicated for overhead utility undergrounding and related and complementary fire safety projects only, including the following:

- A preliminary list of potential undergrounding projects along Laguna Canyon Road and certain key evacuation routes identified in the ordinance. The City Council may remove, modify or prioritize listed projects due to cost, environmental impacts, feasibility, and related considerations.
- Payment for, or construction of, private property utility connections to underground facilities.
- Bond issuance, debt service on indebtedness, and reserve fund costs for approved projects.
- Fire safety measures, with illustrative examples described in the ordinance.
- Projects and programs providing complementary fire safety improvements based on emerging technologies.

The increased sales tax proceeds cannot be used for any other purpose, and specifically cannot be used to add vehicle travel lanes to Laguna Canyon Road, or for salaries of existing personnel, pensions, unfunded pension liabilities, or additional facilities, including fire or police stations. The ordinance also expresses the voters' intent that increased sales tax proceeds shall supplement, rather than supplant, existing City expenditures for overhead utility undergrounding and fire safety, and that the City shall continue to pursue and utilize alternative sources of funding for those purposes.

The ordinance requires the City Council to establish or designate an audit and oversight committee to review annually the expenditures of the increased sales tax proceeds and to provide a public report regarding the conformity of the expenditures to the provisions of the ordinance.

A "yes" vote on Measure P is a vote to adopt an ordinance approving a dedicated 1% increase in the sales tax.

A "no" vote on Measure P is a vote against adoption of the ordinance.

s/ Philip D. Kohn
City Attorney, City of Laguna Beach

Fiscal Analysis City of Laguna Beach Measure P

This measure proposes a 1% increase in the transactions (sales) and use tax from 7.75% to 8.75% for a 25-year term. The additional tax on a \$1 item would be 1 cent. The tax will be paid by everyone making a taxable purchase, including visitors to the City. The additional revenue generated by the increase will be approximately \$5.6 million per year. The actual amount of revenue may increase or decrease each year due to inflation, general economic conditions, or other factors. This measure is for a "special" tax, which means the City of Laguna Beach must use the tax revenues for specified purposes. The measure requires new sales tax revenues to be accounted for in a special fund and used exclusively for utility undergrounding and related fire safety projects. The measure also provides that new sales tax revenues supplement rather than supplant existing City expenditures. The measure further requires an audit and oversight committee to review how the funds are expended and their compliance with the measure's spending limitations. Annual reports from the committee are required to be presented to the City Council. The proposed increase in sales tax would become operative on or about April 1, 2019.

s/ John Pietig
City Manager, City of Laguna Beach



Ballot Measures-P

Argument in Favor of Measure P

Twenty-five years after the 1993 fire damaged or destroyed 441 homes in Laguna Beach causing \$528 million in property loss we remain extremely vulnerable to wildfires. The 200 acre June 2018 fire is the most recent reminder of this risk.

California Department of Forestry and Fire Protection determined that power lines caused recent devastating fires that burned 180,000 acres, destroyed 3,000 structures, and took 18 lives. Despite this destruction, utility companies have refused the City's request to fund undergrounding costs.

Downded power lines have caused past fires in Laguna Beach and will cause future fires unless we act now.

Downded lines can block emergency evacuation routes and hinder access by emergency responders.

The extreme fire risk from overhead power lines and refusal by utility companies to help led the City to develop a local plan, supported by our Fire and Police Chiefs, to fund utility undergrounding and other fire safety measures.

Measure P addresses fire risk and is vital to the safety of our entire community.

Measure P will provide dedicated funding to move dangerous utility poles and wires underground along Laguna Canyon Road and other key evacuation routes, and implement additional fire safety measures.

Measure P will reduce the risk of wildfires, improve 9-1-1 emergency response times, and make Laguna Beach safer in emergencies and natural disasters.

The Visit Laguna Beach 2016 Visitor Profile & Economic Study estimated that visitors paid \$3.8 million in sales taxes in 2016. This represents 67% of the sales taxes collected in the City in 2016.

It costs the City millions of dollars each year to provide services to more than 6 million visitors. Visitors should pay their fair share to protect residents, our homes and businesses. A Yes vote on Measure P will make sure that they do.

Vote Yes on Measure P.

s/ Kelly Boyd
Mayor, City of Laguna Beach

s/ Rob Zur Schmiede
Mayor Pro Tem, City of Laguna Beach

s/ Bob Whalen
Council Member, City of Laguna Beach

s/ Michael Garcia
Fire Chief, City of Laguna Beach

s/ Laura Farinella
Police Chief, City of Laguna Beach

Rebuttal to Argument in Favor of Measure P

Here we go again! City fearmongering about the 1993 and recent June fire, both of which were caused by humans, not downed utility poles or wires. This tax measure is not vital, it's disingenuous. It's got little to do with fire danger.

Random undergrounding won't guarantee our safety. We have faith and confidence in Laguna's fire department and the aggressive fire safety measures put in place since 1993, including:

- Aggressive new Cal-Fire regulations for annual utility pole safety inspections & pole reinforcement
- New large water tanks, fuel modification, weed abatement, tree trimming, goats, & defensible space requirements
- Fire Retardant roofs, paints & other building materials
- At least 40 safety surveillance cameras strategically placed around the City & Laguna Canyon monitored 24/7, and 3 drones for early fire warnings
- Substantial increase in the number of firefighters & state of art equipment.

These are the vital fire safety prevention measures that have a proven record of keeping us safe. We do not have to raise our sales tax to spend more on fire safety.

Visitor studies are unsubstantiated and simply a tool to promote tourism. 95% of all visitors to Laguna are day trippers spending little money. Residents will bear the burden of these taxes, not tourists. Local businesses have it tough enough. This tax will make it even harder for businesses to survive, and some may have to close.

Don't be fooled. Pay as we go.

www.stoptaxingourproperty.com

Vote NO on Measure P.

s/ Jennifer W. Zeiter
Co-Founder/President, Stop Taxing Our Property

s/ Carolyn Cavecche
CEO/President, Orange County Taxpayers Association

s/ David Rubel
President, Laguna Beach Chamber of Commerce and Civic Association

s/ Emil Monda
Resident and Security Consultant



Ballot Measures-P

Argument Against Measure P

STOP the second tax increase in two years. **NO new taxes. NO free rides.**

A broad spectrum of local community groups oppose this tax.

This tax measure increases local sales tax by a whopping 12.9%! Get ready to **pay more taxes** on everything: cars, appliances, home remodeling items, local restaurants, gasoline and more. **Residents** will bear the **greater tax burden**, not tourists. This tax will hurt local businesses.

We **don't need** more money. Laguna has budget surpluses year after year. We need better management of City's **hundred million dollar** budget, and can use CalTrans resources, credits and grants. Laguna should plan, and "pay as it goes" to underground, not raise our taxes.

Historically individual neighborhoods have paid for their own undergrounding, paying tens of thousands of dollars per homeowner. Why should other neighborhoods get a free ride on the arbitrary so called "evacuation routes?"

The City wants to fool voters into believing that undergrounding utilities will keep us safe from fires. Untrue! Laguna's **never** had a major fire caused by utilities. Don't be fooled by the City's "fire and fear" campaign.

The City already plans to use the tax money to float a **multi-hundred million dollar bond**, its **greatest debt ever**, and nearly **tapping out** the City's borrowing ability. This exposes us to great risk of not being able to raise money when a real emergency occurs. Hundreds of millions of our taxpayer dollars will be spent over the next 25 years if this tax measure passes. And that might not be enough because the City has **no real cost estimate** on the undergrounding.

Our City will be in big debt, and residents will **not be safer**, after this wasteful and unnecessary spending.

DON'T BE FOOLED. Pay as we go. **NO new taxes. NO free rides.**

NO on Measure P

s/ Jennifer W. Zeiter

Co-Founder/President, Stop Taxing Our Property

s/ Carolyn Cavecche

CEO/President, Orange County Taxpayers Association

s/ David Rubel

President, Laguna Beach Chamber of Commerce and Civic Association

s/ Emil Monda

Resident/Security Consultant

Rebuttal to Argument Against Measure P

As longtime Laguna Beach residents, we see the critical need for Measure P to underground dangerous utility lines on Laguna Canyon Road and key evacuation routes that threaten our safety.

The "new normal" of increased wildfire risks is clear from recent California fires that have claimed lives and destroyed property, many of which were started by downed power lines. CalFire includes over 90% of Laguna in the highest risk fire zone.

In the last 10 years there have been at least six fires in our City caused by overhead utilities. A wind gust easily could have turned any of these fires into deadly infernos. We cannot rely on blind luck.

Measure P provides funds to underground Laguna Canyon Road and key evacuation routes for Top of the World, Arch Beach Heights, Bluebird Canyon and North and South Laguna neighborhoods and will enhance safety at our neighborhood schools.

We must take action to address the danger from overhead utilities to reduce our fire risk and better protect our homes, businesses and families.

Let's not wait for a repeat of the 1993 fire to act! Opponents claim this a "fire and fear" campaign but offer no reasonable alternatives. We know Measure P is a common sense solution.

Measure P is smart because visitors who use our services will pay most of the cost to make us all safer.

Fire experts agree, Measure P is a sound plan for undergrounding dangerous utilities. Our community cannot wait.

Vote YES on Measure P to protect Laguna!

s/ Theresa O'Hare

Former Laguna Beach School Board Member

s/ Mark Orgill

Local Business Owner

s/ Tom Lamb

Artist/Local Business Owner

s/ Elizabeth Ann Pearson

Former Laguna Beach Mayor

s/ Ketta Brown

Community Member