

**IMPARTIAL ANALYSIS BY COUNTY COUNSEL
MEASURE Z (2014)**

State law authorizes the Fresno County Zoo Authority (the "Authority") to adopt an ordinance imposing a special countywide sales tax ("transactions and use tax") to be expended exclusively for the support of zoos, zoological facilities, and related zoological purposes within the County of Fresno. The transactions and use tax must be at the rate of 0.1 percent.

State law requires that the ordinance imposing the transactions and use tax be approved by two-thirds of the voters of the Fresno County voting on the ordinance.

In 2004, the Authority adopted an ordinance imposing a transactions and use tax (the "2004 Ordinance") at the rate of 0.1% for a period of 10 years. Later that year, the voters approved the 2004 Ordinance by the required vote margin. The 2004 Ordinance is set to expire in 2015.

Earlier this year, the Authority adopted an ordinance (the "2014 Ordinance") imposing an extension of the 2004 Ordinance for an additional ten (10) years. The 2014 Ordinance is on the ballot for the consideration of Fresno County voters. If Measure Z is approved by the voters, the transaction and use tax at the rate of 0.1% would be extended for an additional ten (10) years, expiring in the year 2025.

Like the 2004 Ordinance, the tax revenues generated by the 2014 Ordinance would be used exclusively to support the Fresno Chaffee Zoo. The expenditure plan in the 2014 Ordinance provides for the following uses:

1. The Fresno Chaffee Zoo would be required to spend a minimum of two-thirds of the funds distributed for capital improvement projects approved by the Authority Board,
2. Up to one-third of the funds will be available for operations and maintenance of the Fresno Chaffee Zoo.

The tax revenues would also be used to reimburse the County for election costs and for the fees charged by the State to administer the tax. Tax revenues would also be used to pay administrative costs, capped at 2% per year.

The Fresno County Zoo Authority would be responsible for the specific expenditures of the tax revenues. The seven-member Authority board consists of the mayor of Fresno, or her designee, and six members appointed by the Fresno County Board of Supervisors, one of whom must have expertise in zoo matters.



Daniel C. Cederborg, County Counsel

FISCAL IMPACT STATEMENT

This ballot measure is to extend the current Retail Transaction and Use Tax in the incorporated and unincorporated areas of Fresno County at the rate of one-tenth of one percent (0.10%), which expires on March 31, 2015. The State board of Equalization will continue to administer this sales tax if approved by at least two-thirds of the electors voting on the measure.

This ordinance will generate approximately ten million five-hundred thousand dollars annually (\$10,500,000) with the growth of this revenue generally following the economic trends within the local community. The total estimated proceeds for the ten year period extension will be approximately one hundred five million dollars (\$105,000,000).

The revenue from the Fresno County Zoo Authority Transactions and Use Tax Ordinance will be used exclusively for zoos, zoological facilities, and related zoological purposes within Fresno County. This tax will terminate on the later date of March 31, 2025, or 10 years after the first day of the first calendar quarter following the execution of the State Board of Equalization contract in accordance with the provisions of the Transactions and Use Tax Ordinance.



Vicki Crow, CPA
Auditor-Controller/Treasurer-Tax Collector
County of Fresno

2014 Argument in Favor:

For more than a century, **Fresno Chaffee Zoo** has educated, entertained and delighted visitors. In 2004, Fresno County voters overwhelmingly approved Measure "Z" to restore this regional treasure to its once pristine condition.

Now, we have the opportunity to build on Chaffee Zoo's amazing success story for another ten years.

We appreciate the continuation of your support!

2004 Measure "Z" accomplishments:

- As promised, Measure Z funds have been effectively used to **restore, repair and enhance** the Zoo.
- Area residents have enthusiastically responded to these improvements. Zoo attendance has **more than doubled** since 2003 to 691,320 in 2013, and **admission prices have not increased in 10 years.**
- In 2013, over **175,000 children** participated in the Zoo's **education programs.**
- Our zoo is now able to maintain **humane animal care** and retain excellent veterinarian and animal specialists.
- Animal exhibits have been renovated into safe natural habitats; notably, the reptile house with an expanded area for our new **king cobra and Komodo dragon.**
- Our **Species Survival Plan** protects endangered species populations.
- Our fabulous new **Sea Lion Cove** is the envy of other zoos nationwide.
- Our world-class **African Adventure** exhibit, which includes lions, elephants, cheetahs, rhinos, meerkats and more, is currently under construction (completion: 2015...funded by 2004 Measure Z). This exhibit will be Fresno Chaffee Zoo's most spectacular attraction ever.

Future plans:

- New **children's education center**
- New amazing hippopotamus, crocodile, penguin and gorilla exhibits

- Renovate/expand current exhibits into more naturalistic habitats
- **KEEP ADMISSION PRICES AFFORDABLE** for our Fresno County families

For a list of endorsements or more information, please visit our website:
KeepOurZoo.org.

Fresno County residents can now vote to continue our support for this fabulous regional treasure. Let's ensure that our children and future generations can continue to enjoy Fresno County's proudest achievement by voting **YES, again, on Measure "Z."**

s/ Jean Chaffee
Dr. Paul Chaffee's Widow

s/ Jim Yovino
Superintendent
Fresno County Office of Education

Dennis Woods
Keep Our Zoo, Measure "Z" Chairman
President and CEO United Security Bank

s/ David McDonald
2004 Save Our Zoo, Measure "Z" Chairman
Retired Pelco President and CEO

s/ Angel Arellano
Inspired 2004 Measure "Z" as a 9 year old child

**Rebuttal to the Argument in Favor of BALLOT PROPOSITION: KEEP OUR ZOO: MEASURE "Z"
On the Statewide General Election for Fresno County to be held on November 4, 2014**

Vote NO on Measure Z

The Zoo NO LONGER needs to be saved.

- In 2004, taxpayers were asked to save the zoo; that's been accomplished.
- The Zoo now has tens of millions of dollars in reserve.

We do not need Measure Z to keep our Zoo.

- The Zoo Director publicly stated the Zoo has sufficient funding to remain operational into the next decade.

Millions of Measure Z dollars go to State politicians to spend.

- Voters were promised in 2004 that "funds will not go to government"; every dime of Measure Z funds would be spent restoring the Zoo. NOT SO. Paragraph 6 of the Impartial Analysis by County Counsel acknowledges "fees charged by the State". After Sacramento continues to take MILLIONS OF DOLLARS IN FEES, the remaining money goes to the Zoo.
- Virtually every enhancement to the Zoo has cost far more than budgeted. Sea Lion Cove was budgeted at \$5 million and ended up costing twice that. The Africa Expansion is MILLIONS over budget. This is irresponsible and extremely bad planning.
- The Zoo awards multi-million dollar contracts in CLOSED DOOR BIDDING.
- Salaries skyrocketed from \$2.2 million in 2006 to \$5.5 million in 2014, over double during a major recession.
- Taxpayers are NOT granted FULL TRANSPARENCY on how Zoo funds are spent.

There is no NEED or JUSTIFICATION for Measure Z. You can support the zoo by donating to the zoo.

There is nothing affordable about a \$105 million tax.

Vote NO on Measure Z. www.NoOnMeasureZ.com

Diana Diehl
Grandmother

Frank X. Esquivel
Retired Law Enforcement

Chris Mathys
Former Councilman

Harol Habib, Jr.
Farmer

Joan LeRoux
Major Zoo Donor

ARGUMENT AGAINST BALLOT PROPOSITION: KEEP OUR ZOO: MEASURE "Z"
On the Statewide General Election for Fresno County to be held on November 4, 2014

In 2004, there was a need to ask Fresno County voters to authorize a TEMPORARY increase in the local sales tax to save the Fresno Chaffee Zoo; the need no longer exists.

Taxpayers have donated more than \$99 million already. Together, the Zoo and Zoo Authority have tens of millions of dollars on hand.

There is no justification for keeping this tax in place for another 10 years.

- The Zoo itself says that it has enough money to remain open and operational into the next decade without extending the sales tax.
- In 2004, voters were promised that "funds will not go to government. By law, every dime must be spent restoring the Zoo." Yet, nearly \$4.8 million has gone to Sacramento as administrative fees. Renewal of Measure Z will only result in sending more of your tax dollars to Sacramento for state politicians to spend.
- The Sea Lion Cove was budgeted at \$5 million; it actually cost \$10.5 million.
- The African Expansion was supposed to cost \$30 million plus architectural fees. To date, the Zoo Authority approved almost \$51.7 million...an increase of 72%. This is BOTH bad planning and irresponsible.
- The Zoo has awarded millions of dollars in contracts using a CLOSED DOOR process. A lack of complete transparency is inexcusable when spending your tax dollars.
- The Zoo plans to spend \$350,000 of Zoo money for the consultant for the Measure Z renewal campaign rather than raising money from individual contributors.

Supporting the Zoo is commendable and can be done by purchasing a membership or visiting the zoo; however, it is just plain wrong to force ALL Fresno County residents to continue paying a higher sales tax.

Vote NO on Measure Z. www.NoOnMeasureZ.com

Joan LeRoux
Chair, No on Measure Z 2014
Small Business Owner

Michael Goossen
Small Business Consultant, CPA

Chloe E. Foster
Housewife

Greg Barber
Retired Business Owner

Kevin Hall
Business Owner, Retired
Member, No on Measure Z 2014

Kim Buck
Business Owner

Measure Z 2014
Rebuttal – from Keep Our Zoo, Yes On “Z”

Here are the FACTS:

Without renewing Measure Z, we will **not** be able to keep the Fresno Chaffee Zoo as we know it today.

Without Measure “Z” Funds, admission prices will be raised substantially - to a level that will exclude many Fresno County families from being able to afford a trip to the Zoo; resulting in a much lower attendance.

- New exhibit investments would cease.
 - Educational opportunities for our families and children would experience severe cutbacks.
- Measure Z has independent strict financial processes, which account for every penny spent and an open purchasing process that encourages competition and public input.
 - As an example of sound fiscal management, Sea Lion Cove was budgeted for \$10.5 million - it came in under budget and ahead of schedule.
 - Because of broad based community support, \$500,000 additional dollars were raised for the project from outside donations. These donations allowed for additional desired features.
 - The Zoo has never exceeded a committee-approved budget.
 - The Keep Our Zoo campaign is funded by private donors, **not** by public funds.
 - Whether it is maintaining humane and attractive environments for the animals and visitors or offering top-tier educational programs for our students, Fresno Chaffee Zoo has a proven track record of excellence. As a result, the Zoo is attracting tourist dollars that greatly benefit the entire Fresno area economy.

By voting **YES** on Measure Z, you can help us keep Fresno’s Chaffee Zoo as the premier treasure in our San Joaquin Valley.

s/ Jean Chaffee
Dr. Paul Chaffee's Widow/Author

s/ Jim Yovino
Superintendent
Fresno County Office of Education

s/ Dennis Woods
Keep Our Zoo, Measure "Z" Chairman
President and CEO United Security Bank

s/ David McDonald
2004 Save Our Zoo, Measure "Z" Chairman
Retired Pelco President and CEO

s/ Angel Arellano
Inspired 2004 Measure "Z" as a 9-year-old child

VERIFICATION

The undersigned authors of the rebuttal to the argument against the ballot proposition "*Measure Z*" at the State General Election for the Fresno County to be held on November 4, 2014 hereby state that this argument is true and correct to the best of their knowledge and belief.

Signed _____ Date _____
Jean Chaffee

Signed _____ Date _____
Jim Yovino

Signed _____ Date _____
Dennis Woods

Signed _____ Date _____
David McDonald

Signed _____ Date _____
Angel Arellano