

RESOLUTION R2020-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
NAPA, STATE OF CALIFORNIA, DECLARING A LOCAL
FISCAL EMERGENCY IN RESPONSE TO THE
CORONAVIRUS (COVID-19) PANDEMIC**

WHEREAS, on March 15, 2020, the City Manager issued the Proclamation of Local Emergency (P2020-001), which was ratified and continued by the City Council on March 16, 2020 (R2020-037) and March 31, 2020 (R2020-039), in which the City documented the unprecedented impacts of the Coronavirus (COVID-19) pandemic; and

WHEREAS, , the State of California and Napa County have issued orders requiring persons to shelter in place in their homes in order to slow the spread of COVID-19, with limited exceptions for essential activities and essential businesses; and those orders have significantly disrupted non-essential commerce activities such as patronage at restaurants, wineries, bars, eateries, retail shopping, and hotels; and

WHEREAS, the extraordinary measures implemented by local, state, and federal governmental authorities to protect public health in response to COVID-19 has imposed an unprecedented impact on both local and global economies; and

WHEREAS, the City's budgeted General Fund revenues for Fiscal Year 2019/20 are \$99,463,200, and the budgeted General Fund revenues for Fiscal Year 2020/21 are \$104,747,300; and

WHEREAS, as a result of impacts from COVID-19, revenues from local sales tax from restaurants, wineries, bars, eateries, and shopping receipts have decreased from original adopted Fiscal Year 2019/20 budget projections of \$19.9 million to \$17.7 million; and

WHEREAS, as a result of impacts from COVID-19, revenues from local Transient Occupancy Tax (TOT) also known as hotel tax have decreased from original adopted Fiscal Year 2019/20 budget projections of \$23.7 million to \$15.4 million; and

WHEREAS, the impacts on City revenue resulting from COVID-19 for Fiscal Year 2020/21 are currently unknown, however it is projected that the City could lose in the range of \$15 million to \$20 million in General Fund revenue; and

ATTACHMENT 1

WHEREAS, Memoranda of Understanding (“MOUs”) between the City and several recognized employee organizations representing City employees establish a process by which the MOUs may be reopened for negotiations in responses to a City Council declaration of a fiscal emergency at a public hearing; and

WHEREAS, on April 21, 2020, the City Council conducted a public hearing to consider the financial impacts of COVID-19, as an unanticipated event causing a financial crisis for the City, including those summarized in this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Napa as follows:

1. The City Council hereby finds that the impact of COVID-19 on the City, as summarized in this resolution, is an unanticipated event that has caused a fiscal crisis for the City.

2. The City Council hereby declares that there is a fiscal emergency in the City of Napa as a result of the impacts of COVID-19 on the City, as summarized in this resolution.

3. The City Council hereby finds time is of the essence for City staff to re-evaluate Fiscal Year 2019/20 and 2020/21 budget projections and present updated budget projections to City Council as soon as practical.

4. The City Council hereby finds that in the interest of the public health of its residents and employees, available resources and budgetary priorities require exigent reappraisal.

5. The City Council hereby finds that the facts set forth in the recitals to this resolution are true and correct and establish the factual basis for the City Council’s adoption of this resolution.

6. This Resolution shall take effect immediately upon its adoption.

ATTACHMENT 1

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 21st of April, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
Tiffany Carranza
City Clerk

Approved as to form:

Michael W. Barrett
City Attorney