



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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August 9, 2017

TRANSACTIONS AND USE TAX CITIZENS' ADVISORY COMMITTEE MEMBERS

City of Long Beach
California

RECOMMENDATION:

Confirm that the Measure A FY 18 Proposed Budget expenditures conform with the intent of Resolution No. RES-16-0018 prioritizing spending on public safety and infrastructure and with the language contained in the ballot measure expressed in Resolution No. RES-16-0017.

DISCUSSION

Pursuant to the June 7, 2016 Measure A ballot initiative, on January 1, 2017, businesses in the City of Long Beach began to collect an additional one percent in sales tax on all tangible personal property sold at retail in the City. The FY 18 Proposed Budget demonstrates the City's commitment to program Measure A funds in a manner that prioritizes investments in public safety and infrastructure. For FY 18, the City Manager has recommended \$47,698,200 in anticipated Measure A revenues to provide continued funding for public safety restorations and maintenance, one-time public safety enhancements, and for additional infrastructure improvements. The use of Measure A to maintain public safety services saves the equivalent of 53 sworn positions in FY 18 and provides continued funds to work towards the City's infrastructure investment plan. Additionally, funding has been allocated to fund the Measure B contribution and administration of the Measure A tax.

The table below summarizes the planned uses for Measure A during the first two years of the tax. The increase in Measure A funds in FY 18 represents a full year of the tax. FY 17 is the first year and a partial year, so the amount is lower.

Planned Use of Measure A

(\$ in millions)	FY 17	FY 18
Restore Public Safety	5.3	6.3
Maintain Public Safety	3.2	8.3
Enhance Public Safety (one-times)	0.8	6.1
Invest in Capital Infrastructure	25.7	26.3
Measure B "Rainy Day"/Administration	<u>0.6</u>	<u>0.7</u>
Total expenditures (equal to available revenue)	35.6	47.7

The charts on the following page show the Proposed FY 18 revenue and expense budgets for Measure A and the FY 18 proposed infrastructure list.

Summary of FY 18 Measure A Proposed Revenue and Expenditures

	Total	Structural Portion ¹	One-time Portion			
Total Measure A Revenue in FY 18 <i>Estimate Net of State Board of Equalization Fees</i>	\$47,698,200	\$23,849,100	\$23,849,100			
	Total	Structural Uses	One-time Uses	Sworn FTEs Maintained ²	Sworn FTE Added	Non-Sworn FTE Added
Total Uses of Measure A	\$47,698,200	\$15,336,461	\$32,361,739	53.00	35.00	3.00
Invest in Infrastructure (Attachment)	26,311,739	-	26,311,739	-	-	-
Enhance and Maintain Public Safety						
Advanced, Maximized Police Academy	4,300,000	-	4,300,000	-	-	-
Neighborhood Safe Streets	1,000,000	-	1,000,000	-	-	-
Upgrade and New Camera Technology	750,000	-	750,000	-	-	-
Reestablish Police's South Division	1,538,272	1,538,272	-	-	8.00	2.00
Restore Fire Engine 8	2,296,881	2,296,881	-	-	12.00	-
Restore Policy Academy Staffing	1,408,805	1,408,805	-	-	9.00	-
Restore Paramedic Rescue 12	1,110,176	1,110,176	-	-	6.00	-
Maintain Police Services	5,908,912	5,908,912	-	38.00	-	-
Maintain Fire Services	2,384,675	2,384,675	-	15.00	-	-
Contribute to Rainy Day Fund (Measure B)	480,282	480,282	-	-	-	-
Administer Measure A Tax	208,458	208,458	-	-	-	1.00

¹Structural portion is available for either ongoing operations or one-time purposes.

²The FY 18 budget prioritizes the use of Measure A to maintain existing levels of Police and Fire services. "Sworn FTEs Maintained" represents the equivalent number of sworn FTEs retained through FY 18 that may have otherwise been reduced. Estimated to maintain 108 sworn FTE through FY 20.

FY 18 Proposed Infrastructure Projects

Mobility	\$ 14,333,239
Arterial Street Improvements	6,902,739
Residential Street Repair (Slurry)	2,670,000
Curbs & Sidewalks	2,700,000
Alley Improvements	1,800,000
Smart Street Light Technology	210,500
Traffic Signage Replacement	50,000

Public Facilities	\$ 4,341,000
Facility Assessment	200,000
Convention Center	1,000,000
Police Academy Building	900,000
Fire Station 7 Improvements	120,000
Fire Station 10 Improvements	125,000
Fire Station 17 Improvements	35,000
Fire Training Center Improvements	325,000
Emergency Operations Center	290,000
Harte Library Branch Improvements	40,000
Bach Library Branch Improvements	67,000
Mark Twain Library Branch Improvements	47,000
Library Roof Improvements	250,000
Health Department Building Improvements	650,000
Stearns Park Community Center Roof Repair	292,000

Parks & Recreation	\$ 6,087,500
Houghton Park Community Center	4,000,000
Rancho Los Alamitos Improvements	500,000
Rancho Los Cerritos Improvements	500,000
Citywide Park Irrigation Improvements	357,500
4th Street Senior Center Improvements	250,000
Veterans Field Turf Improvements	160,000
Hudson Field Turf Improvements	160,000
Admiral Kidd Field Turf Improvements	160,000

Utilities	\$ 1,550,000
Stormwater Protection	1,550,000

Total \$ 26,311,739

SUGGESTED ACTION:

Approve recommendation.