



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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REVISED

August 29, 2018

TRANSACTIONS AND USE TAX CITIZENS' ADVISORY COMMITTEE MEMBERS

City of Long Beach
California

RECOMMENDATION:

Recommendation to confirm that the City Manager's proposed Measure A spending plan in the FY 19 Proposed Budget conforms with the intent of Resolution No. RES-16-0018 prioritizing spending 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 19 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 19, the City Manager has recommended a total of \$56.9 million in Measure A funded uses for public safety and infrastructure – funded by \$54.5 million in anticipated Measure A revenues and approximately \$2.4 million in anticipated Measure A surplus in FY 18. The FY 19 Proposed Budget recommends that these Measure A funds provide continued funding for previous public safety restorations and to maintain public safety services, which is approximately the equivalent of 108 sworn positions that otherwise may not have had funding. The FY 19 Proposed Budget also funds four new sworn positions to help address homelessness – two Quality of Life Police Officers and two Firefighters as part of an additional HEART team for the City. Measure A funds are also proposed for one-time investments to support second academies for both the Police and Fire Departments in FY 19, Police overtime funds to support the Neighborhood Safe Streets Initiative, the modernization and expansion of public safety network cameras, and continued work on the 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, by category, the planned uses for Measure A in FY 18 Adjusted Budget and FY 19 Proposed Budget.

Planned Use of Measure A

(\$ in millions)	FY 19 (Proposed)
Maintain Public Safety	19.3
Restore Public Safety	7.2
Enhance Public Safety (one-times)	5.6
Invest in Capital Infrastructure	24.0
Measure B "Rainy Day"/Administration	<u>0.8</u>
Total expenditures (equal to available revenue)	56.9

The charts on the following pages show the Proposed FY 19 revenue and expense budgets for Measure A and the FY 19 proposed infrastructure list.

Summary of FY 19 Measure A Proposed Revenue and Expenditures

	Total	Structural Portion ¹	One-time Portion			
Measure A Revenue in FY 19	\$ 54,500,897	\$ 27,250,449	\$ 27,250,449			
<i>Estimate Net of State Board of Equalization Fees</i>						
Prior Year Estimated Surplus Revenue	\$ 2,379,551	\$ -	\$ 2,379,551			
	Total	Structural Uses	One-time Uses	Sworn FTEs Maintained ²	Sworn FTE Added	Non-Sworn FTE Added
Total Uses of Measure A	\$ 56,880,448	\$ 27,250,449	\$ 29,630,000	108.00	39.00	3.00
Invest in Infrastructure (Attachment)	24,000,000	-	24,000,000	-	-	-
<i>(See next page for details)</i>						
Enhance and Maintain Public Safety						
Police Academy	2,100,000	-	2,100,000	-	-	-
Fire Academy	900,000	-	900,000			
Neighborhood Safe Streets	1,900,000	-	1,900,000	-	-	
Upgrade and New Camera Technology	600,000	-	600,000	-	-	-
Reestablish Police's South Division	1,538,272	1,538,272	-	-	8.00	2.00
Quality of Life Officers - Enhancement	371,917	371,917	-	-	2.00	-
HEART Team - Enhancement	565,232	435,232	130,000	-	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	13,776,059	13,776,059	-	77.00	-	-
Maintain Fire Services	5,559,640	5,559,640	-	31.00	-	-
Contribution to Rainy Day Fund	545,010	545,010	-	-	-	-
<i>(Required by Measure B)</i>						
Administration of Measure A	208,458	208,458	-	-	-	1.00

¹ Structural portion is available for either ongoing operations or one-time purposes. Structural means continuing from year-to-year.

² The FY 19 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 19 that may have otherwise been reduced.

Summary of Proposed FY 19 Proposed Infrastructure Projects

Mobility	\$ 8,450,000
Residential Street Repair	2,500,000
Curbs & Sidewalks	4,000,000
Alley Improvements	1,800,000
Naples Bridges Improvements	150,000

Public Facilities	\$ 8,215,000
Citywide Facility Condition Assessment	1,750,000
Fire Station 1 Improvements	495,000
Fire Station 14 Improvements	295,000
Fire Training Center Improvements	200,000
Public Safety Building Improvements	650,000
West Police Station Building Improvements	500,000
Emergency Operations Center	540,000
Alamitos Branch Library Improvements	1,261,000
El Dorado Branch Library Improvements	1,374,000
Library Roof Improvements (various, as needed)	250,000
Animal Care Facility Improvements	300,000
Main Health Department Building Improvements	600,000

Parks & Recreation	\$ 5,396,500
Citywide Park Irrigation Improvements	357,500
Rehabilitate El Dorado Duck Pond	1,754,000
Davenport Park Phase II	1,500,000
Drake Park - Restroom Replacement	630,000
El Dorado Park - Restroom #41 Rehabilitation	180,000
El Dorado Park - Restroom #40 Rehabilitation	180,000
El Dorado Tennis Courts Improvement	100,000
Los Cerritos Park Sports Courts Improvement	100,000
Silverado Park Sports Courts Improvement	100,000
Urban Forest Investment (parks trimming/planting/irrigation)	495,000

Utilities	\$ 1,938,500
Stormwater Protection	1,938,500

Total \$ 24,000,000

SUGGESTED ACTION:

Approve recommendation.