



# CITY OF LONG BEACH

## TRANSACTIONS AND USE TAX CITIZENS' ADVISORY COMMITTEE

411 W. Ocean Boulevard 6<sup>th</sup> Floor • Long Beach, CA 90802 • (562) 570-6465 • Fax (562) 570 -5836

August 21, 2020

### **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 Proposed Fiscal Year 21 Budget conforms with the intent of Resolution No. RES-16-0018 and RES-19-0127 prioritizing spending and with the language contained in the ballot measure expressed in Resolution No. RES-16-0017 and RES-19-0173.

### **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 transaction and use (sales) tax for a period of 10 years. Recently, an extension to Measure A was approved on the March 3, 2020 ballot, which eliminated the 10-year sunset and keeps Measure A in effect until voters decide to end it at a later election. This new adoption authorizes the City to continue the additional sales tax beyond 2027, generating revenues at a maximum annual rate of one cent (1%) per the measure, until ended by the voters. The new dollars approved by voters in March 2020 do not begin to be realized until 2023, so these funds are not part of this budget.

In FY 21, an additional \$4.5 million of anticipated higher Measure A revenues was used for the maintenance of public safety, bringing the total Measure A funds used to maintain police and fire operations to \$26.4 million. This increase is made up of \$4.1 million that was previously anticipated and the remaining amount from the reduction of the HEART team out of the Fire Department to realize savings in the General Fund. This total funding for maintenance is the equivalent to about 143 sworn positions, along with 40 positions (including 37 sworn positions) that have already been added in prior budgets to enhance services to the community. In addition to the maintenance and previous enhancements for public safety, \$1.0 million is obligated for the Community Hospital reopening and \$18.5 million is allocated for infrastructure, including \$1.6 million for the new Station 9 facility, among other projects. 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 the FY 21 Proposed Budget.

Planned Use of Measure A

(\$ in millions)	FY 21 (Proposed)
Maintain Public Safety	26.4
Restore Public Safety	6.7
Enhance Public Safety (one-times)	7.2
Invest in Capital Infrastructure	18.5
Investment in Community Hospital	1.0
Measure B "Rainy Day"/Administration	<u>0.8</u>
Total expenditures (equal to available revenue)	60.7

Details regarding Proposed FY 21 revenue and expense budgets for Measure A and the Proposed FY 21 infrastructure list can be found on Attachments A, B, and C.

SUGGESTED ACTION:

Approve recommendation.

**Measure A**  
**Summary of FY 21 Sources and Uses**

**Attachment A**

	Total	Structural Portion <sup>1</sup>	One-time Portion			
<b>Measure A Revenue in FY 21</b> <i>Estimate Net of State Board of Equalization Fees</i>	\$ 62,688,149	\$ 62,688,149	\$ -			
Set aside for Out-Year Measure A Plan <sup>2</sup>	\$ (1,977,816)	\$ -	\$ -			
	Total	Structural Uses	One-time Uses	Sworn FTEs Maintained <sup>3</sup>	Sworn FTE Added	Non-Sworn FTE Added
<b>Total Uses of Measure A</b>	\$ 60,710,333	\$ 33,995,688	\$ 25,714,645	143.0	37.0	3.0
<b>Invest in Infrastructure (Attachment)</b>	18,514,645	-	18,514,645	-	-	-
<b>Enhance and Maintain Public Safety<sup>3</sup></b>						
Maintain Police Services	18,833,581	18,833,581	-	102.0	-	-
Maintain Fire Services	7,600,717	7,600,717	-	41.0	-	-
Reestablish Police's South Division	1,538,272	1,538,272	-	-	8.0	2.0
Restore Fire Engine 8	2,296,881	2,296,881	-	-	12.0	-
Restore Police Academy Staffing	1,408,805	1,408,805	-	-	9.0	-
Restore Paramedic Rescue 12	1,110,176	1,110,176	-	-	6.0	-
Quality of Life Officers	371,917	371,917	-	-	2.0	-
Neighborhood Safe Streets	2,200,000	-	2,200,000	-	-	
Police Communications Technology	2,600,000		2,600,000			
Set aside funds for Engine 17	2,400,000		2,400,000			
<b>Investment in Community Hospital<sup>4</sup></b>	1,000,000					
<b>Contribute to Rainy Day Fund (Measure B)</b>	626,881	626,881	-	-	-	-
<b>Administer Measure A Tax</b>	208,458	208,458	-	-	-	1.0

<sup>1</sup> Structural portion is available for either ongoing operations or one-time purposes.

<sup>2</sup> Per the FY 20 approved Measure A Plan for out-year funding, funds are being accumulated for future projects such as the rebuilding of the Police and Fire Academies and funding public safety communication technology upgrades.

<sup>3</sup> The FY 21 budget continues to use Measure A to help maintain existing levels of Police and Fire services and has an increased level of structural funding. "Sworn FTEs Maintained" represents the equivalent number of sworn FTEs retained in FY 21 that may have otherwise been reduced but for Measure A funding.

<sup>4</sup> The addition of Community Hospital costs (based on the approval of the 2020 Measure A ballot questions) is the only change to the overall Measure A plan as approved in FY 20.

Measure A – FY 21 Infrastructure Projects		
Program Area	Amount	Scope
Mobility	\$ 15,200,000	
	1,200,000	Alley Improvements
	7,500,000	Arterial Street Improvements
	6,500,000	Curbs and Sidewalks
Parks & Recreation	\$ -	
Public Facilities	\$ 3,314,645	
	1,700,000	Facility Condition Assessment Building Improvements
	1,614,645	Station 9
Beaches	\$ -	
Utilities	\$ -	
Total	\$ 18,514,645	

**Measure A Five-Year Infrastructure Update  
FY 17 - FY 21**

**Attachment C**

<b>Measure A Infrastructure Project</b>	<b>Adjusted FY 17- FY 20 Budget</b>	<b>Proposed FY 21 Budget</b>	<b>Total FY 17- FY 21 Budget</b>	<b>Status</b>
<b>Mobility</b>	<b>\$ 53,697,478</b>	<b>\$ 15,200,000</b>	<b>\$ 68,897,478</b>	
Alley Improvements	5,304,739	1,200,000	6,504,739	Ongoing
Arterial Street Improvements	13,492,739	7,500,000	20,992,739	Ongoing
Curbs and Sidewalks	11,700,000	6,500,000	18,200,000	Ongoing
Naples Bridge	250,000	-	250,000	Ongoing
Residential Street Repair (Overlay)	7,500,000	-	7,500,000	Ongoing
Residential Street Repair (Slurry)	14,000,000	-	14,000,000	Ongoing
Smart Street Light Technology	500,000	-	500,000	Ongoing
Street Signage	200,000	-	200,000	Ongoing
Traffic Circle Improvements	750,000		750,000	In Progress
<b>Parks &amp; Recreation</b>	<b>31,222,811</b>	<b>-</b>	<b>31,222,811</b>	
4th St. Senior Center	820,000	-	820,000	*In Progress
Admiral Kidd Field Turf Improvements	-	-	-	Funding Redirected to Silverado Field Turf
Bixby Park Community Center	450,000	-	450,000	*Complete
Bixby Park Parcel 1	350,000	-	350,000	In Progress
Cherry Park Playground	400,000		400,000	In Progress
Citywide Park Irrigation	1,065,000	-	1,065,000	*In Progress
Community Center Restrooms	170,000	-	170,000	Complete
Davenport Park Phase II	2,550,000	-	2,550,000	*In Progress
Drake Park - Park to Field Connection	500,000		500,000	In Progress
Drake Park Playground	939,000	-	939,000	Complete
Drake Park - Restroom Replacement	630,000	-	630,000	In Progress
Drake/Chavez Greenbelt 4-acre Wetland - Expansion	1,000,000	-	1,000,000	In Progress
Rehabilitate El Dorado Duck Pond	1,754,000	-	1,754,000	In Progress
El Dorado Golden Grove Event Area	500,000		500,000	In Progress
EL Dorado Golden Grove Playground	400,000		400,000	In Progress
El Dorado Park - Restroom #40 Rehabilitation	180,000	-	180,000	In Progress
El Dorado Park - Restroom #41 Rehabilitation	180,000	-	180,000	In Progress
El Dorado Park Artificial Turf	2,350,000		2,350,000	*In Progress
El Dorado Restroom Replacement #38 & 43	110,000	-	110,000	In Progress
El Dorado Tennis Courts	150,000	-	150,000	Complete
Heartwell Field Turf	320,000	-	320,000	Complete
Houghton Park Community Center	5,741,896	-	5,741,896	Complete
Hudson Field Turf	-	-	-	Funding Redirected to Silverado Field Turf
Jackson Park Playground	150,000	-	150,000	*Complete
Jenni Rivera Park Playground	250,000	-	250,000	Complete
Los Cerritos Park	1,000,000		1,000,000	Complete
Los Cerritos Park Sports Courts	100,000	-	100,000	Complete
MacArthur Park	56,000	-	56,000	Complete
MacArthur Park - Restroom Replacement	750,000		750,000	In Progress
Martin Luther King Jr. Park	42,000	-	42,000	Complete
Pan American Park	160,000	-	160,000	Complete
Rancho Los Alamitos	1,000,000	-	1,000,000	*Complete
Rancho Los Cerritos	1,000,000	-	1,000,000	*In Progress
Recreation Park Playground	1,000,000	-	1,000,000	In Progress
Red Car Greenbelt (P.E. Right-of-Way)	300,000	-	300,000	*Complete
Restoration Work at Los Cerritos Wetlands	500,000	-	500,000	In Progress

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<b>Measure A Infrastructure Project</b>	<b>Adjusted FY 17- FY 20 Budget</b>	<b>Proposed FY 21 Budget</b>	<b>Total FY 17- FY 21 Budget</b>	<b>Status</b>
Silverado Field Turf	480,000	-	480,000	Complete; Budget Increased from Admiral Kidd and Hudson Park
Silverado Park	100,000	-	100,000	Complete
Silverado Park Sports Courts	100,000	-	100,000	In Progress
Stearns Community Center	800,915	-	800,915	Complete
Urban Forest Investment	845,000	-	845,000	Complete
Veterans Park Community Center	160,000	-	160,000	*In Progress; Previously Funded "Field Turf"
Veterans Park Playground	963,000	-	963,000	Complete
Whaley Park Playground	906,000	-	906,000	Complete
<b>Public Facilities</b>	<b>24,398,645</b>	<b>3,314,645</b>	<b>27,713,290</b>	
Alamitos Branch Improvements	1,061,000	-	1,061,000	In Progress
Animal Care Facility	450,000	-	450,000	In Progress
Bayshore Library Improvements	750,000	-	750,000	In Progress
Brewitt Branch Library	62,000	-	62,000	Complete
Burnett Branch Library	172,000	-	172,000	Complete
City Place Parking Garage	1,450,000	-	1,450,000	*In Progress
Dana Branch Library	103,000	-	103,000	Complete
El Dorado Branch Improvements	1,024,000	-	1,024,000	In Progress
Emergency Communications and Operations	830,000	-	830,000	In Progress
Expo Building	200,000	-	200,000	Complete
Facility Condition Assessment and Improvements	5,949,000	1,500,000	7,449,000	On Going
Fire Station 1 Improvements	495,000	-	495,000	In Progress
Fire Station 7	120,000	-	120,000	Complete
Fire Station 9	4,514,645	1,614,645	6,129,290	In Progress
Fire Station 10	250,000	-	250,000	Complete
Fire Station 14 Improvements	295,000	-	295,000	In Progress
Fire Station 17	35,000	-	35,000	*Complete
Fire Station Roofs (FS 2, 4, 7, 10 Gender Separation)	650,000	-	650,000	Complete
Fire Training Center	525,000	-	525,000	In Progress
Harte Branch Library	102,000	-	102,000	*Complete
Library Roof Improvements	280,000	-	280,000	Complete
Los Altos Library	47,000	-	47,000	Complete
Main Health Facilities Center	1,250,000	-	1,250,000	Complete
Mark Twain Library	47,000	-	47,000	Complete
North Health Facility Improvements	770,000	-	770,000	*In Progress
PD Academy Building	1,400,000	-	1,400,000	In Progress
Police Crime Lab	-	-	-	Funding Redirected to Public Safety Building
Public Safety Building	1,000,000	-	1,000,000	Complete
Ruth Bach Library	67,000	-	67,000	Complete
West Police Station Building Improvements	500,000	-	500,000	Complete
Critical Infrastructure Reserve	-	200,000	200,000	
<b>Beaches</b>	<b>150,000</b>	<b>-</b>	<b>150,000</b>	
Colorado Lagoon Improvements	150,000	-	150,000	FY 20 New Funding
<b>Utilities</b>	<b>5,000,000</b>	<b>-</b>	<b>5,000,000</b>	
Stormwater Protection (Pump Stations)	5,000,000	-	5,000,000	Ongoing
<b>Grand Total</b>	<b>\$ 114,468,934</b>	<b>\$ 18,514,645</b>	<b>\$ 132,983,579</b>	

(\*) Indicates project scope changes have occurred since the project was initially funded in response to increased project expense needs or budget savings.