



# Measure “BB” Voter Information

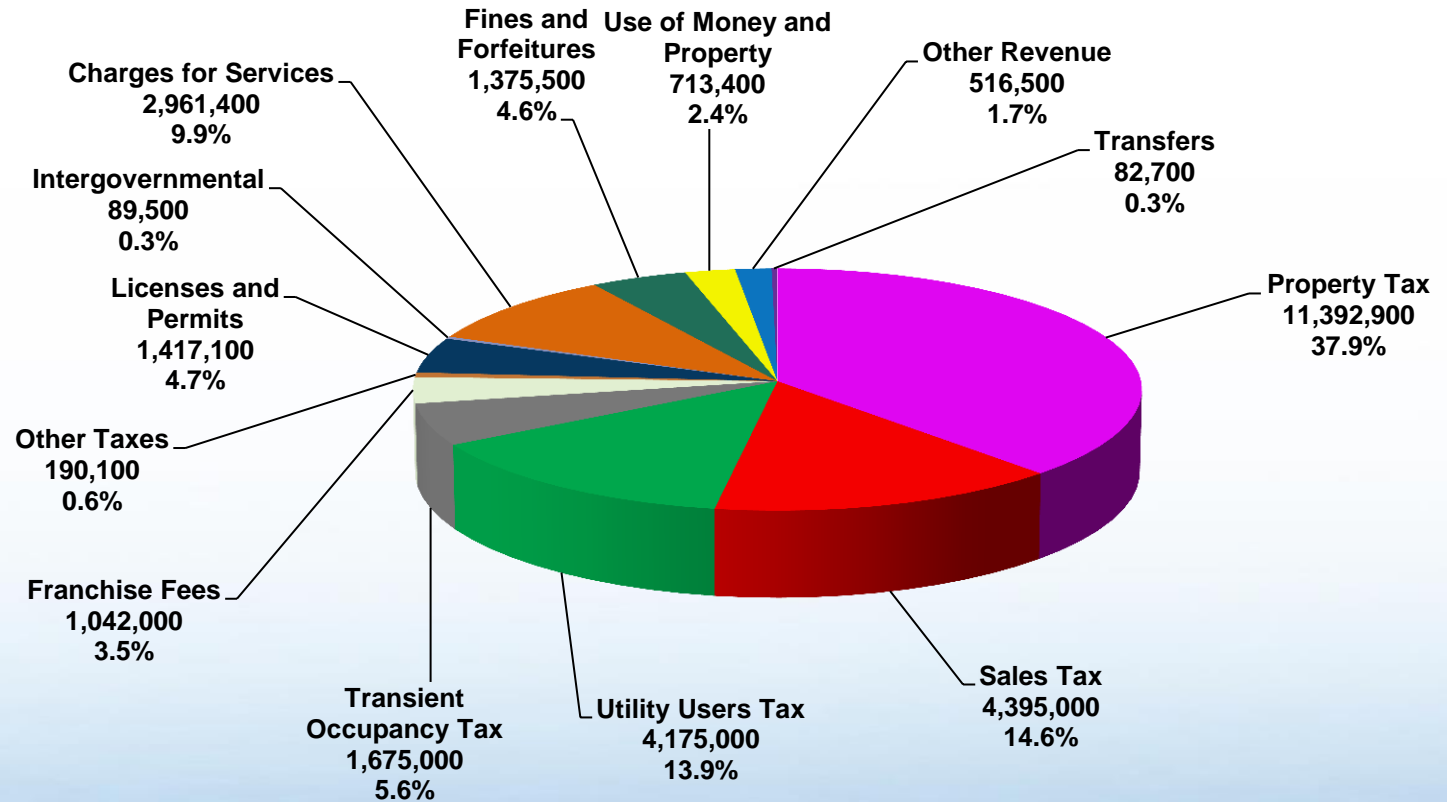
City of Seal Beach · Fall 2018

Information at the Community Meeting is provided for educational purposes only.  
The City does not advise voters on how to vote.



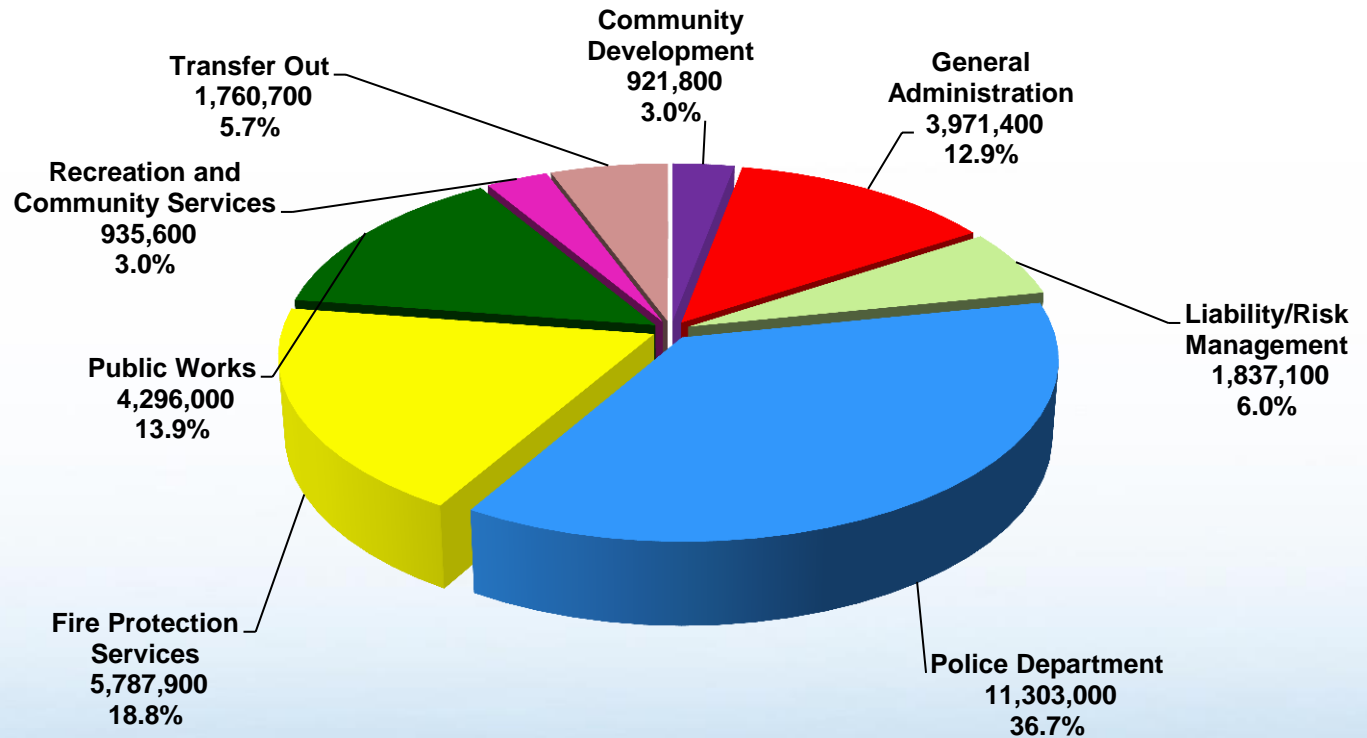
# General Fund Revenues

Fiscal Year 2018-2019 Proposed Revenues - \$30,026,100

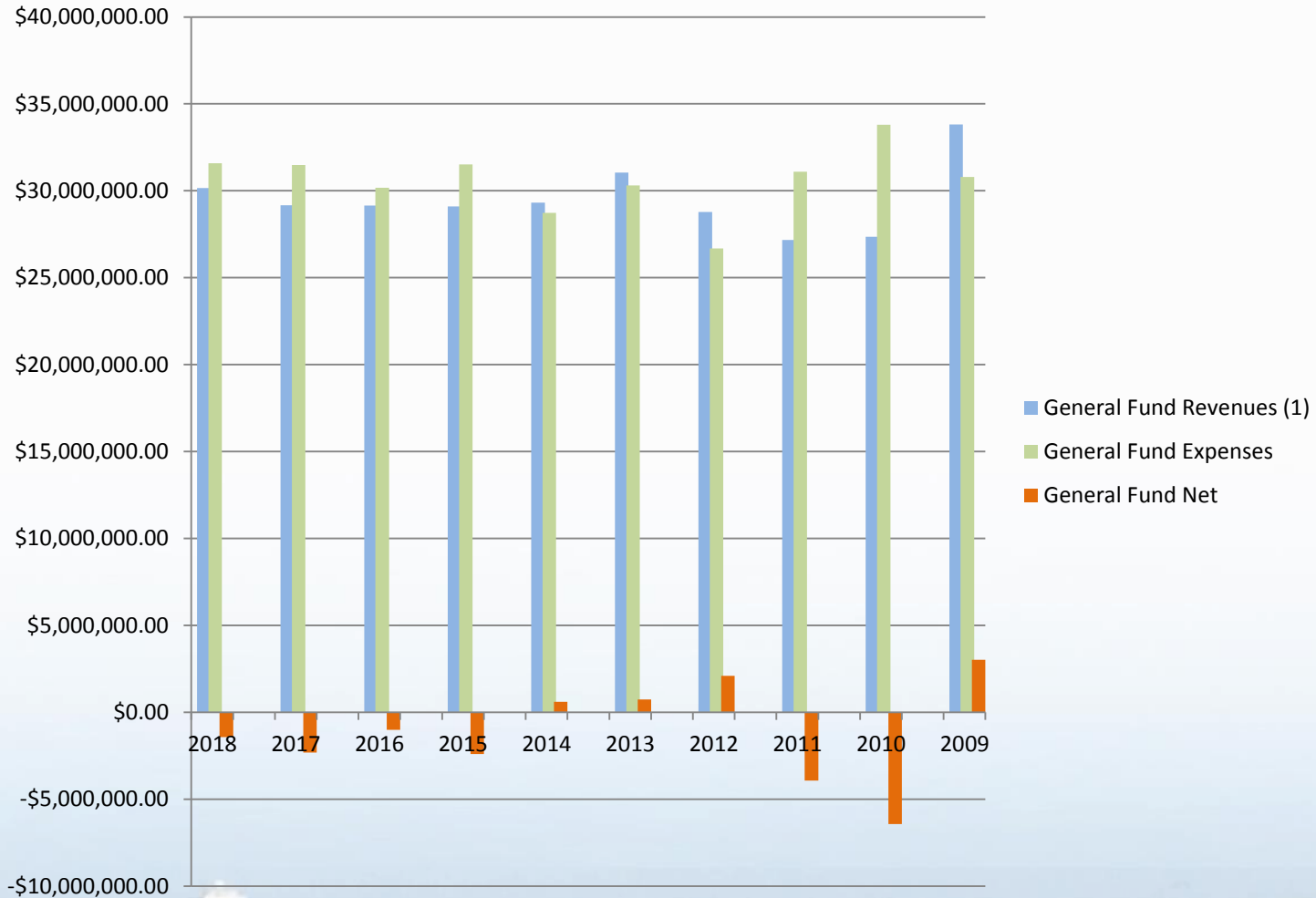


# General Fund Expenditures

Fiscal Year 2018-2019 Proposed Expenditures - \$30,813,500  
(Excluding CIP)



# General Fund Revenues & Expenses 2009 - 2018



Note (1) Revenues are inclusive of one-time receipts and transfers in

# OC Cities' Sales Tax Measures November 2018



**Santa Ana, CA:** Measure X authorizes a citywide sales tax increase of 1.5 percent through 2029, then reduced to 1 percent through 2039.

*“To maintain effective 9-1-1 response; retaining firefighters and police officers; addressing homelessness; fixing streets; maintaining parks, youth and senior services, and unrestricted general revenue purposes; shall the sales tax be increased one and one half (1.5) cents until 2029 providing approximately \$60 million dollars annually, then reduced to one (1) cent providing approximately \$40 million dollars annually, until 2039, requiring annual audits, citizens oversight and for Santa Ana use only?”*

**Garden Grove, CA:** Measure O authorizes a 1 percent sales tax increase to fund general municipal purposes.

*“To provide effective 9-1-1 emergency response by preventing cuts to police/firefighter/paramedic staffing levels; maintain neighborhood police patrols/gang/drug prevention; protect local drinking water supplies; repair streets/ potholes; address homelessness; support affordable housing options, and protect vital city services, shall the City of Garden Grove establish a one-cent sales tax providing \$19,000,000 annually until ended by voters, requiring annual independent audits, citizens oversight, all funds used locally?”*

# OC Cities' Sales Tax Measures November 2018



**Laguna Beach, CA:** Measure P authorizes a 1 percent sales tax increase for 25 years to fund emergency response services and fire safety measures.

*“Shall the measure to improve emergency evacuation and access routes, 9-1-1 emergency response in case of disaster, and help reduce wildfire risk by moving overhead wires underground on Laguna Canyon Road, key evacuation routes, and other areas, and providing other fire safety measures and improvements, by levying a one-percent (1%) dedicated sales tax for 25 years raising approximately \$5.6 million annually, requiring financial audits, with all funds for Laguna Beach only, be adopted?”*

**Placentia, CA:** Measure U authorizes a 1 percent general sales tax.

*“To maintain Placentia’s financial viability and provide funding for its local police department and essential city services, including street/pothole repair; quick responses to 911 emergencies; fire protection/emergency medical services; gang, drug, graffiti prevention; public cleanliness; general services, shall the ordinance establishing a one cent transactions and use (sales) tax be adopted, providing approximately \$5,000,000 annually until ended by voters, with citizens’ oversight, independent audits, all funds controlled locally?”*

# Measure “BB” on November 6<sup>th</sup> Ballot

- On July 23, 2018 the Seal Beach City Council unanimously (5-0) placed Measure “BB” on the November 6, 2018 ballot for voters to consider.
- Providing critical services, such as public safety, and maintaining key infrastructure has become a serious budgetary issue in the City due to takeaways by Sacramento, declining revenues, and escalating costs. If approved by the voters, Measure BB would increase the City’s existing sales tax rate by 1%, or one cent, on every dollar of taxable sales of goods in the City, and the taxable storage, use, or consumption in the City of goods purchased.
- Measure BB would provide local funds for critical City services including 9-1-1- emergency response, fire protection and emergency medical services, marine safety and lifeguards, street maintenance, and infrastructure repairs.



# Official Measure “BB” Ballot Question

## Measure BB: Seal Beach Neighborhood Safety and Essential Services Protection.

To offset significant budget cuts and state takeaways and maintain City services, including community police patrols, paramedic services, fire protection, marine safety/lifeguards, school safety, 9-1-1 response times, and other essential general services, shall an ordinance be adopted for a one percent sales tax to raise approximately \$5,000,000 annually until ended by voters, with independent audits to ensure transparency and funds spent only in Seal Beach?

YES

NO





# Why was Measure “BB” Placed on the Ballot?

- One of the most significant challenges for any public agency, including Seal Beach, **is the rising cost of keeping residents safe**. Our fire, police and marine safety personnel have an ever-increasing demand on the quality and frequency of the services they provide.
- **Costs have increased across the board** related to public safety services, retiree health, insurance, homelessness, improving infrastructure, pension liability, and compliance with clean water mandates and prevailing wage requirements. At the same time, the State of California has taken local revenue from the City of Seal Beach and other cities on a regular basis over the last 20 years to solve the State’s fiscal problems, without concern for the impact on local government services that our residents, businesses, and visitors need.
- Due to declining revenues, revenues not keeping up with inflation, and escalating costs, balancing these critical services while maintaining key infrastructure has become a serious budgetary issue.



# Why was Measure “BB” Placed on the Ballot?



- The bottom line is that without a viable and dependable revenue solution that Sacramento cannot take away, the City’s structural deficit will continue to increase as expenses rise at a pace greater than the revenue base can support.
- Measure BB is a prudent and sober recognition of this fact, allowing the City to maintain local control over these much-needed funds, which will be independently audited.
- On September 24, 2018 the Seal Beach City Council passed Resolution 6862 endorsing Measure BB, noting that the measure will:
  - Help improve public safety services.
  - Help prevent cuts to paramedic services, local police and fire protection.
  - Help prevent cuts to services that help seniors and youth, because it will mean those services will not have to be cut further to pay for public safety.
  - Help address the need to invest in community assets such as flood control, roadways, and critical infrastructure.
  - Maintain vital services and the quality of life residents have come to expect.



# Seal Beach Public Infrastructure Fast Facts

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## City Streets

- The City maintains 41 centerline miles of local streets.
- Pavement Condition currently rate in good condition.
- Pavement Condition rated at 81 (out of a maximum rate of 100).
- Annual cost is **\$1.29 million (SB 1)** to maintain at current pavement condition.

## Traffic Signal System

- City owns and maintains 24 traffic signals.
- Annual maintenance cost is **\$75,000.**

## Sidewalks

- City maintains 24 miles of sidewalk.
- Annual cost to maintain sidewalks is **\$50,000.**
- Annual cost to maintain Main Street pavers is **\$20,000.**



# Seal Beach Parks & Landscaping Fast Facts

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## Parks and Landscaping

- The City is responsible for maintenance of approximately 90 acres of parks and landscaped medians (including emptying trash cans).
- Annual cost is **\$900,000.**

## Tree Trimming

- The City owns maintains approximately 7,000 trees.
- Annual maintenance/trimming cost is **\$185,000.**

## Street Sweeping

- Annual cost of street sweeping is **\$115,000.**



# Beach Maintenance Operations

## Fast Facts



- The City is responsible for maintaining 1.8 miles of beach and a 1,850 foot long wooden pier at a total annual cost of **\$550,000**.
  - The Beach waterline was previously groomed 7 days a week all year long. Due to budgetary issues, however, service was reduced in the current fiscal year to 7 days a week during the summer (4 months) and 5 days a week during the rest of the year (8 months).
  - The pier deck is cleaned weekly.
  - The City constructs/deconstructs storm protection sand berms annually at a cost of **\$100,000 - \$200,000** depending on Backpass.
- The City performs a beach sand nourishment project approximately every 8 years at a cost of approximately **\$1.5 million**.



# City Building Facilities Fast Facts

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- The City owns and is responsible for maintenance of 17 facilities at a total annual cost of **\$500,000.**
- The City's current deferred facility repair backlog amounts to over **\$40 million.**
- The City's unfunded infrastructure needs and projects backlog amounts to approximately **\$164 million.**



# Annual Cost of Infrastructure, Facility, Parks, Landscaping and Beach Maintenance

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**Approximately  
\$3,872,500**



# Seal Beach's Public Safety Fast Facts

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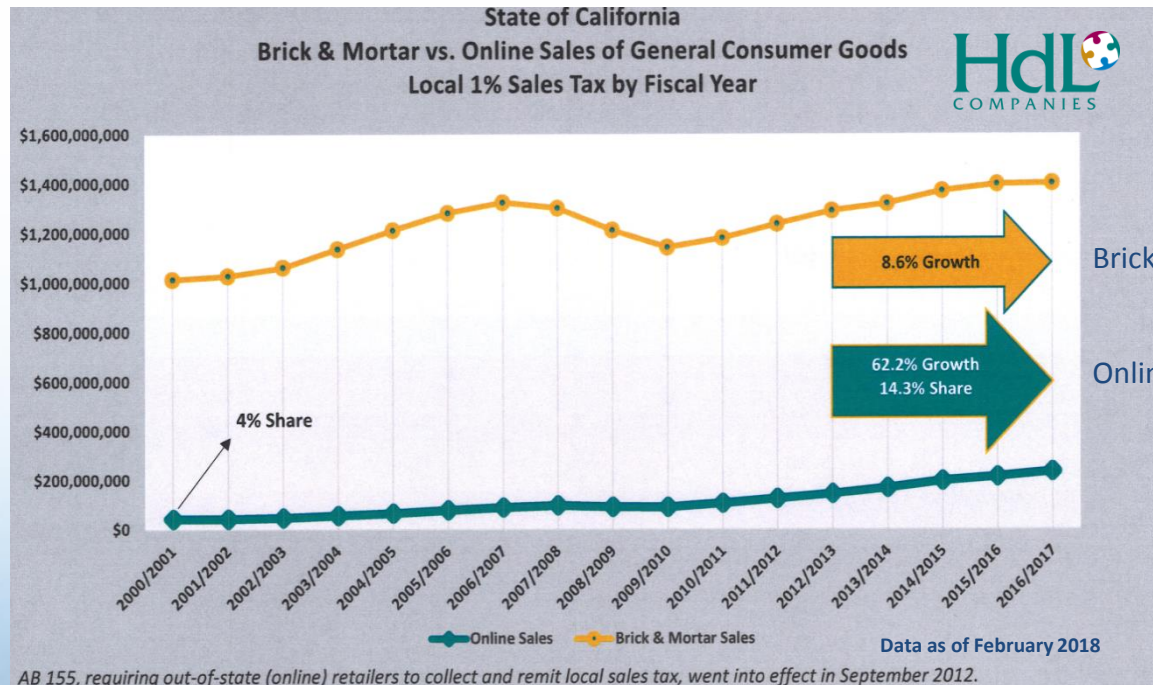
- In 2017, the Orange County Fire Authority responded to **4,597** calls in Seal Beach.
- Of those, 4,283 calls were related to medical aid.
- In 2017, the Seal Beach Police Department responded to a total of **25,494** calls for service.
- Of those calls, 5,874 were deemed Priority 1 or 2 emergency calls.





# Sales and Use Tax

- Reduction of Sales Tax revenue for the second time in 10 years.
- Downward trend continues; internet sales continue to grow.
- Revised estimate from Sales Tax Consultant.
- Economic trends analysis.

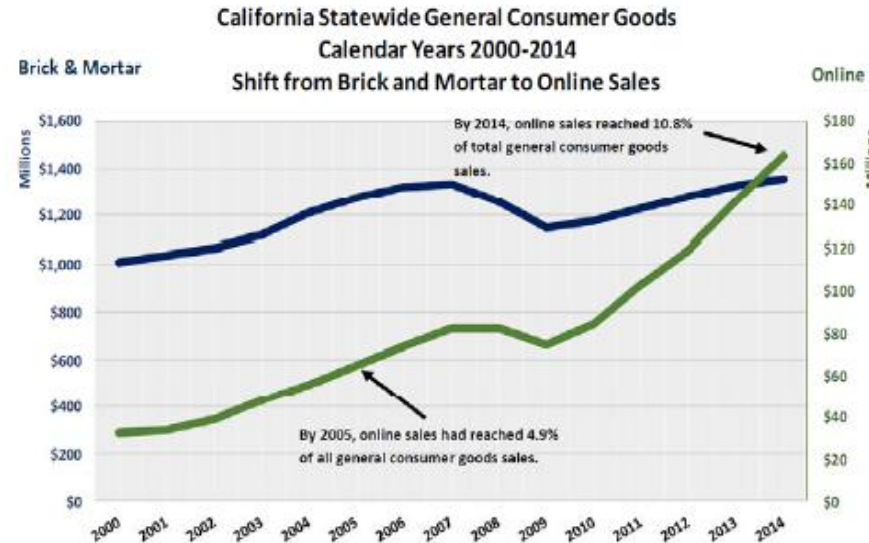


Brick & Mortar Sales

Online Sales



# Trend of Brick and Mortar vs. Online Sales

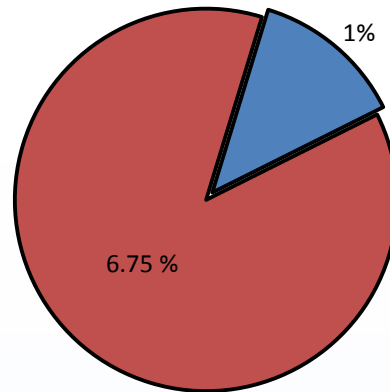


## Fourth Quarter Holiday Spending Change from 2013 to 2014 Statewide – Local 1% Sales Tax

	Brick & Mortar	Online
Apparel Stores	2.6%	9.2%
Department Stores	0.9%	21.4%
Discount Department Stores	0.3%	39.2%
Home Furnishings	4.2%	16.6%
Sporting Goods	2.0%	23.1%
Retail Fulfillment Centers	-	20.8%
<b>Total Statewide Consumer Goods</b>	<b>1.9%</b>	<b>22.2%</b>

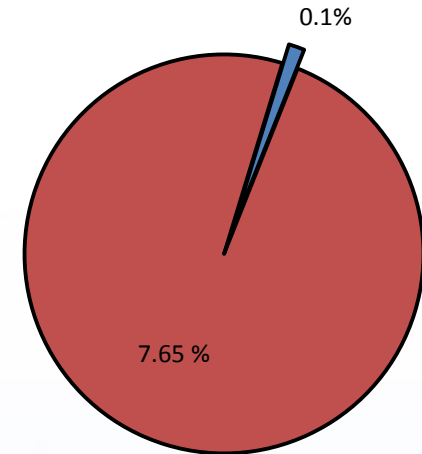
# Two Types of Seal Beach Sales

## Brick and Mortar Sales Tax



■ City ■ All Other Agencies

## Online Sales Tax



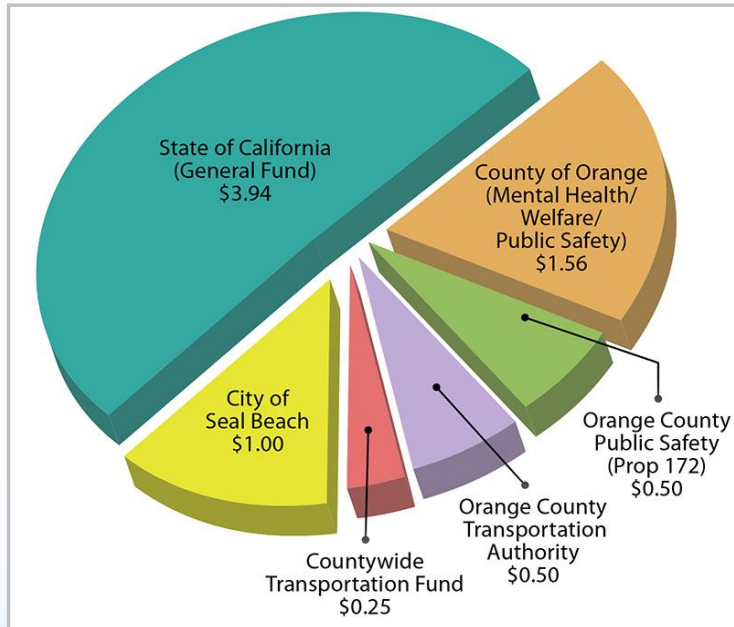
■ City ■ All Other Agencies

- Traditional retail outlets (“Brick and Mortar” stores) generate 1 cent of local sales tax revenue for every dollar of sales volume.
- Internet sales generate approximately 1/10th of 1 cent of local sales tax revenue for every dollar of sales volume.
- There is a significant trend towards online sales.



# Let's Look At Where Our Sales Tax Goes

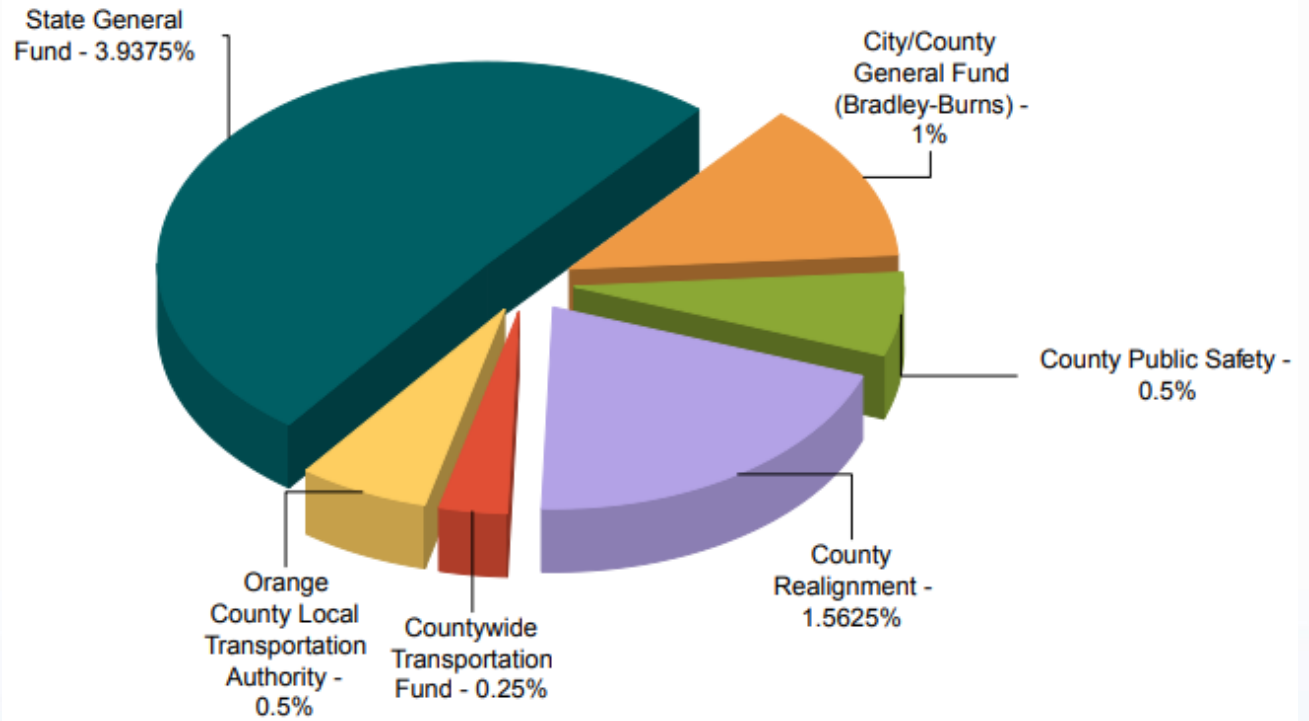
The current sales tax rate for Seal Beach is 7.75%. If you were to spend \$100 then \$7.75 would be distributed as follows:



State of California (General Fund)	\$3.94
County of Orange (Mental Health/Welfare/Public Safety)	\$1.56
Orange County Public Safety (Prop 172)	\$0.50
Orange County Transportation Authority	\$0.50
Countywide Transportation Fund	\$0.25
City of Seal Beach	\$1.00

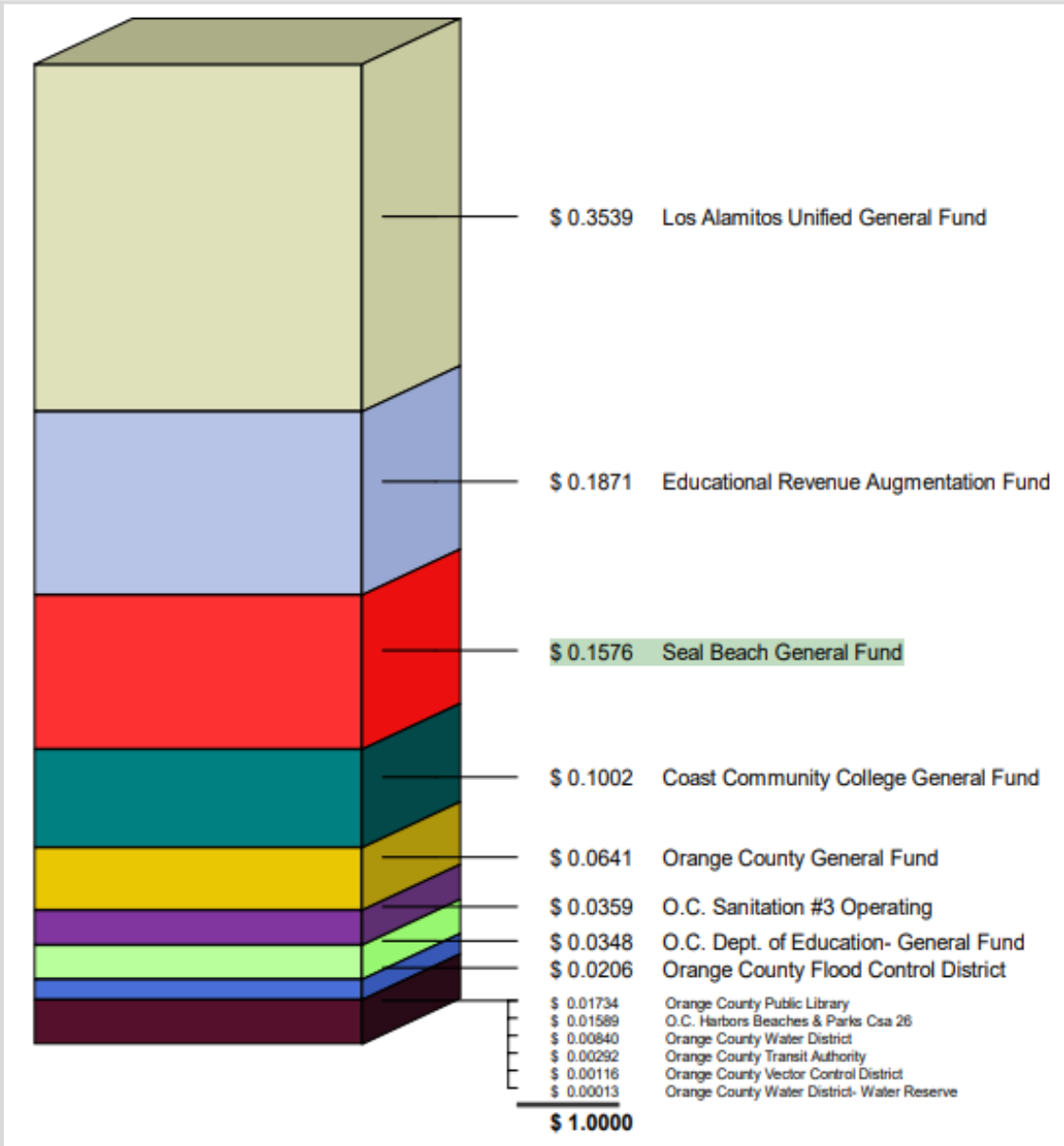


# Seal Beach Sales Tax Breakdown



State General Fund	3.9375%
City/County General Fund (Bradley-Burns)	1.0000%
County Public Safety (Prop 172)	0.5000%
County Realignment (Mental Health/Welfare/Public Safety)	1.5625%
Countywide Transportation Fund	0.2500%
Orange County Local Transportation Authority (OCTA)	0.5000%
<b>Total Rate</b>	<b>7.7500%</b>

# Seal Beach Property Tax Dollar Breakdown



ATI (Annual Tax Increment) Ratios for Tax Rate Area 12024, Excluding Redevelopment Factors & Additional Debt Service

Data Source: Orange County Assessor 2017/18 Annual Tax Increment Tables

Prepared On 10/19/2017 By MV

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone.

# What About 9-1-1 and Essential City Services?

Additional funding is needed to protect core City functions, and respond to increased demand for public safety services.

## These services include:

- Increasing number of police officers and police visibility (per resident requests)
- Retain quick response to 9-1-1 emergencies
- Maintain streets and roads
- Provide necessary updates and maintenance to key infrastructure



# Measure “BB” Funds Remain Local

- Measure “BB” funds will remain local.
- Measure “BB” funds cannot be taken by Sacramento to solve state fiscal issues at the expense of local residents.
- Measure “BB” funds can only be used for and by the City of Seal Beach.





# Financial Protections

- ✓ Measure “BB” requires that all funds are used locally.
- ✓ Measure “BB” requires independent financial audits to ensure funds are spent properly and as promised to the public.
- ✓ Measure “BB” funds are protected by law from the state. No funds can be taken by Sacramento.
- ✓ Measure “BB” is not a tax on your home or property. Out of town shoppers visiting Seal Beach help share in the cost of using our roads and public safety services.



# Voter Information

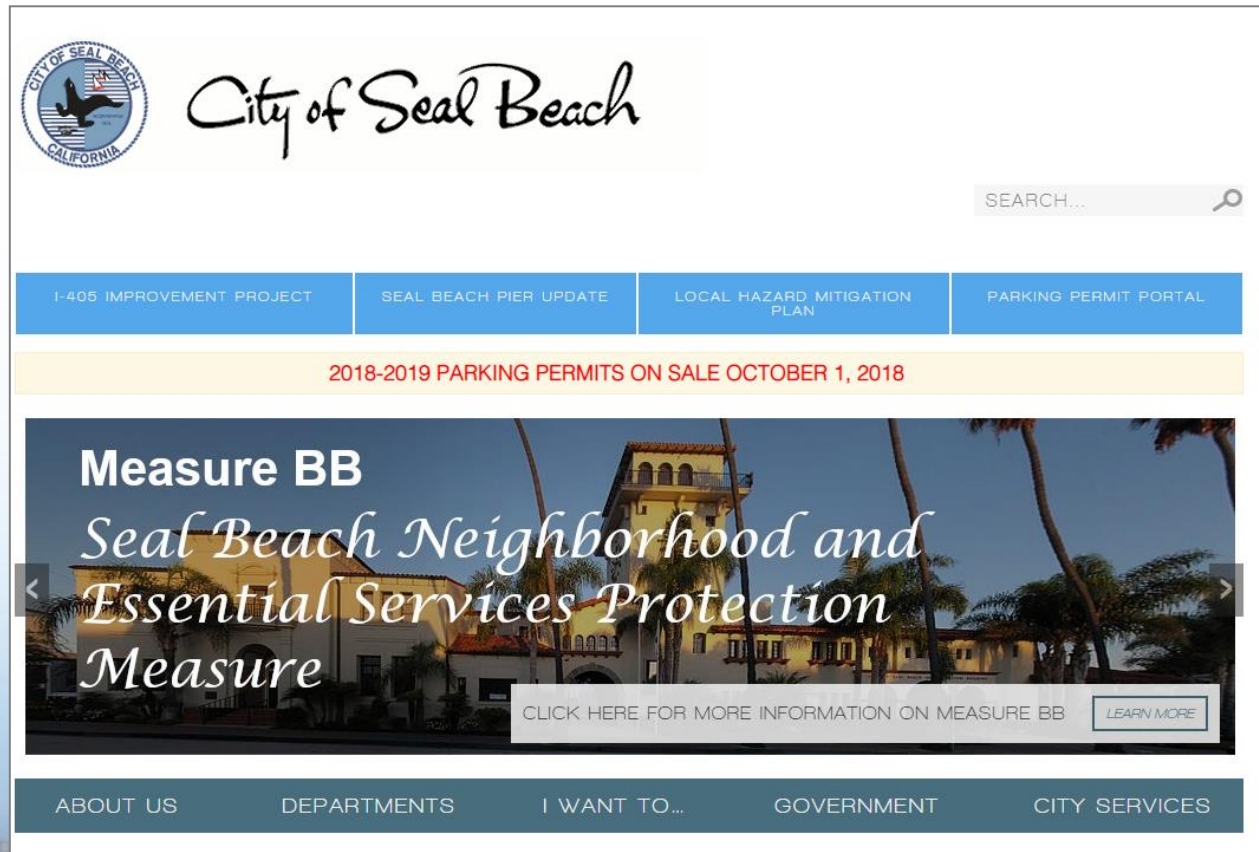
- Measure “BB” is a local City of Seal Beach measure on the November 6th election ballot. If passed, Measure “BB” would provide local funds for Seal Beach’s emergency response, public safety and essential city services.
- Measure “BB” is the only local City of Seal Beach measure on your ballot. For the full text of Measure “BB”, visit [www.ocvote.com](http://www.ocvote.com).
- Poll Voting will occur on Tuesday, November 6. Polling places are open from 7am-8pm. Vote-By-Mail Ballots can be dropped off at any Polling Place in Orange County on Election Day.
- If you have questions about where to vote or your absentee ballot please call the Registrar of Voters at (714) 567-7600 or the Seal Beach City Clerk at (562) 431-2527.



# Where Can I Get More Information About Measure “BB”?

For more information about Measure “BB” please visit:

[www.sealbeachca.gov](http://www.sealbeachca.gov)



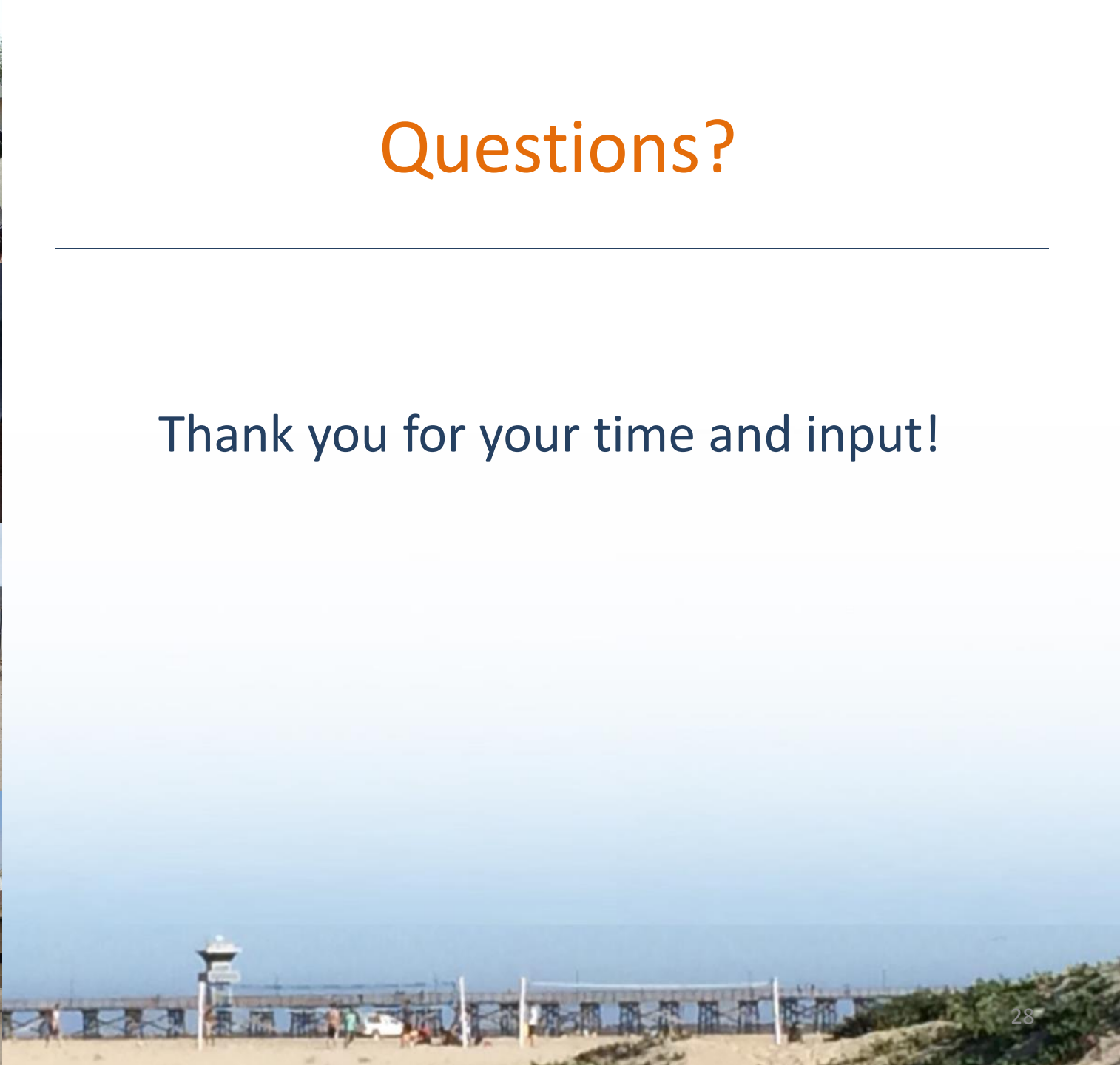
The screenshot shows the City of Seal Beach website homepage. At the top left is the official seal of the City of Seal Beach, California, featuring a seal and a sailboat. To the right of the seal is the city name "City of Seal Beach" in a cursive font. A search bar with the placeholder text "SEARCH..." and a magnifying glass icon is located in the top right corner. Below the search bar is a navigation menu with four blue buttons: "I-405 IMPROVEMENT PROJECT", "SEAL BEACH PIER UPDATE", "LOCAL HAZARD MITIGATION PLAN", and "PARKING PERMIT PORTAL". A yellow banner below the navigation menu contains the text "2018-2019 PARKING PERMITS ON SALE OCTOBER 1, 2018". The main content area features a large banner image of a building with palm trees. Overlaid on this image is the text "Measure BB Seal Beach Neighborhood and Essential Services Protection Measure" in a mix of bold sans-serif and cursive fonts. Below the banner text is a button that says "CLICK HERE FOR MORE INFORMATION ON MEASURE BB" and a smaller "LEARN MORE" button. At the bottom of the page is a dark teal footer with white text for "ABOUT US", "DEPARTMENTS", "I WANT TO...", "GOVERNMENT", and "CITY SERVICES".



# Questions?

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Thank you for your time and input!



# Contact Information

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