



City of Chula Vista

Staff Report

File#: 18-0009, Item#: 4.

A. ORDINANCE OF THE CITY OF CHULA VISTA ADDING CHAPTER 3.34 TO TITLE 3 OF THE CHULA VISTA MUNICIPAL CODE TO ESTABLISH A ONE-HALF CENT GENERAL TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION INCLUDING PROVISIONS FOR CITIZENS' OVERSIGHT AND ACCOUNTABILITY (FIRST READING) (4/5 VOTE REQUIRED)

B. 1. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA: (A) AMENDING RESOLUTION NO.2018-004 CALLING A GENERAL MUNICIPAL ELECTION TO BE HELD ON JUNE 5, 2018; (B) ORDERING SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY A MEASURE RELATING TO THE ESTABLISHMENT OF A ONE-HALF CENT GENERAL TRANSACTIONS AND USE TAX; (C) AUTHORIZING THE MAYOR TO SUBMIT BALLOT ARGUMENTS IN FAVOR OF THE MEASURE; AND (D) DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURE (4/5 VOTE REQUIRED)

OR

2. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA (A) CALLING A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018 FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY A MEASURE RELATING TO THE ESTABLISHMENT OF A ONE-HALF CENT TRANSACTIONS AND USE TAX; (B) CONSOLIDATING THE ELECTION WITH THE STATEWIDE GENERAL ELECTION; (C) REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO PERMIT THE REGISTRAR OF VOTERS TO CONDUCT SUCH ELECTION; (D) AUTHORIZING THE CITY CLERK TO CARRY OUT THE NECESSARY PROCEDURES OF SUCH ELECTION; (E) AUTHORIZING THE MAYOR TO SUBMIT BALLOT ARGUMENTS IN FAVOR OF THE MEASURE; AND (F) DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURE (4/5 VOTE REQUIRED)

C. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING ITS INTENDED PUBLIC SAFETY EXPENDITURE PLAN

RECOMMENDED ACTION

Council place the ordinance on first reading, adopt either resolution B1 or B2, and adopt resolution C.

SUMMARY

Following direction at the December 19, 2017 Council meeting, staff has prepared a ballot measure for City Council consideration for placement on the ballot in 2018 to address public safety staffing. The measure is for a one-half cent transactions and use tax measure (the "Measure"). Although the City's most pressing need is public safety staffing, the tax is a general tax which can be spent for any

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lawful purpose of the City. This item also presents the *Intended Public Safety Expenditure Plan* that identifies two phases to address the critical needs in public safety. In order to move forward with the implementation of the *Intended Public Safety Expenditure Plan*, staff is recommending that the City Council adopt the *Intended Public Safety Expenditure Plan* and place the sales tax measure on the ballot in 2018.

ENVIRONMENTAL REVIEW

Environmental Notice

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Environmental Determination

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION RECOMMENDATION

Not Applicable

DISCUSSION

Staff has presented three reports and other information to the City Council in response to their request at the June 6, 2017 Council Meeting for the City Manager to "report back to the City Council within 120 days with a plan to address the chronic understaffing of the Police and Fire Departments, with such plan considering all options, including: (i) alternative service models that may improve effectiveness and reduce costs; and (ii) potential funding sources."

In order to provide the opportunity for community input, the City Manager formed the Public Safety Advisory Committee (PSAC). The committee includes Chula Vista residents, business owners, community leaders and others. The committee worked with staff liaisons from Fire, Police, Administration and Finance Departments to secure public input that would assist in creating the following reports.

At the September 26, 2017 meeting, staff presented the Public Safety Staffing Report which assessed factors affecting public safety, including:

- Community and stakeholder feedback/input on priorities for delivery of public safety services
- Short and long-term staffing level standards for CVPD and CVFD
- Response times for Priority 1 and Priority 2 emergency calls for CVPD
- Response times with properly equipped and staffed fire and medical units for CVFD
- Consideration of alternate public safety service delivery models
- Accounting for growth - 5-year, 10-year and build-out projection models

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- Fiscal forecasts and impacts

Council directed the City Manager to conduct a public opinion survey, inform the community about public safety staffing issues presented, and return to Council with options to address staffing issues, including funding options.

At the December 19 meeting, staff presented the Public Safety Staffing Strategies report which included:

- Staffing allocations for CVPD and CVFD to provide critical services
- Estimated costs for phasing of staffing
- Assessment of potential funding sources
- Overview of results of a public opinion survey

The City Manager was directed by the City Council to return with a proposal for Council consideration to place a half cent sales tax measure before the voters to fund public safety critical needs. On January 16, 2018 Council approved conducting an additional survey to identify the best timing for a ballot measure in 2018. Results of the survey will be presented at the February 13 Council Meeting.

Staff is requesting direction on the ballot measure and *Intended Public Safety Expenditure Plan* (Plan). The Plan identifies two phases to address the staffing shortage in public safety. Phase I outlines the most critical needs identified by the Police and Fire Departments for the next 10 years. Although addressing these needs does not address the staffing crisis entirely, it does allow the departments to significantly improve the service level provided to residents and businesses throughout the City. Phase I public safety critical needs could be funded by a half-cent sales tax measure which would generate approximately \$17 million per year. Phase II public safety critical needs could move forward as the City's economic base improves and major transformational projects begin moving forward such as the Bayfront and University development projects. Other funding options may also be considered in the future as part of the annual budget process.

Public Safety Advisory Committee Input

To support this effort and to provide the opportunity for community input, the City Manager formed the Public Safety Advisory Committee (PSAC). The committee includes Chula Vista residents, business owners, and community leaders. The committee has met four times to provide input as the Public Safety Staffing Report and Public Safety Staffing Strategies documents were developed. In addition, committee members have participated in "ride alongs" with police and fire department personnel.

The PSAC members have provided input at meetings and in writing since the first meeting on August 10, 2017. This input and feedback has been considered as part of the development of each of the staffing documents and the proposed *Intended Public Safety Expenditure Plan*. PSAC meetings have been held on: August 10, 2017; August 31, 2017; November 9, 2017; November 30, 2017; and December 7, 2017.

Public Opinion Surveys

In October 2017, the City engaged TrueNorth Research to conduct a public opinion survey to identify

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resident priorities regarding public safety and public services and to secure input on a potential sales tax to fund critical city services to address public safety staffing, 9-1-1 emergency response, homeless outreach, and other public services. At the December 19 meeting, Dr. Tim McClarney from TrueNorth Research presented the survey results which showed 62 percent of voters support a half-cent sales tax to support these services.

In January 2018, the City engaged TrueNorth Research to conduct a public opinion survey to identify how voter support is affected by a potential ballot measure to tax cannabis businesses in Chula Vista. Survey results and findings will be presented at the City Council meeting by the TrueNorth Research team.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11), is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Councilmember member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. Securing funding for public safety and public services supports all goals.

CURRENT YEAR FISCAL IMPACT

The estimated cost of placing the sales tax measure on the June 5, 2018 ballot is approximately \$100,000. The cost will vary depending on the number of items on the ballot. Staff will provide updated cost estimates as part of the quarterly fiscal report.

ONGOING FISCAL IMPACT

If the ballot measure is approved by the voters, it would generate an estimated \$17 million annually. If the measure is approved by the voters, any proposed expenditures will be presented as part of the annual budget process for City Council consideration.

ATTACHMENTS

1. Intended Public Safety Expenditure Plan

Staff Contact: Assistant City Manager, Maria Kachadoorian