



# CITY OF PALOS VERDES ESTATES

## FIRE AND PARAMEDIC SPECIAL PARCEL TAX

### MUNICIPAL ELECTION MARCH 7, 2017

## FACT SHEET 3

## Comparative Information

For Information,  
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Fire and paramedic funding in Palos Verdes Estates is determined by the voter approved formula that generates taxes equal to, and specifically for, the contract cost. Property owners in Rancho Palos Verdes, Rolling Hills and Rolling Hills Estates, in contrast, pay for the service based on the assessed value of their property according to the pre-Proposition 13 property tax allocation formula that cannot be changed; for these cities, there is no correlation between the amount assessed and the service. Of every dollar paid in property taxes in Rancho Palos Verdes, approximately \$0.18 is allocated to the LACoFD and \$0.06 is received by the City for municipal services for a total of \$0.24 for general and public safety services. In Palos Verdes Estates, \$0.11 of every dollar in property taxes received is for municipal services and public safety services, and the separate proceeds of the parcel tax are collected and directed for fire and paramedic services.

The following illustration demonstrates how the Proposition 13 assessment levy is applied in cities like Rancho Palos Verdes:

Home Purchased in 1996 in Rancho Palos Verdes 2,300 Sq. Ft.	
Assessed Value	\$523,236.00
1% of Assessed Value	\$5,232.36
<u>Apportionment of Property Tax</u>	
<b>Other Agencies Share of Property Tax</b>	<b>\$4,215.51</b>
<b>Total Fire District Assessment</b>	<b>\$1,016.85</b>
<b>TOTAL ASSESSMENT</b>	<b>\$5,232.36</b>
<b>Total Fire District Assessment</b>	<b>\$1,016.85</b>
--Fire Protection District Assessment (.1819%)	\$951.77
--Los Angeles County Fire District Brush	\$65.08



Using the same example above with the Palos Verdes Estates' tax formula, the Palos Verdes Estates property owner would pay a 20% lower levy, excluding LACoFD's per-parcel special tax for a savings of \$191.32 (\$951.77-\$760.45) as illustrated by the following:

Property Type: Single Family Home - Structure Size: 2,300 Sq. Ft.	
Base Rate:	\$328.16
Improvement Rate	\$0.19
Apply Base Rate	\$328.16
Apply Improvement Rate:	2,300 SF x \$0.187952 = \$432.29
<b>Total Special Tax Amount</b>	<b>\$760.45</b>

Cumulatively, property owners in Rancho Palos Verdes paid a total of \$20.2 million in fiscal year 2015/16 to the LACoFD for the two fire stations in comparison to \$4.7 million paid by property owners in Palos Verdes Estates for the one fire station.

## COMPARISONS

### Annual Cost Charges Over Time

Time Period	Residence Square Feet		
	Smaller 2,450	PVE Avg. 3,500	Larger 6,000
2001 - 02	\$474	\$592	\$874
2016 - 17	\$789	\$967	\$1,455
Avg. Annual Increase	\$21	\$25	\$39

### Annual Cost Per Station

City	Cost Per Station
Palos Verdes Estates	\$4,700,000
Rancho Palos Verdes	\$10,000,000
Hermosa Beach	\$5,700,000
Rolling Hills Estates	\$5,000,000
Torrance	\$7,000,000
Manhattan Beach	\$6,200,000

### County Service Taxpayer Breakdown

Amount Paid	No. Parcels	Percent
Under \$1,000	4,319	83%
\$1,000 - \$2,000	822	16%
Over \$2,000	50	1%
TOTALS.....	5,191	100%

### City of Hermosa Beach Comparison

Service Provider	Annual Cost
In-House Fire Services	\$6,300,000
County Contract Proposal (reportedly)	\$4,900,000

### City of Torrance Comparison

Service Provider	Annual Cost
City of Torrance Contract Proposal	\$12,000,000

SAMPLE SPECIAL PARCEL TAX CALCULATION		
MEDIUM SIZE HOME		
FY 2016-17		
Property Type:	Single-Family Home	Vacant Land
Structure Size	2,450 SF	0 SF
Base Rate	\$328.16	\$328.16
Improvement Rate	\$0.19	\$0.19
Apply Base Rate	\$328.16	\$328.16
Apply Improvement Rate	2,450 SF x \$0.187952 = \$460.48	0 SF x \$0.187952 = \$0.00
<b>Total Special Tax Amount</b>	<b>\$788.64</b>	<b>\$328.16</b>

  

<b>Base Rate + Structure Size x Improvement Rate = Total Special Tax</b> $\updownarrow$ $\updownarrow$ $\updownarrow$ $\updownarrow$ <b>\$328.16 + 2,450 SF x \$0.187952 = \$788.64</b>
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