



CITY OF PALOS VERDES ESTATES

FIRE AND PARAMEDIC SPECIAL PARCEL TAX

MUNICIPAL ELECTION MARCH 7, 2017

FACT SHEET 5

Frequently Asked Questions

For Information,
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1. Why is the parcel tax on the ballot?

The parcel tax is on the March 7, 2017 ballot because the existing parcel tax that pays for fire and paramedic services expires on June 30, 2017.

2: How many votes are needed to approve the parcel tax?

Two-thirds (2/3) of all voters must approve the ballot measure to maintain the existing parcel tax that pays the cost of fire and paramedic services.

3: When can voters consider another ballot measure if 2/3rds of the voters do not approve the fire and paramedic services parcel tax on March 7, 2017?

Yes. By law, the earliest another ballot measure could be before voters is April 2018.

4: Can the City pay for services from the property taxes property owners already pay?

Yes. Fire and paramedic services account for approximately 25% of the City's budget would be reduced. The City would reduce its budget in other areas by 25% and / or increase or create new fees.

5: What is the historic voter response?

<u>Time Frame</u>	<u>Approval</u>
April 1980	85%
April 1984	88%
April 1988	89%
March 2001	87%
March 2007	87%

6: What services will the LA County Fire Department (LACoFD) provide? Are there any other unique benefits in the City's contract with the County?

The City's contract with the County Fire Department provides personnel and equipment for: fire suppression, emergency medical response, dispatch service for 911 calls, brush inspection, disaster response, cliff rescues, emergency roadway clearance, hazardous material responses, new construction inspections, and plan review. Unique specifically to the Palos Verdes Estates contract, LACoFD is obligated to pay 80% of the upgrade to Palos Verdes Estates Fire Station 2. At this time, there are no plans in place for any construction project.

7: What kind of incidents and how often is the Los Angeles County Fire Department called upon to provide services?

Rescue & Medical Emergencies	725
Miscellaneous Service Calls	132
False Alarm/False Calls	108
Hazardous Materials & Conditions	16
Outside Rubbish Fires	5
Miscellaneous Fire Calls	4

**Figures from 2015

8: What is the Ballot Question?

“Shall an ordinance be adopted that continues a levy of the existing special tax for a period of twelve (12) years on each eligible parcel in the City at the initial base rate of \$342.34 plus \$0.196073 per square foot of building improvement effective July 1, 2017, and maintains the existing 6.2% limit on annual adjustments, initially generating approximately \$4.7 million annually to finance fire suppression and paramedic services?”

9: What is the rate for a median size home (2,450 square feet) from fiscal year 2007-08 through fiscal year 2016-17?

<u>Fiscal Year</u>	<u>Dollar Amount</u>	<u>Percent Change</u>	<u>Fiscal Year</u>	<u>Dollar Amount</u>	<u>Percent Change</u>
2007/08	\$601.79	6.0%	2012/13	\$704.67	3.5%
2008/09	\$627.06	4.2%	2013/14	\$727.44	3.2%
2009/10	\$653.41	4.2%	2014/15	\$750.35	3.1%
2010/11	\$680.84	4.2%	2015/16	\$770.53	2.7%
2011/12	\$680.84	0.0%	2016/17	\$788.64	2.4%

Average of 3.4% increase per year

10: What are the funding alternatives?

Special Assessment	
<input type="checkbox"/> Property owners are mailed ballot <input type="checkbox"/> Requires 50% approval based on assessment value of mailed ballots <input type="checkbox"/> Votes are weighted by value of parcel assessment, larger assessments carry more weight	
Pros	Cons
<input type="checkbox"/> Residents familiarity with Assessment Districts from per 2001 Assessment	<ul style="list-style-type: none"> • Cannot finance “General Benefits” • Public Properties such as Schools and Parklands would not be exempt from assessment • Requires greater education effort for property owners to return ballots • Small number of large owner assessments voting no could defeat proposal
General Tax	
<input type="checkbox"/> May be imposed for any general governmental purpose <input type="checkbox"/> Only General Tax that PVE could use would be a utility users tax on gas, water, phones and cable television <input type="checkbox"/> Vote can only occur during general municipal election <input type="checkbox"/> Only requires majority approval for enactment <input type="checkbox"/> May include an advisory measure as to the use of the funds	
Pros	Cons
<input type="checkbox"/> Could generate sufficient revenue for single source to finance contract <input type="checkbox"/> Lower voter threshold for approval	<ul style="list-style-type: none"> • Voters reluctant to approve, uncertain how funds will be used • Utility user tax not tax deductible • Rates and consumption create volatility of revenue stream • No correlation between revenue generated and services financed • Largest utility users generate no greater demand for service
Special Tax	
<input type="checkbox"/> Includes parcel tax for specific purpose <input type="checkbox"/> Money is restricted and must be deposited to a separate fund <input type="checkbox"/> City Council must receive annual report on the amount of funds generated and their use <input type="checkbox"/> Requires 2/3 voter approval at special or general election	
Pros	Cons
<input type="checkbox"/> Could generate sufficient revenue <input type="checkbox"/> Voters like knowing restricted in use <input type="checkbox"/> Ability to include Sunset Clause <input type="checkbox"/> Current methodology easy to explain Voters	<ul style="list-style-type: none"> • Higher voter threshold • Requires greater public education process