

## **ADMINISTRATIVE REPORTS**

**City Council  
November 13, 2012**

**TO:** Mayor and City Council

**FROM:** Thomas E. Robinson, City Manager

**ORIGINATED BY:** Jeff Boynton, Deputy City Manager

**SUBJECT: MEASURE I**

### **BACKGROUND**

Nearly 66 percent of La Mirada voters approved Measure I in the November 6 Special Municipal Election. The passage of Measure I causes Ordinance No. 654 to become effective. Ordinance No. 654 adds Chapter 3.10 to the La Mirada Municipal Code establishing a Transactions and Use Tax of one percent with a five year sunset.

The ordinance includes a provision calling for the City Council to establish a committee of no more than five residents of La Mirada to review and report on the revenues and expenditures of funds from Measure I. Additionally, Ordinance No. 654 requires annual independent audits of Measure I funds.

### **FINDINGS**

The tax will become operative on April 1, 2013, and is set to expire on March 31, 2018. The City will contract with the State Board of Equalization (SBOE) to administer and collect the tax. City staff has notified the SBOE of the passage of Measure I, and is working with the SBOE to provide the necessary documents for administering the tax. The first Measure I revenues will be received by the City from the SBOE beginning in July 2013. A complete year of Measure I revenues will be received by the end of Fiscal Year 2013-14.

Proceeds from Measure I will be deposited into the City's General Fund. City consultants estimate Measure I will generate some \$4-million to \$5-million annually or \$20-million to \$25-million in new revenues over the five-year period, based on existing sales tax information. The City Council, Citizens Task Force on City Finances and Operations, and members of the community have expressed support for using Measure I funds on infrastructure repairs. Recent engineering studies have identified some \$67 million in infrastructure needs for repairing streets, storm drains, traffic signals, ADA ramps, curbs, gutters and sidewalks.

City staff is reviewing projects from the Infrastructure Needs Assessment that could be funded by Measure I. These projects will be proposed to the City Council for consideration in the FY 2013-14 Capital Improvement Projects Budget. The initial projects identified to be funded by Measure I will begin the design phase in the coming months. It is projected that they can be ready for bid in the final quarter of 2013 and begin construction in the second quarter of 2014.

**RECOMMENDED ACTION**

It is recommended the City Council review and discuss Measure I.