

Local Revenue Measures Y and G Annual Community Report

City of San Luis Obispo

July 2014 – June 2015





What is the Local Revenue Measure?

The **Local Revenue Measure** was approved by City voters in November 2006 to preserve essential services for the community (Measure Y). Measure Y established a one-half percent local sales tax with an eight-year sunset clause. The original measure would have expired on March 31, 2015, however voters approved its extension for an additional eight years during the 2014 General Election when they passed Measure G. The Local Revenue Measure is subject to voter extension by March 31, 2023.

Measures Y and G were general purpose measures and, as such, the proceeds are not restricted to specific purposes. This provides the Council with flexibility to respond to new circumstances and challenges.

The voter-approved ballot language provides guidance to use local sales tax revenue to protect and maintain essential services and facilities, and identifies examples of services and projects that achieve this objective. These community spending priorities help guide the **Citizen's Revenue Enhancement Oversight Commission (REOC)** when making recommendations to the Council about Local Revenue Measure uses. The Council uses the REOC's input, and additional public feedback, to prioritize the use of Local Revenue Measure funding as part of the City's two-year financial planning process. In the annual report for FY 2014-15, the term Local Revenue Measure refers to the combined revenues from Measure Y and G.

Local Revenue Measure ballot language (Measure G)

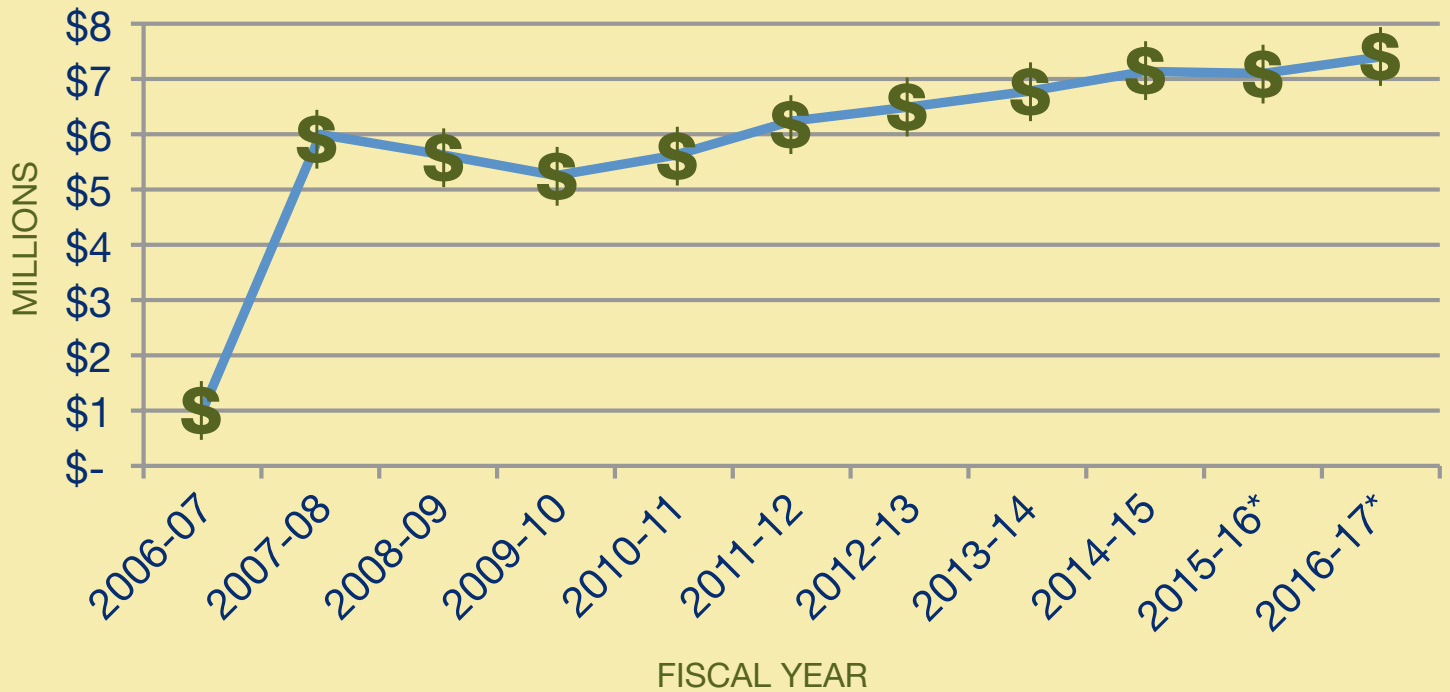
To protect and maintain essential services and facilities – such as open space preservation; bike lanes and sidewalks; public safety; neighborhood street paving and code enforcement; flood protection; senior programs; and other vital services and capital improvement projects – shall the City's Municipal Code be amended to extend the current one-half percent local sales tax for eight years, with independent annual audits, public goal-setting and budgeting, and a Citizens' Oversight Commission?

REVENUES

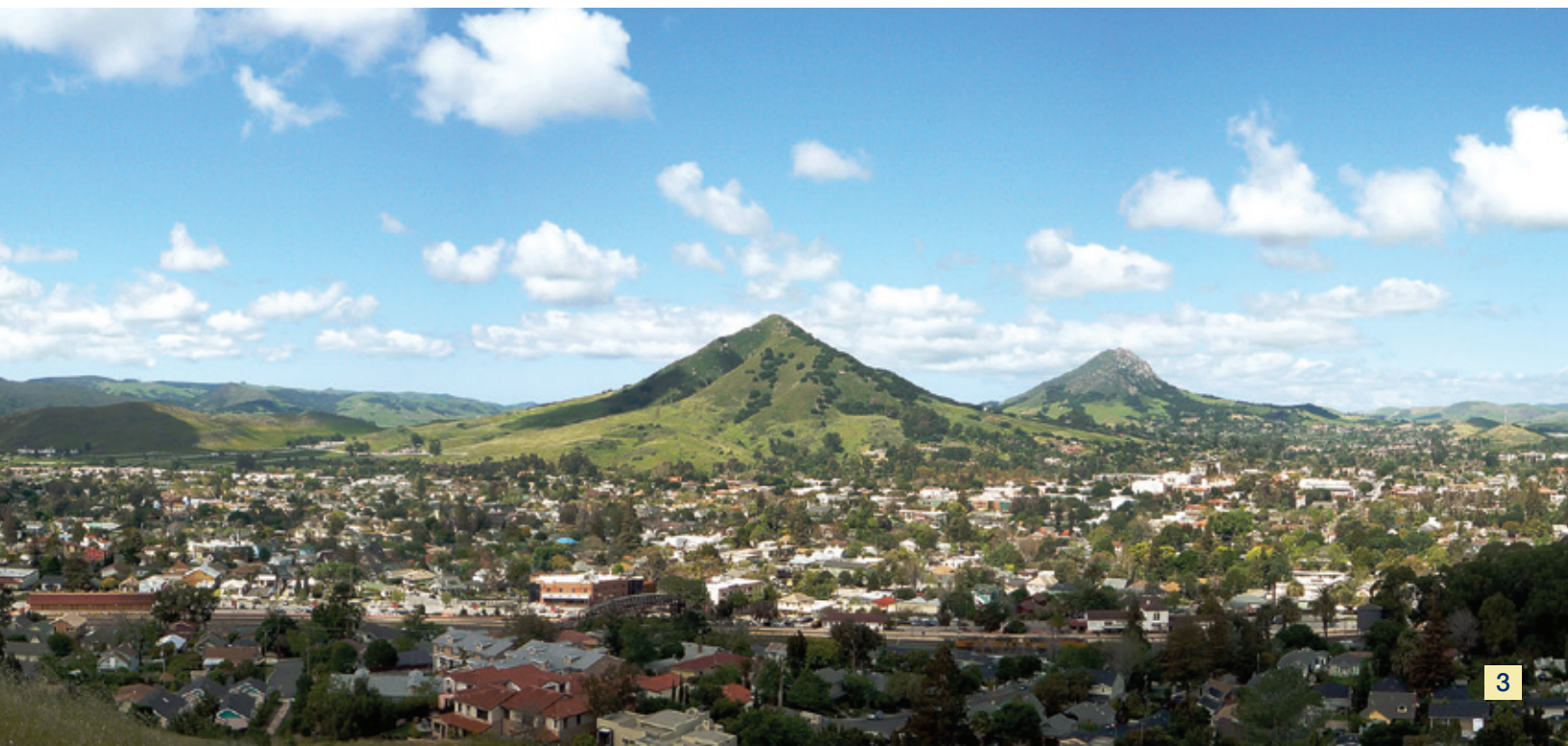
FY 2014-15 Local Revenue Measure Funds

Local half-percent sales tax revenue **totaled \$7.1M in FY 2014-15**. This is a five percent increase from the previous fiscal year. The Local Revenue Measure has **generated over \$50M** since its original adoption in November 2006.

Local Revenue Measure Funds



*Forecasted revenue per 2015-17 Financial Plan

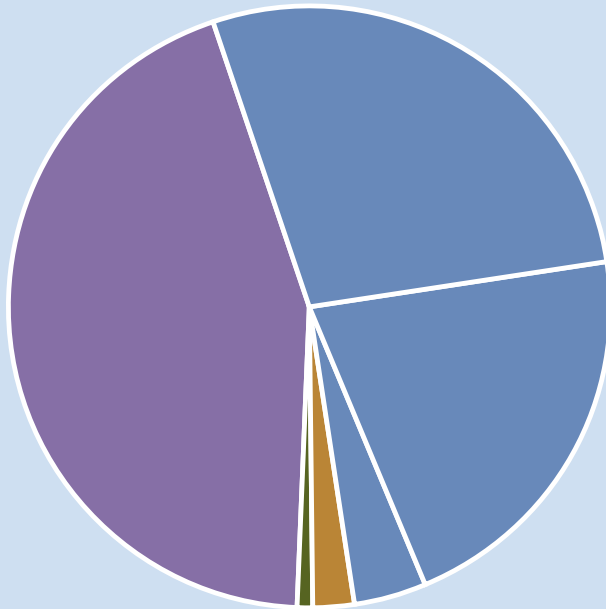


USES FY 2014-15

Local Revenue Measure Uses

FY 2014-15 local revenue measure funds were used on four Council-adopted priorities: **Preservation of Essential Services**, **Traffic Congestion Relief**, **Open Space Preservation**, and **Infrastructure Maintenance and Improvements**.

FY 2014-15 Local Revenue Measure Uses (\$6.7M)



44%

Infrastructure Maintenance and Improvements

Traffic Congestion Relief

2%

1%

Open Space Preservation

Preservation of Essential Services

53%

Public Safety – 28%
Maintenance Services – 21%
Neighborhood Wellness – 4%





For every \$1 of Measure Y and G revenue, \$.72 is paid by visitors and \$.28 is paid by City residents.

(2014 Retail Sales Analysis)

Local revenue measure uses fall into two categories: operating expenses such as funding a full-time Open Space Ranger, and capital expenses such as constructing bicycle paths. Operating uses in FY 2014-15 were approximately \$2.6M (39%), and capital uses were about \$4.1M (61%), totaling approximately \$6.7M.

1. Operating Uses (\$2.6M)

The largest use of local revenue measure funding for operating costs was for Preservation of Essential Services, specifically for Public Safety. Examples of these costs are funding for such positions as Downtown Patrol Officers and Fire Prevention personnel.

2. Capital Uses (\$4.1M)

The largest capital expenditures funded by the local revenue measure in FY 2014-15 were for Infrastructure Maintenance & Improvements, specifically for the Santa Rosa Skatepark, Street Paving, and Downtown Renewal projects.

Further detail on FY 2014-15 local revenue measure funds and uses can be found in the **Local Revenue Measure Summary (FY 14-15)**, which is included in this report and available online at www.slocity.org/budget.

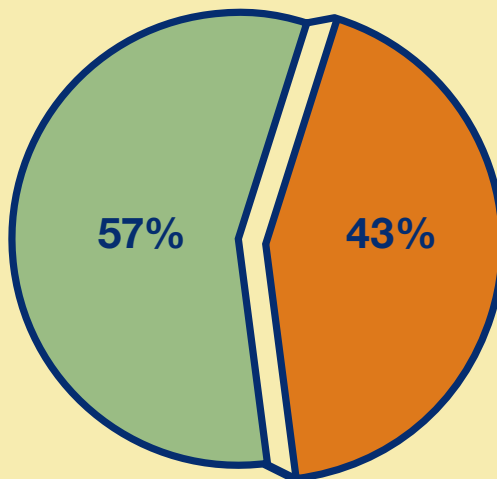
Measure Y Project Spotlight: SLO Skate Park

The SLO Skate Park at Santa Rosa Park opened on Saturday, February 28, 2015. It progressed from a dream of the local skate community, to a master plan, and finally to the construction phase, after being adopted as a

Major City Goal and Measure Y priority project in the 2013-15 Financial Plan. The SLO Skate Park is a 15,500 square-foot concrete park that is an invaluable addition to the City's multi-use facilities, serving locals and visitors alike.



The **SLO Skate Park** project would not have been possible in its full capacity without significant funding generated by the **Local Revenue Measure**. Other funding came from **City parkland development funds** and a notable grant from the **Tony Hawk Foundation**.



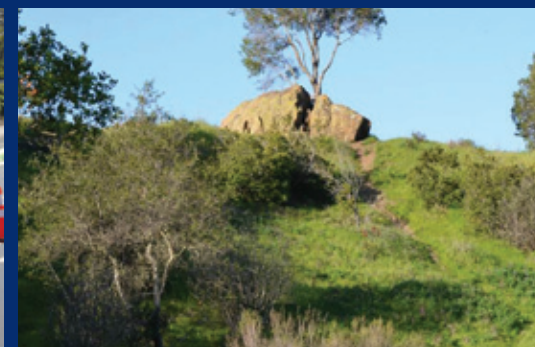
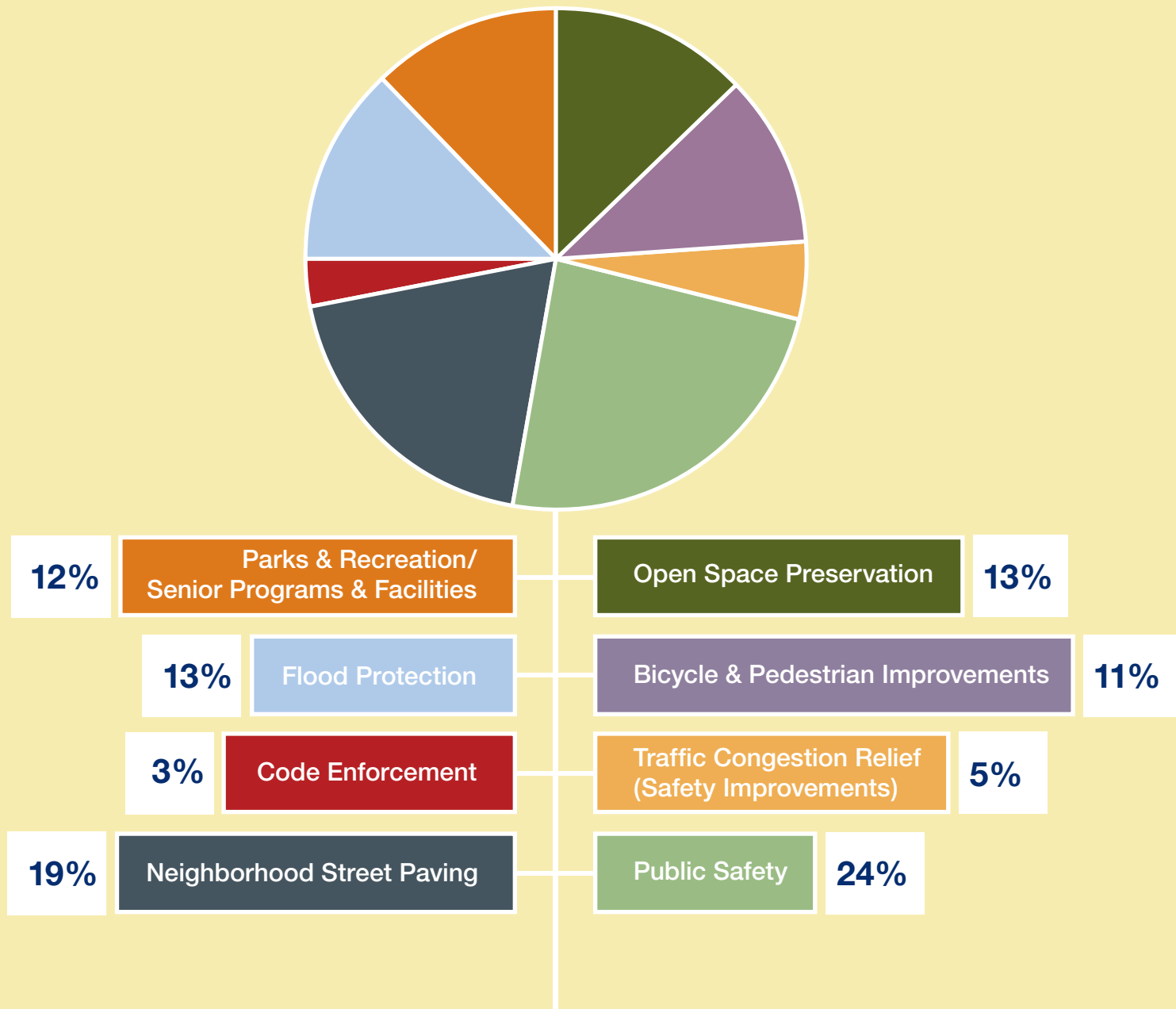
43% of funding for the SLO Skate Park came from Measure Y

FUTURE FOCUS

Planned Local Revenue Measure Uses

A shift towards more capital uses and less operating (about 70/30) should be expected in future fiscal years given the Council's new direction on Local Revenue Measure priorities in the latest Financial Plan:

FY 2015-16 Local Revenue Measure Expenditures (\$9.3 M)



**CITY OF SAN LUIS OBISPO
LOCAL REVENUE MEASURE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Item	Operating Programs			Capital Projects		
	Budgeted	Actual Spent	Previous Carryover	Budgeted	Actual Spent	Carryover to FY15-17

Preservation of Essential Services – Public Safety

Police Services	924,073	914,952	-	-	-	-
Police Vehicles	-	-	141,379	175,600	266,970	50,009
Public Safety Mobile Data Computers	-	-	184,500	188,000	-	372,500
Fire Prevention & Training	450,421	450,421	-	-	-	-
Extrication Equipment	-	-	-	-	-	-
Fire Engine/Truck Replacement: Debt Service	-	-	-	247,503	247,503	-
Fire Station #2 Remodel	-	-	2,070	27,800	18,514	11,356
Quickest Route Software	-	-	1,970	-	1,970	-

Preservation of Essential Services – Maintenance Services

Streets, Sidewalks and Traffic Signal Operations	177,055	174,095	-	-	-	-
Creek & Flood Protection	455,824	447,140	31,021	450,000	53,162	427,859
Parks	77,837	77,837	569,625	580,000	504,500	645,125
Project Management & Inspection	113,253	111,130	-	-	-	-

Preservation of Essential Services – Neighborhood Wellness

Enhanced Building & Zoning Code Enforcement	118,268	107,273	-	-	-	-
“SNAP” Enhancement	53,079	53,079	-	-	-	-
Neighborhood Code Enforcement Specialists	147,368	116,769	-	-	-	-

Traffic Congestion Relief

Traffic Safety Report Implementation	-	-	25,000	25,000	6,045	43,955
Traffic Operations Report Implementation	-	-	30,000	-	-	30,000
Traffic Engineer	100,351	91,295	-	-	-	-
Traffic Sign Maintenance	-	-	-	40,000	-	40,000
Bicycle Facility Improvements	-	-	81,064	100,000	29,666	151,398
Neighborhood Traffic Improvements	-	-	15,154	20,000	11,374	23,780

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Open Space Preservation

Open Space Acquisition	-	-	200,000	200,000	-	400,000
Froom Ranch Improvement	-	-	2,687	-	2,687	-
Ranger Services Staffing	57,028	54,426	-	-	-	-
Open Space Wildfire Reduction	5,000	5,000	-	-	-	-

Infrastructure Maintenance & Improvements

Santa Rosa Skatepark	-	-	1,209,987	-	949,521	260,466
Street Reconstruction & Resurfacing	-	-	461,128	1,174,300	458,203	1,177,225
Broad Street Creek Bank Reinforcement	-	-	15,629	-	9,736	5,893
Downtown Renewal	-	-	-	687,500	554,404	133,096
Facility Maintenance	-	-	27,971	94,000	40,618	81,353
Jack House Exterior Painting	-	-	25,000	-	25,000	-
Johnson Avenue Underpass Pump	-	-	190,000	-	78,799	111,201
Mission Plaza Railing Upgrade	-	-	30,000	30,000	38,821	21,179
Olympic Pool Replastering	-	-	19,475	310,000	3,606	325,869
Pedestrian and Bicycle Pathway Maintenance	-	-	-	60,000	60,000	-
Sidewalk Repairs	-	-	-	25,000	21,733	3,267
Tree Maintenance Equipment	-	-	100,400	-	-	100,400
Playground Equipment Replacement	-	-	203,141	-	33,750	169,391
Sinsheimer Stadium Building Assessment	-	-	26,776	-	-	26,776
Sinsheimer Parking Lot Paving	-	-	79,834	-	79,834	-
Mission Plaza Master Plan	-	-	100,000	-	-	100,000
I.T. Replacement Fund	-	-	383,934	-	383,934	-
Facility Maintenance Reserve	-	-	206,521	-	206,521	-

Sub-Totals - Actual Spent		2,598,332			4,086,851	
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2014-15 Local Revenue Measure Uses – Actual Spent – Combined Total	6,685,183
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PRIORITIES

Priorities set by the City Council for FY 2014-15 include:

Preservation of Essential Services,
Traffic Congestion Relief,
Open Space Preservation, and
Infrastructure Maintenance
and Improvements.



City of San Luis Obispo
For more information, please visit:
www.slocity.org/budget