



City Administration

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COVID-19 Update to the Local Revenue Measure Annual Community Report

Dear Community Member,

On behalf of the City of San Luis Obispo, we are pleased to provide you the 2018-19 Local Revenue Measure Annual Report in Brief. This report highlights the revenue and uses of the Local Revenue Measure for fiscal year covering the time from July 2018 to June 2019 – several months before the coronavirus (COVID-19) pandemic began and the social and economic impacts on our community. The impacts of this emergency will be reflected in the current fiscal year (July 2019 – June 2020) and for years to come.

The City has implemented a number of immediate actions in response to COVID-19 including employee furloughs and limits on any hiring and purchases that are not involved in the delivery of essential services to the community. Due to the economic impacts, City revenues, including the Local Revenue Measure, are projected to be significantly lower in the current year and for future years. At the same time, the demand for essential City services remains high and the costs of providing some of these, such as public safety and emergency response, have increased due to new health and safety equipment and protocols.

In light of this, adjustments will need to be made to the revenue projections and planned uses of the Local Revenue Measure. The use of this revenue will need to be moderated and focused on the highest priorities within the community and will be reflected in future reports. Maintaining essential services and facilities has been and will remain the purpose of the Local Revenue Measure.

The City will continue to inform the community of the status of its financial situation and steps taken to mitigate the economic impacts of COVID-19 on delivering essential services to the community.

Thank you,

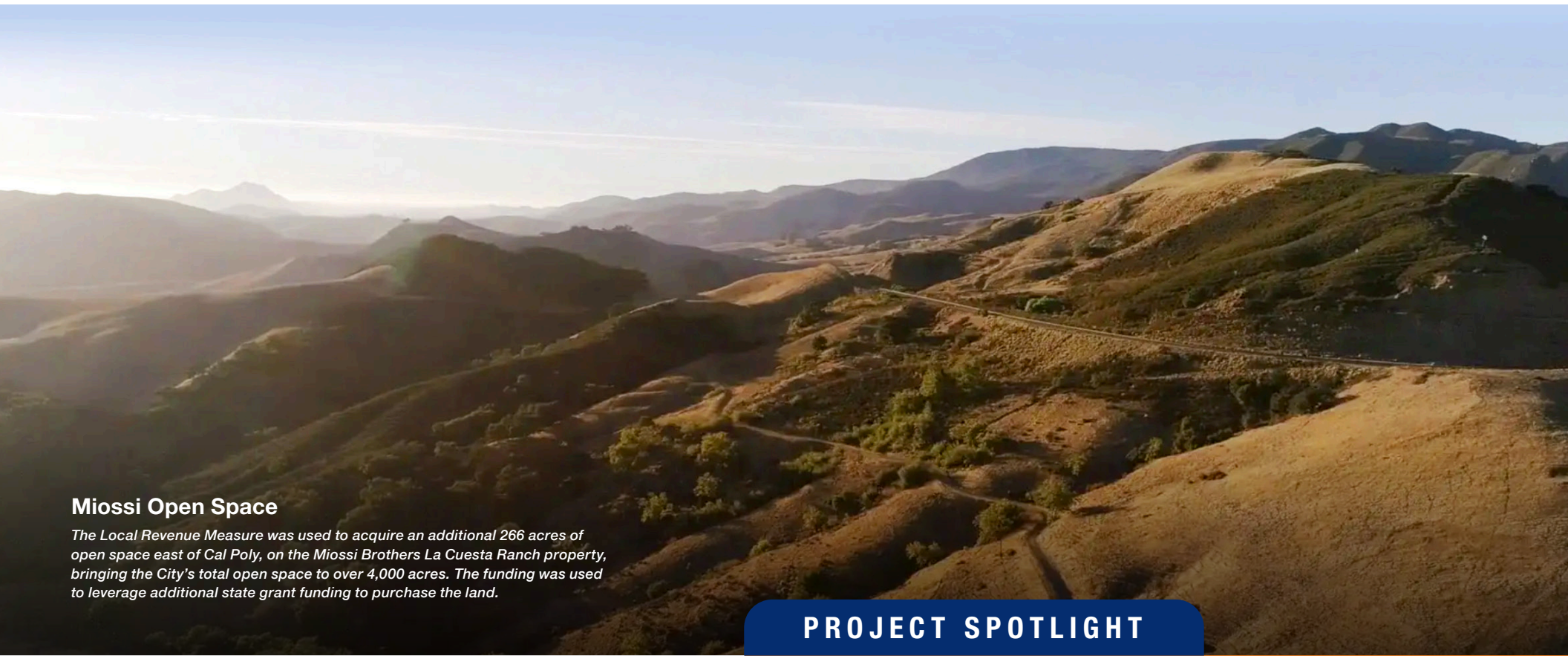
Chris Coates, Chair
On behalf of the Revenue Enhancement Oversight Commission

Derek Johnson
City Manager

LOCAL REVENUE MEASURE

ANNUAL COMMUNITY REPORT

Fiscal Year 2018–19



Miossi Open Space

The Local Revenue Measure was used to acquire an additional 266 acres of open space east of Cal Poly, on the Miossi Brothers La Cuesta Ranch property, bringing the City's total open space to over 4,000 acres. The funding was used to leverage additional state grant funding to purchase the land.

PROJECT SPOTLIGHT



HOW DID WE SPEND REVENUES?

PAGE 5

Read about how Local Revenue Measure funds were spent in 2018–19.



LAUREL LANE COMPLETE STREETS

PAGE 7

Learn more about our project that included pedestrian, bicyclist and vehicle safety improvements.

The Local Revenue Measure – also known as Measure G – is a one-half percent local sales tax approved by City voters in November 2006. It protects and maintains 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. The Local Revenue Measure is subject to voter extension in 2023.

The Local Revenue Measure is a general-purpose measure 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.



Open Space Rangers: The Local Revenue Measure funded two Ranger positions which help maintain over 4,000 acres of open space, 55 miles of trails and lead open space hikes with community members.

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

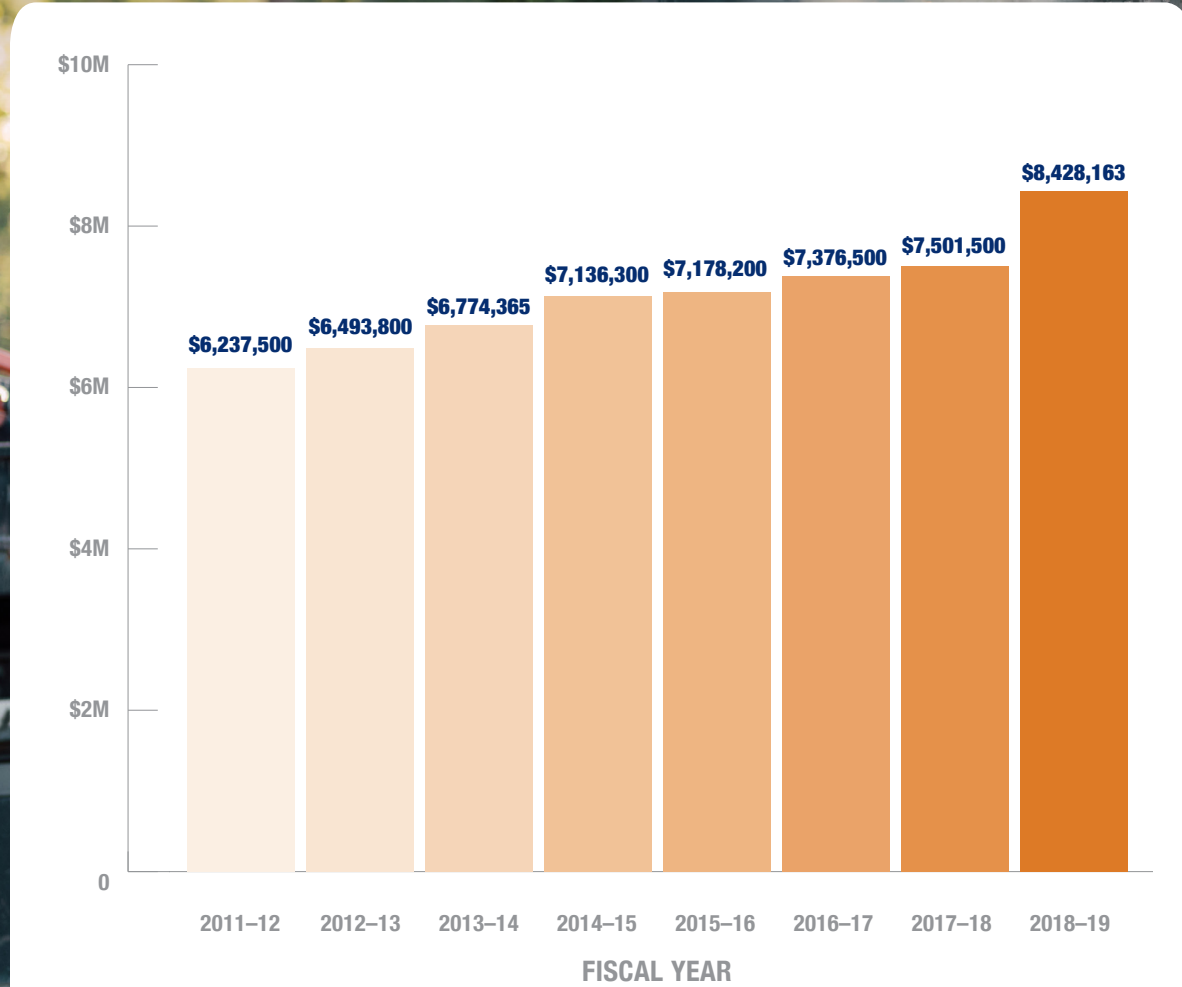
projects – shall the City’s Municipal Code be amended to extend the current one-half percent local sales tax for eight years, with independent annual audits, public goal-setting and budgeting, and a Citizens’ Oversight Commission?



The railroad district sidewalk, made up of wooden planks, was deteriorated and created a tripping hazard. The old sidewalk was replaced with concrete pavers.

The local one-half percent sales tax revenue totaled **\$8.4 million** in 2018-19, which added approximately **12 percent** to the general fund. The Local Revenue Measure has generated more than **\$79.4 million** since its original adoption in November 2006. Revenues for 2019-20 and beyond are projected to be significantly lower due to impacts from the COVID-19 emergency.

The streets maintenance portable message board is used for traffic control to deter vehicles away from roadway work zones. A street maintenance worker position is also funded through the Local Revenue Measure.



2018–19 Local Revenue Measure funds were used on the following Council-adopted priorities:



Design work to replace the 100-year old Marsh Street Bridge, located between Osos Street and Santa Rosa Street, has been completed. Construction is set to begin in May 2020 and is expected to be completed in December 2020. The bridge has been deemed structurally deficient and is an important transit corridor for residents, businesses and visitors.



39%

NEIGHBORHOOD STREET PAVING
(INCLUDES IMPROVEMENTS TO BIKE LANES)
\$3.2 million



15%

FLOOD PROTECTION
\$1.2 million



11%

PUBLIC SAFETY
\$928,000



10%

OPEN SPACE PRESERVATION
\$787,000



9%

**PARKS AND RECREATION/
SENIOR PROGRAMS AND
FACILITIES**
\$720,000



8%

**BICYCLE AND PEDESTRIAN
IMPROVEMENTS**
\$655,000



3%

CODE ENFORCEMENT
\$269,000



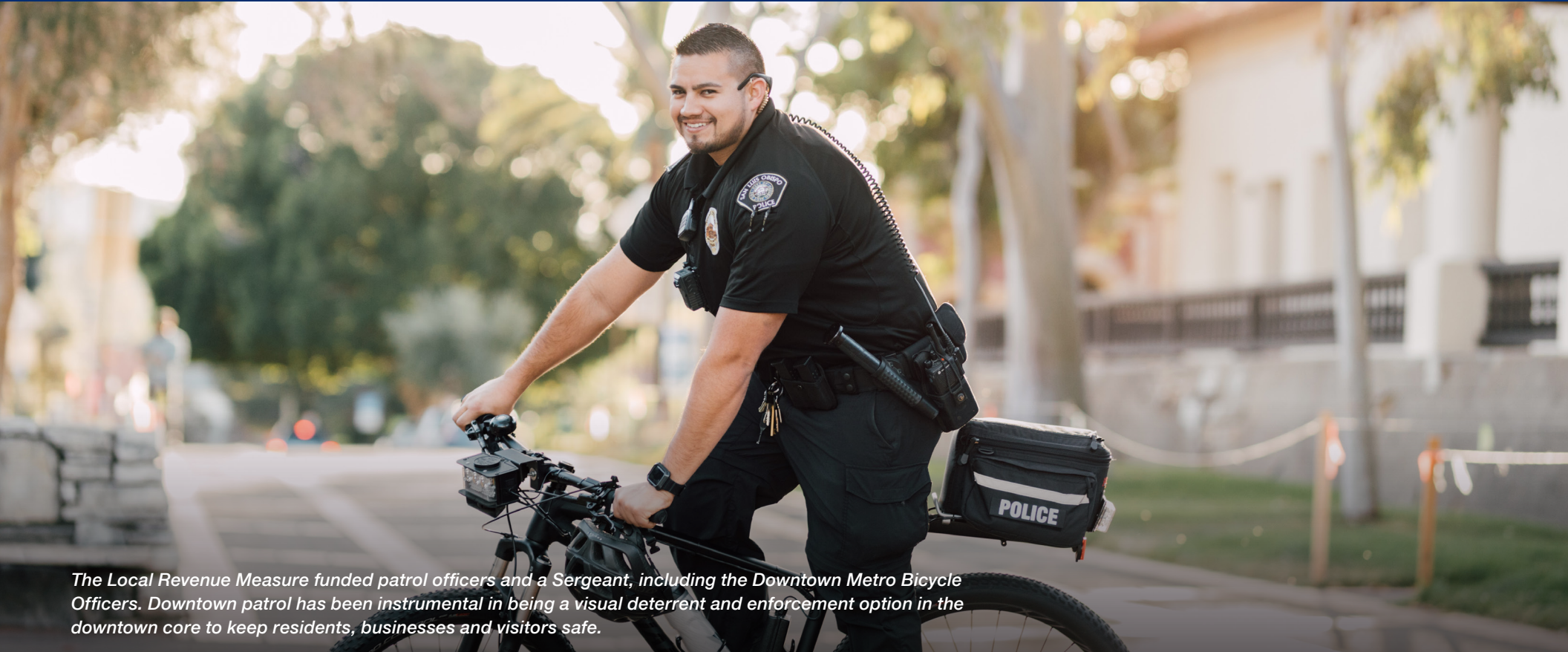
3%

**OTHER VITAL SERVICES
AND CAPITAL PROJECTS**
\$202,000



2%

**TRAFFIC CONGESTION
RELIEF/SAFETY
IMPROVEMENTS**
\$176,000



The Local Revenue Measure funded patrol officers and a Sergeant, including the Downtown Metro Bicycle Officers. Downtown patrol has been instrumental in being a visual deterrent and enforcement option in the downtown core to keep residents, businesses and visitors safe.

Local Revenue Measure uses fall into two categories: **operating expenses** and **capital expenses**.

Operating Uses (\$2.1M) // 26%

To fund positions that provide services

Examples of these costs include funding for positions such as police officers and flood control staff.

Capital Uses (\$6M) // 74%

To fund construction and investment in equipment

The largest capital expenditures funded by the Local Revenue Measure in 2018-19 were neighborhood street paving projects (including bike lane improvements), flood protection and open space preservation.

For every
\$1 of revenue
 generated by the Local Revenue Measure, approximately
70¢ is paid by visitors
 and
30¢ is paid by City residents

(Based on a retail sales analysis completed in Feb. 2020. These figures and overall revenue will change significantly in the current and future fiscal years due to impacts from the COVID-19 emergency on our community)

Laurel Lane Complete Streets Project

More than 180 people cross Laurel Lane every day: school children and parents going to the elementary school and regional park, seniors accessing senior living and transit services, and neighbors accessing the Sinsheimer Park Baseball Stadium and the SLO Swim Center. The Laurel Lane Complete Streets and Roadway Maintenance Sealing project included pedestrian, bicyclist and vehicle safety improvements.

Roadway maintenance helps decrease vehicle operations costs by fixing potholes and other street repairs. The 2015 Traffic Safety Report identified the intersection of Laurel Lane and Southwood Drive as the highest-ranking intersection for pedestrian collisions on City maintained streets.



The Local Revenue Measure is a critical revenue source for community investment and economic recovery due to the impacts of COVID-19. The City is committed to completing projects that maintain infrastructure and support the delivery of essential services to residents and businesses.



TWO NEW STREET LIGHTS IN NEIGHBORHOODS NEAR CAL POLY
COMPLETED OCTOBER & NOVEMBER 2019



FIRE STATION #1 MAINTENANCE
SPRING 2020



ISLAY HILL PARK PLAYGROUND REPLACEMENT
AUGUST 2020



SOUTH BROAD STREET ROAD REHABILITATION
COMPLETED AUGUST 2019



MEADOW PARK PEDESTRIAN BRIDGE REPLACEMENT
COMPLETED APRIL 2020

MARSH STREET BRIDGE REPLACEMENT
DECEMBER 2020



Maintaining parks and public spaces provides community members an opportunity to enjoy the outdoors, spend time with their families, and stay active.



PROJECT TITLE	OPERATING PROGRAMS		CAPITAL PROJECTS	
	2018-19 (BUDGET)	2018-19 (ACTUAL)	2018-19 (BUDGET & CARRYOVER*)	2018-19 (ACTUAL)



OPEN SPACE PRESERVATION

Open Space Protection			551,064	509,886
Open Space Maintenance			131,341	91,392
Laguna Lake Dredging			38,102	33,640
Open Space Wildfire Fuel Reduction	5,000	4,999		
Ranger Services (Ranger Staffing: FTE= 2)	152,068	147,068		
Subtotal	157,068	152,067	720,507	634,918



BICYCLE AND PEDESTRIAN IMPROVEMENTS

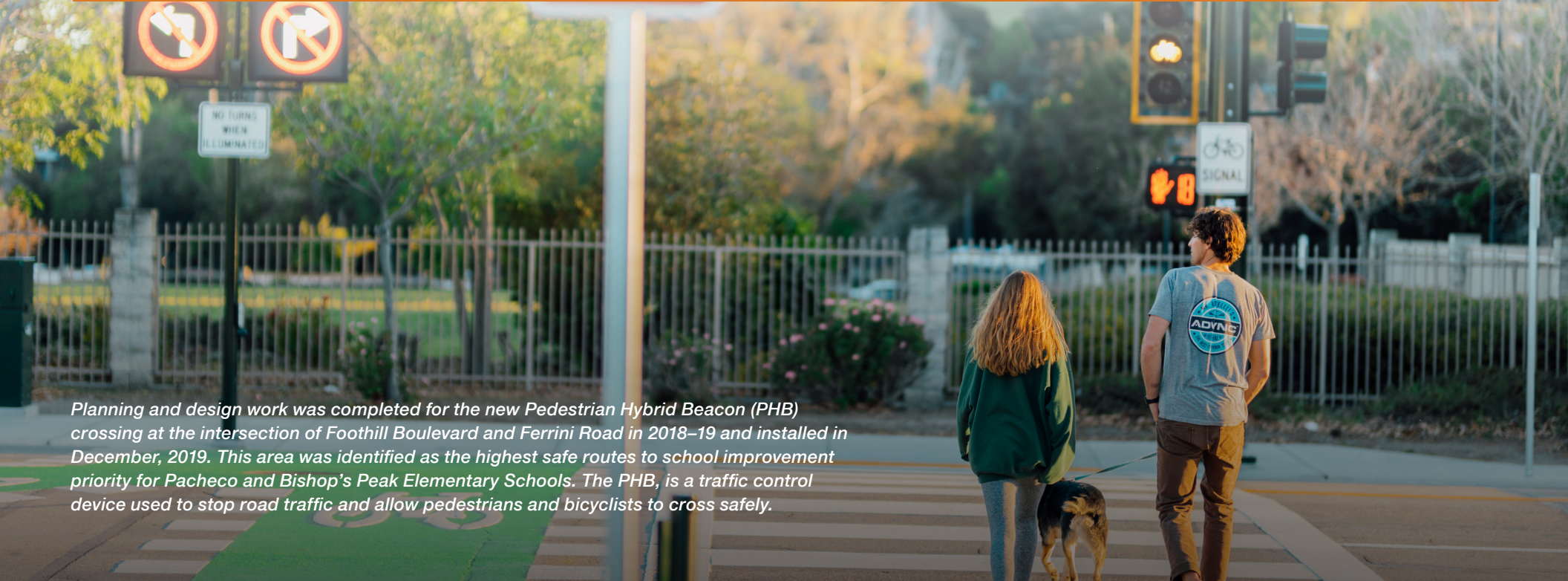
Sidewalk Replacement			135,943	44,550
Bob Jones Octagon Barn Connection			227,285	184,754
Bob Jones Trail: Prefumo Creek to Oceanaire			216,000	-
Railroad District Boardwalk Replacement			5,000	1,165
Railroad Safety Trail: Pepper Street to the Train Station			30,000	27,852
Railroad Safety Trail: Bike Bridge at Phillips Lane			230,840	41,826
Bicycle Transportation Plan Implementation			91,826	90,763
Sidewalk Access Improvements			52,604	-
Bicycle Facility Improvements			75,000	592
Safe Routes to School			104,263	58,809
Pedestrian and Bicycle Pathway Maintenance			151,316	14,006
Downtown Renewal			6,000	4,200
Transportation Planning and Engineering (Engineer, Active Transportation Manager: FTE=1.6)	201,675	186,543		
Subtotal	201,675	186,543	1,326,076	468,517

PROJECT TITLE	OPERATING PROGRAMS		CAPITAL PROJECTS	
	2018-19 (BUDGET)	2018-19 (ACTUAL)	2018-19 (BUDGET & CARRYOVER)	2018-19 (ACTUAL)

TRAFFIC CONGESTION RELIEF / SAFETY IMPROVEMENTS

	OPERATING PROGRAMS		CAPITAL PROJECTS	
Traffic Signs and Striping Maintenance			47,930	21,962
Traffic Safety Report Implementation			111,564	10,880
Transportation Safety and Operations			9,196	530
Neighborhood Traffic Improvements			148,819	23,615
Parking Structure Assessment			8,333	8,333
Signal and Light Maintenance (Technician: FTE=1)	112,138	110,398		
Subtotal	112,138	110,398	325,842	65,320


Planning and design work was completed for the new Pedestrian Hybrid Beacon (PHB) crossing at the intersection of Foothill Boulevard and Ferrini Road in 2018-19 and installed in December, 2019. This area was identified as the highest safe routes to school improvement priority for Pacheco and Bishop's Peak Elementary Schools. The PHB, is a traffic control device used to stop road traffic and allow pedestrians and bicyclists to cross safely.



PROJECT TITLE	OPERATING PROGRAMS		CAPITAL PROJECTS	
	2018-19 (BUDGET)	2018-19 (ACTUAL)	2018-19 (BUDGET & CARRYOVER)	2018-19 (ACTUAL)

PUBLIC SAFETY

Police Dispatch Technology Maintenance			40,826	2,000
Police Station Replacement Study			145,685	27,755
Police Patrol Vehicle Replacements (4)			265,558	366
Fire Vehicle Replacement (Fire Training Pickup, Ambulance Van)			14,867	14,366
Police Station Building Maintenance and Improvements			13,750	8,750
Fire Stations Building Maintenance			154,250	77,781
Police Handheld and Vehicle Radio Replacement			280,000	-
South Hills Radio Upgrade			238,455	75,342
Emergency Dispatch Center Maintenance			256,033	5,409
New Street Lights			110,000	48,009
Laurel Lane Streetlight			100,000	91,007
Fire Station 4 Backup Generator			100,877	7,106
PulsePoint CPR Software	8,000	8,000		
Patrol Services (Officers, Sergeant: FTE = 4)	928,077	562,311		
Subtotal	936,077	570,311	1,720,300	357,892



The Islay Hills Park Playground will be replaced in August 2020 and includes Americans with Disabilities Act (ADA) upgrades from the parking lot to the playground. The new playground will include equipment for all ages, a unique inter-connective climbing course, and a shade feature. The playground is more than 20 years old and replacing the equipment will keep the City in compliance with State regulations.

PROJECT TITLE	OPERATING PROGRAMS		CAPITAL PROJECTS	
	2018-19 (BUDGET)	2018-19 (ACTUAL)	2018-19 (BUDGET & CARRYOVER)	2018-19 (ACTUAL)



NEIGHBORHOOD STREET PAVING

INCLUDES IMPROVEMENTS TO BIKE LANES

Street Reconstruction and Resurfacing (Laurel Lane and Southwood Street area)			2,466,861	2,464,872
Concrete Streets Repair (Dana, Toro & Palm, Palm & Johnson)			436,661	435,360
Marsh Street Bridge Replacement			725,089	-
Streets Maintenance Loader with Skip & Drag Attachment			330,287	130,022
Corporation Yard Maintenance			14,750	13,049
Streets and Sidewalk Maintenance (Maintenance Worker, Project Engineer: FTE = 2)	217,194	191,053		
Subtotal	217,194	191,053	3,973,647	3,016,783



CODE ENFORCEMENT

Building and Safety (Code Enforcement Officer, Neighborhood Services Specialists: FTE = 3)	269,025	269,025		
Subtotal	269,025	269,025	-	-

The City-County Public Library required a roof replacement and drainage improvements as part of the second phase of the remodel, major maintenance and ADA compliance project.




PROJECT TITLE	OPERATING PROGRAMS		CAPITAL PROJECTS	
	2018-19 (BUDGET)	2018-19 (ACTUAL)	2018-19 (BUDGET & CARRYOVER)	2018-19 (ACTUAL)

FLOOD PROTECTION

Storm Drain System Replacement			431,211	392,839
Ellen Way Storm Drain Improvements			241,500	202,408
Broad and Leff Culvert Repair			10,000	2,387
Creek and Flood Protection (Collection System Personnel: FTE = 6)	652,195	597,222		
Subtotal	652,195	597,222	682,711	597,635

PARKS AND RECREATION / SENIOR PROGRAMS AND FACILITIES

Parks Major Maintenance & Repairs			565,416	134,500
Ludwick Center Gym Lights			15,500	15,610
Swim Center Building Maintenance and Equipment Replacement			79,981	11,006
Jack House Building Maintenance			74,000	2,250
Islay Hill Park Playground Equipment Replacement			80,000	46,139
Sinsheimer Irrigation & Drainage			120,000	-
Sinsheimer Stadium Backstop			165,886	165,886
City/County Library Major Maintenance			177,076	145,839
Parks and Recreation Building Maintenance			47,279	15,635
Swim Center Co-generation Plant			85,000	-
Parks Maintenance Equipment Replacement			30,000	14,060
Parks Maintenance Walk Behind Mower & Aerator			41,839	41,839
Parks Maintenance Utility Carts With Dump Beds (2)			56,000	55,885
Mission Plaza Restroom Replacements and Enhancements			105,000	30,955
Parks and Landscape Maintenance (Maintenance Worker: FTE = 1)	84,563	40,177		
Subtotal	84,563	40,177	1,642,978	679,603

PROJECT TITLE	OPERATING PROGRAMS		CAPITAL PROJECTS	
	2018-19 (BUDGET)	2018-19 (ACTUAL)	2018-19 (BUDGET & CARRYOVER)	2018-19 (ACTUAL)
 OTHER VITAL SERVICES AND CAPITAL PROJECTS				
Facilities Annual Asset Maintenance Account			58,168	
City Hall Chiller Replacement			224,924	201,817
Multisite Energy Management			32,600	
Undesignated Capital			114,927	
Subtotal	-	-	430,619	201,817
TOTAL LOCAL REVENUE MEASURE USES	2,629,935	2,116,797	10,822,681	6,049,004

* Budget & Carryover includes unspent funds for planned, but not yet completed projects. Projects may be changed or modified as a part of the City's response to the COVID-19 emergency.



The Ellen Way storm drain improvement project included the replacement of outdated storm drain pipelines to improve stormwater management and to reduce the potential for flooding.

Open Space Preservation, Bicycle and Pedestrian Improvements, Traffic Congestion Relief/Safety Improvements, Public Safety, Neighborhood Street Paving, Code Enforcement, Flood Protection, Parks and Recreation/Senior Programs and Facilities, other Vital Services and Capital Projects.



CITIZENS' REVENUE ENHANCEMENT OVERSIGHT COMMISSION

Volunteer Residents Serve on the Commission

The Revenue Enhancement Oversight Commission (REOC) reviews, reports, and makes recommendations directly to the City Council regarding the revenue and expenditures of the City's general purpose, half-percent sales tax. The REOC consists of five members, who must be residents and registered voters of the City.



Chris Coates
Chair



Ken Kienow
Vice Chair



Michael Multari
Commissioner



Winston Newland
Commissioner



Jeannette McClure
Commissioner



CITY OF SAN LUIS OBISPO

For more information, please visit:
www.slocity.org/budget

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Owen Main Photography
City of San Luis Obispo

Sidewalk replacements improve accessibility for pedestrians by replacing defective sidewalks with upgrades including curb ramps, tree grates and storm water drainage. Sidewalks on Broad, High, Walker, Marsh and Fredricks Streets were replaced and improved.