



TOWN OF FAIRFAX

STAFF REPORT

March 6, 2019

TO: Mayor and Town Council

FROM: Garrett Toy, Town Manager *GT*

SUBJECT: Receive report on the status of the Special Municipal Services Tax of \$195 per business occupancy and dwelling unit

RECOMMENDATION

Receive report and schedule for discussion at future Council meetings.

DISCUSSION

In March of 2005 voters approved Measure F, a five-year special municipal services tax of \$125 per dwelling unit and business occupancy. In November 2009, the voters approved Measure I, which was a five-year extension of Measure F. In November 2014, the voters approved Measure J a five-year extension of the special municipal tax. Measure J consolidated an existing general municipal tax of \$50 per unit and the Measure F \$125 per unit into a new, slightly higher \$195 per unit special tax. The Town receives approximately \$710,000 per year from Measure J.

The current five-year extension will expire in 2020. As the special tax is a significant source of revenue to the Town, the Council should begin discussions regarding the placement of an extension of the tax on the November 2019 ballot. The discussions should also include any revisions to the proposed uses or allocation of the funds, length of the extension, exemptions, and/or the amount of the tax. Staff recommends the Council begin its discussions at its April meeting and continue its discussions at subsequent meetings including the budget approval process

While the Town's financial position has improved significantly since 2009, the special municipal services tax (Measure J) remains a key financial component of the Town's revenue sources. Measure J provides funding to:

- Keep our local Police Station open 24/7
- Maintain Fire Department services
- Fund Public Works/safety projects such as pedestrian trails and matching grants for capital projects such as street repaving
- Enhance Youth and Senior programs

Without an extension, the Town would face major impacts to service levels. Attached is a table showing the distribution of special municipal tax funds over the last 5 years and a tentative timeline for placing an extension on the ballot. Since the tax is a special tax it requires a 2/3rds approval of the voters.

FISCAL IMPACT

There is a significant impact to the budget of \$710,000 each year. Measure J represents approximately 6% of the Town's total general fund revenues of \$10.5 million.

ATTACHMENTS

Table of Measure J fund, Tentative 2019 Election timetable

AGENDA ITEM # 7

USE OF MEASURE J FUNDS

Services	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	Syr Total
BUDGETED						
Police	\$ 148,000	\$ 384,099	\$ 360,600	\$ 272,100	\$ 322,100	\$ 1,486,899
Fire	150,000	150,000	250,000	250,000	262,000	1,062,000
Youth & Senior Programs	25,000	28,000	28,000	38,000	38,000	157,000
Public Works Improvements	69,000	132,000	40,000	100,000	40,000	381,000
Matching funds for grants	68,000	68,000	63,000	81,500	60,000	340,500
Total Budgeted	\$ 460,000	\$ 762,099	\$ 741,600	\$ 741,600	\$ 722,100	\$ 3,427,399
ACTUAL FUNDS RECEIVED						
	456,384	714,576	714,576	704,255		
	99.2%	93.8%	96.4%	95.0%		
DISTRIBUTION:						
Police	\$ 158,300	\$ 384,099	\$ 360,600	\$ 322,100	\$ 322,100	\$ 1,547,199
Fire	150,000	150,000	250,000	262,000	262,000	1,074,000
Youth & Senior Programs	18,000	28,000	28,000	38,000	38,000	150,000
Public Works Improvements	20,000	20,000	40,000	50,000	40,000	170,000
Matching funds for grants	57,000	117,000	63,000	81,500	60,000	378,500
Total Actual *	\$ 403,300	\$ 699,099	\$ 741,600	\$ 753,600	\$ 722,100	\$ 3,319,699

* May include Meas J Reserves

Capital Projects Detail - Budget

51-875 Bike Spine			13,000		
51-841 Misc Parks & Trail Imp	7,000	36,000	50,000	60,000	60,000
53-804 Sidewalk Replace & Repair	10,000	30,000	30,000	35,000	30,000
53-894 Parkade Improvements		14,255	12,000	20,000	10,000
51-871 BPMP - Spruce, Marin...	56,000	28,000		21,500	
51-856 Meadowway Bridge	24,000	14,000			
51-873 Creek Rd Bridge	20,000	16,000			
51-820 Park Facility Imp/WC	10,000	18,745			
53-887 Street Resurface & Repair	10,000	30,000			

NOVEMBER 5, 2019, ELECTION TIMETABLE FOR MEASURES

March / April	Concept of Special Municipal Tax (Measure J) renewal
April / May	Discuss concept; discuss at budget workshop
May / June	Proposed ordinance and resolution calling for election – ballot language, arguments/rebuttals
August 9, 2019	Last day (by 4:30pm) to submit Resolution to the Board of Supervisors and Registrar of Voters calling election and requesting consolidation. Measure question is limited to 75 words. EC §1405, §9401, §10002, §13247
August 10 thru August 19, 2019	Ten (10) day public examination period of measures. EC §9190, §9380, §9509
August 12, 2019	Measure letters assigned by Registrar of Voters. EC §13116
August 14, 2019	Last day to withdraw a measure from the ballot. Written notification must reach Elections Dept. by 4:30 p.m. or the measure will remain on the ballot. EC §9605
August 19, 2019	Last day to submit or withdraw ballot arguments (300-word limit) to the Town Clerk. Attorney impartial analysis due. EC §9161-9166, §9601, §9280-9286
August 20 through August 29, 2019	Ten (10) day public examination period of arguments. EC §9190, §9380, §9509
August 26, 2019	Last day to submit rebuttals (250-word limit) to the arguments for or against a measure, filed with all documents required by the Elections Office. EC §9167
August 27 through September 5, 2019	Ten (10) day public examination period of rebuttals. EC §9190

*****Deadlines that fall on a weekend or holiday move to the next business day.*****