

SANTA ANA 2018 BALLOT MEASURES



Ballot Measures



Measure X: SANTA ANA NEIGHBORHOOD SAFETY, HOMELESS PREVENTION AND ESSENTIAL CITY SERVICES ENHANCEMENT MEASURE

Measure Y: APPROVE ORDINANCE REGARDING A MARIJUANA/COMMERCIAL CANNABIS BUSINESS LICENSE TAX

Measure Z: CITY CHARTER MODERNIZATION AND UPDATE OF ADMINISTRATIVE PROVISIONS

Measure AA: REQUIRE BY-WARD NOMINATION AND ELECTION OF COUNCILMEMBERS, AND REDRAWING OF WARD BOUNDARIES TO COMPLY WITH STATE AND FEDERAL LAW



MEASURE Y: APPROVE ORDINANCE REGARDING A MARIJUANA/COMMERCIAL CANNABIS BUSINESS LICENSE TAX:

“Shall Chapter 21 of the Santa Ana Municipal Code be amended to enact both a gross square footage tax of between 25 cents to \$35.00 and a gross receipts tax rate up to 10% for cultivating, manufacturing, distributing, selling or testing cannabis and related products to raise between \$8 to \$12 million to fund public safety, parks, youth and senior services, among other general City services?”

What Does Measure Y Do?



Measure Y is a tax on marijuana/cannabis businesses operating in Santa Ana.

It is a business license tax 25 cents to \$35.00, calculated on the gross square footage of a commercial cannabis/marijuana business, as well as a gross receipts tax rate of up to 10% for cultivating, manufacturing, distributing, selling or testing of commercial cannabis and related products.

Measure Y is expected to generate \$11 to \$14 million dollars a year to fund general city services.

What Does Measure Y Do?



Measure Y applies to businesses that are cultivating, manufacturing, distributing, selling or testing of commercial cannabis and related products within the City of Santa Ana.

Does not include medicinal cannabis also known as medical marijuana, which has a separate business license tax.

Does not apply to cultivation of marijuana for personal use.



MEASURE Z: CITY CHARTER MODERNIZATION AND UPDATE OF ADMINISTRATIVE PROVISIONS:

“Shall the Charter be amended to: modernize and remove outdated language to reflect changes or conflicts in the City or State law concerning gifts and campaign contributions and designated City funds; create consistency in the Municipal Code regarding boards or commissions; and move the qualifications for the Finance Director to the Municipal Code?”

What Does Measure Z Do?



Santa Ana is a “Charter City”, meaning the City has latitude to enact some of its own rules and regulations separate from California State Laws governing cities. These rules and regulations are laid out in the “City Charter,” many provisions of which can only be changed by the voters.

What Does Measure Z Do?



Measure Z seeks to clean up aspects of the City Charter, make various technical changes and modernize and remove outdated language, including

- Having the City Council establish appointive boards and commissions, such as the city's Planning Commission and others, by ordinance. The City would specify the powers and duties of each appointive board and commission.
- Update provisions in the City Charter related to gifts limits and campaign contributions that conflict with state law
- Updates the City Charter regarding the qualifications, powers and duties of the Finance Director.

MEASURE AA: REQUIRE BY-WARD NOMINATION AND ELECTION OF COUNCILMEMBERS, AND REDRAWING OF WARD BOUNDARIES TO COMPLY WITH STATE AND FEDERAL LAW:

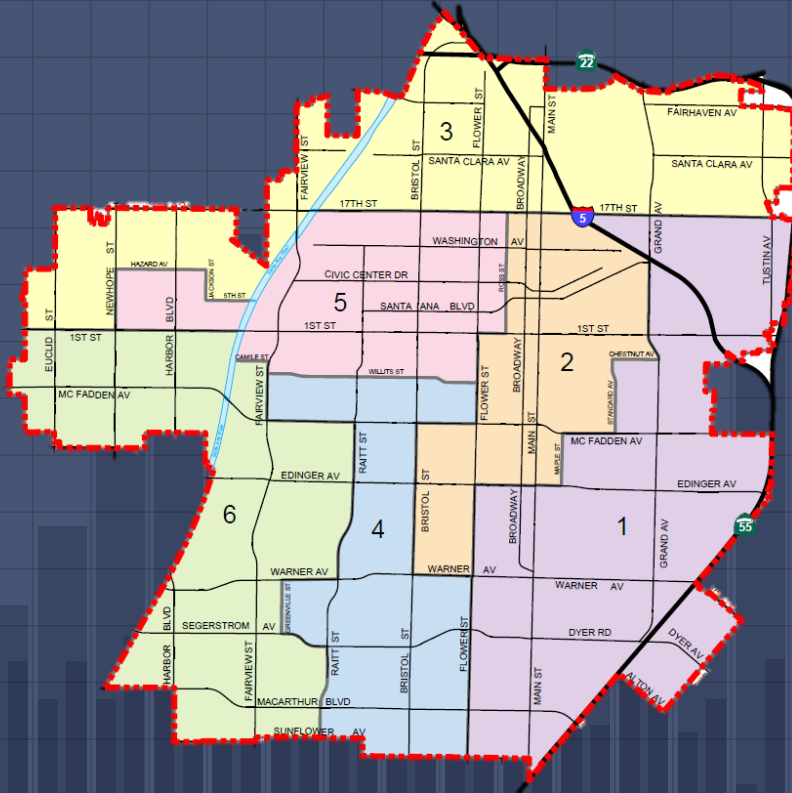


“Shall City of Santa Ana Charter sections 101.2 and 400 be amended requiring City Councilmember election from his or her residency ward and only by registered voters of that ward, instead of City Councilmember elections by registered voters of the entire City, with ward boundaries to be drawn as required by law?”

What Does Measure AA Do?



Santa Ana currently elects councilmembers from six separate wards of the city.



What Does Measure AA Do?



Currently, all candidates for Santa Ana city council must be a resident of the ward from which they are running, and must be nominated by voters residing in that ward. However, in the election all voters across the city may vote for any nominated candidate, regardless of where that candidate lives in the City.

If adopted, Measure AA would require that each council member come from one of the existing six wards, and only voters residing in a ward would elect the council member for that ward.

This is similar to how elections are held in Long Beach, Los Angeles, Anaheim, San Diego and numerous other cities across California.



MEASURE X: SANTA ANA NEIGHBORHOOD SAFETY, HOMELESS PREVENTION AND ESSENTIAL CITY SERVICES ENHANCEMENT MEASURE

“To maintain effective 9-1-1 response; retaining firefighters and police officers; addressing homelessness; fixing streets; maintaining parks, youth and senior services, and unrestricted general revenue purposes; shall the sales tax be increased one and one half (1.5) cents until 2029 providing approximately \$60 million dollars annually, then reduced to one (1) cent providing approximately \$40 million dollars annually, until 2039, requiring annual audits, citizens oversight and for Santa Ana use only?”

How much sales tax does the City collect?

The City of Santa Ana currently receives \$47.9M in Sales Tax Annually.



Why does Santa Ana need additional revenue?



Compared to other California cities, Santa Ana's current Sales Tax rate of 7.75% is very low. In terms of cities of similar size, Santa Ana is currently equal to Anaheim, but lower than:

- ✓ Long Beach (10.25%),
- ✓ Oakland (9.25%),
- ✓ Riverside (8.75%)
- ✓ San Bernardino (8.0%)

If approved, Santa Ana's Sales Tax rate would be 9.25% for Phase 1, and 8.75% for Phase 2

Are other cities considering a Sales Tax Measure?



Cities with current add-on Sales Tax:

Fountain Valley, Stanton, La Habra, Westminster, and La Palma

Cities considering add-on Sales Tax:

Garden Grove, Placentia, Seal Beach, and Laguna Beach

Implementation



2019 – 2029



2029 – 2039

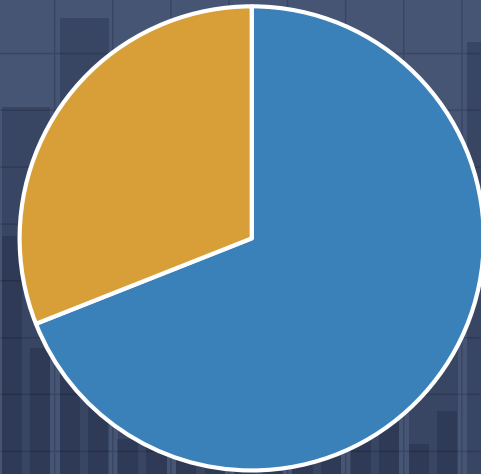


1 PHASE
2 PHASE



How does the City spend its current tax revenues?

The City spends approximately 70% of its General Fund departmental budget on public safety (police & fire), and the remaining on services such as parks, libraries, public works, and general government services.



Public Safety All Other

Why does Santa Ana need additional revenue?



Due to Property Tax Valuations, some cities may never need a sales tax measure.

City	Net Value	Population
Irvine	78.383 Billion	211,906
Newport Beach	57.641 Billion	85,186
Anaheim	45.648 Billion	336,440
Huntington Beach	40.137 Billion	191,037
Santa Ana	26.497 Billion	324,792
Orange	21.663 Billion	136,416



Why does Santa Ana need additional revenue?



The city faced a shortfall of \$8.1 million this past fiscal year, and \$17.1 million next fiscal year and \$31.9 million the following fiscal year.

In order to provide necessary city services, additional revenue is needed. Without additional revenue, services will be impacted.

What has Santa Ana done to address its budget challenges?



- ✓ In recent years, the City has reduced spending by cutting over 500 positions.
- ✓ Contracted out the City's fire department
- ✓ Contracted out maintenance functions where feasible
- ✓ Modernized the Utility User Tax
- ✓ Reduced all non- essential personnel
- ✓ Invested in technology enhancements to reduce ongoing operating costs
- ✓ Reduced park and recreation programming

What has Santa Ana done to address its budget challenges?



Santa Ana has far fewer employees than neighboring cities of similar size.

City	Full-Time	Part-Time	FTE Equivalent of PT	Total	Population	Resident/Ee Ratio
Long Beach	4,417	1,673	837	6,090	462,257	75.9
Riverside	2,155	336	168	2,323	303,871	130.8
Anaheim	1,865	1,274	637	2,502	336,440	134.5
Huntington Beach	890	672	336	1,226	191,037	155.8
Irvine	802	878	439	1,241	211,906	170.8
Santa Ana	990	459	230	1,220	324,792	266.3

- Address the homelessness epidemic
- Increase the efficiency & effectiveness of emergency response services by retaining firefighters, police officers and paramedics
- Fix and maintain streets and parks





I. Address Homelessness

The City of Santa Ana currently utilizes \$17.4 million in city resources to address the homelessness epidemic and other closely related issues – including affordable housing, triage services, temporary shelters and medical services.

Santa Ana bears a disproportionately large burden of the homeless population in the region. Using local revenue to address the issue will ensure that our residents will benefit directly from this investment.



II. Increase efficiency & effectiveness of emergency response services by retaining firefighters, police officers and paramedics

According to the *Western States Police Officers Association*, the average number of officers across all ranks is 1.8 officers per 1,000 residents for cities with a population over 250,000.

As of June 30, 2018, Santa Ana retained only 326 staff – just 0.9 per 1,000 residents – a number that should be closer to 700 sworn officers.



III. Fix and Maintain Roads and Parks

Without adequate funding, the proportion of “good” or “very good” pavement citywide is expected to drop by 10%. To maintain a PCI rating of above 75, the city needs between \$3.5 million - \$10 million in annual revenue.

Additionally, a 2016 City Park Facts Report shows that the City of Santa Ana contains a total of 517 acres of parks (3% of total city land). This revenue will fund ongoing maintenance and enhancement efforts to ensure that our parks are safe and desirable for all of our residents.



What Goods & Services are Exempt from a Sales Tax?

Several vital goods and services are exempt from local sales tax policy, including:

- ✓ Groceries
- ✓ Prescription Medication
- ✓ Medical Services
- ✓ Public Utilities



Oversight Provisions

Several safeguards will be :

1. Citizens Oversight Committee
2. Annual Audits of Revenue and Expenditures
3. Online Portal for Open Checkbook

CONTACT:

Ph. 714.647.6901 | Em. BallotMeasures@santa-ana.org

