

**Measure DD  
Proposed  
Initiative  
Repeal Report**  
(Per Elections Code Section 9212 )





# Background

- In November of 2016 the residents of Menifee passed Measure DD
  - Approved by over two thirds of voters, 67%
  - Initiated a 1% sales tax (visitors to city pay their share)
  - Purpose of Measure DD was to support critical services
  - Funds are required to remain local
  - Measure DD Citizen Oversight Committee formed
  - Measure DD Funds have been collected since January 1, 2017



# Ballot Language

## NOTICE OF MEASURES TO BE VOTED ON

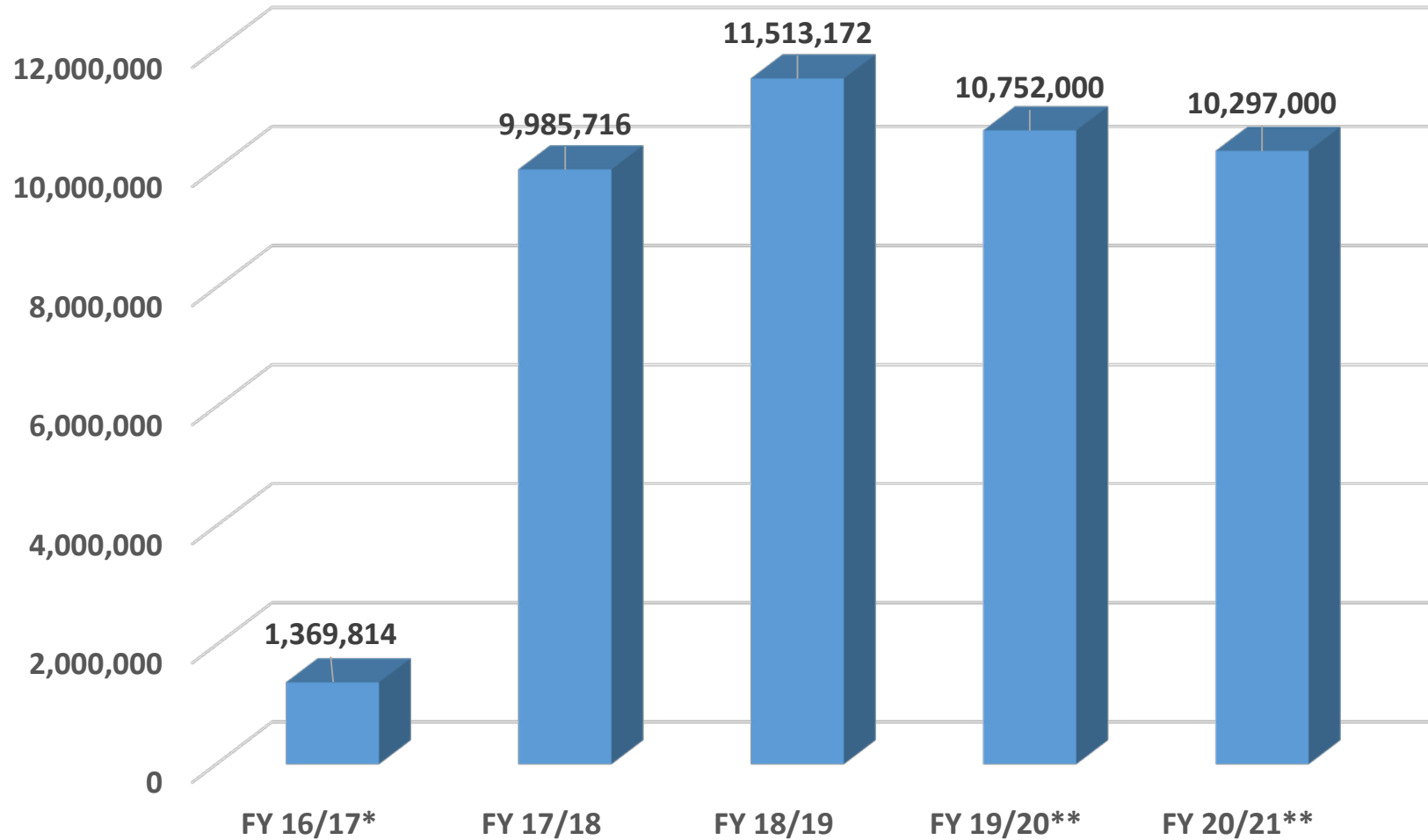
NOTICE IS HEREBY GIVEN that the General Municipal Election is to be held in the City of Menifee on November 8, 2016, at which there will be submitted to the voters the following measures:

<b>MENIFEE PUBLIC SAFETY/TRAFFIC CONGESTION RELIEF/VITAL CITY SERVICES MEASURE.</b> Shall Ordinance 2016-199 of the City of Menifee to	YES
reduce traffic congestion; improve/repair local interchanges/overpasses/streets/roads/bridges/potholes; maintain local police/fire protection/paramedics/9-1-1 emergency response times; prevent cuts to senior/disabled/youth programs; and provide other general services by enacting a one-cent sales tax providing \$6.2 million annually until ended by voters; requiring annual independent audits, all funds spent locally, be adopted?	NO

# Fiscal Impact



- Measure DD Revenue through FY 19/20  
\$33,620,702



\* Partial Year

\*\* Projected



# Fiscal Impact

- FY 19/20 Measure DD Budget:

• Riverside County Sheriff	\$ 3,573,072
• Menifee PD	5,783,454
• Fire Department	3,893,526
• Code Enforcement	363,725
• Infrastructure/CIP/PW Equip	<u>3,441,065</u>
<b>Total:</b>	<b>\$17,054,842</b>





# Fiscal Impact

- Projected FY 20/21 Measure DD Revenue

- City consultant HdL has estimated the following revenues:

January 2020 Projected Amount	\$11,771,000
COVID-19 Projected Reduction	<u>\$(1,474,000)</u>
<b>Total Proposed FY 20/21 Revenue Budget</b>	<b>\$10,297,000</b>

- Measure DD is 17% of the City's Budget





# Fiscal Impact

- FY 20/21 Proposed Measure DD Budget:

• Menifee PD	\$4,331,254	(29% of Dept. Budget)
• Fire Department	3,603,950	(25%)
• Code Enforcement	302,396	(33%)
• Infrastructure/CIP	<u>2,059,400</u>	(13%)
<b>Total:</b>	<b>\$10,297,000</b>	



**Q: What is the impact of the loss of Measure DD funding to the implementation of critical public safety services?**







# Community Impact

- Objective of Measure DD funds are to assist with critical city services, including public safety, (Police, Fire, Code), and infrastructure to maintain safe roadways
- Public safety services assisted with Measure DD funds:
  - Police Services (Sheriff/Menifee PD)
  - Fire Department
  - Code Enforcement
  - Infrastructure/Capital Road Projects



# Community Impact



- Reduction in Menifee Police Department

- \$4,331,254 loss in funding = 29% of the 20/21 PD budget
- Or 31 less patrol officers
- This equates to 174 less patrol hours per day
- Longer 911 response times
- Inability to pay for the Dispatch Agreement (\$1.9M)
- Elimination of the Volunteer Citizen Patrol Program (\$40k)
- Possible closure of Sun City PD Sub-station
- Other possible operational cuts



# Community Impact

- Reduction in Fire Department

- \$3,603,950 loss in funding 25% of the 20/21 Fire budget

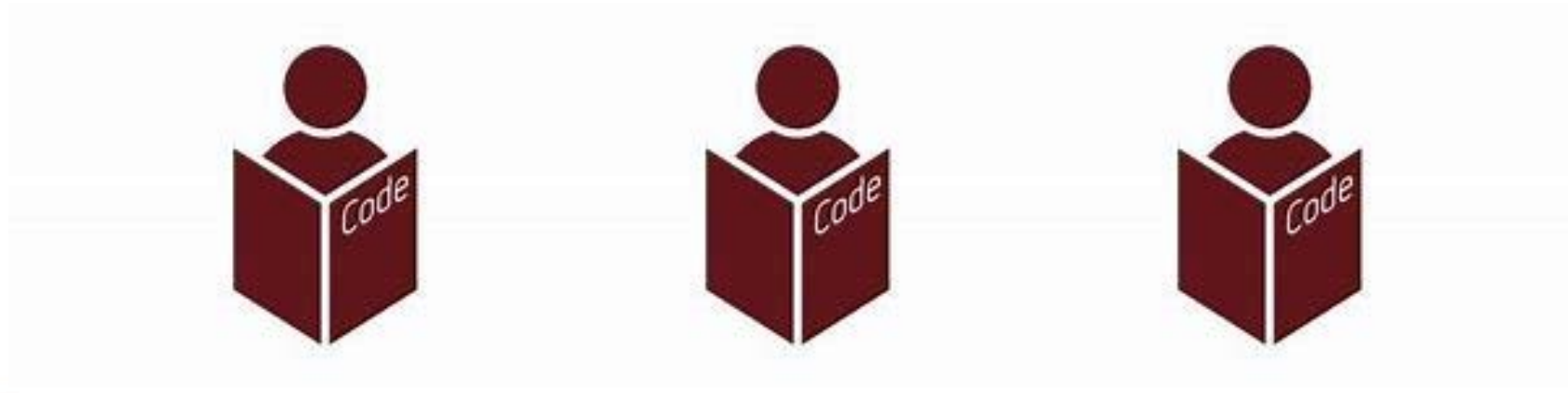
- This equates to the loss of:

- Station 7 Medic Squad five (5) personnel \$1,110,744
- Additional Medic Squad Truck \$ 250,000
- Medic Engine six (6) personnel \$1,354,799
- Other four (4) fire fighter positions \$ 861,124
- Possible closure of a fire station
- Longer 911 response times



# Community Impact

- Reduction in Code Enforcement
  - \$302,396 loss in funding = 33% of the 20/21 Code budget
  - This equates to the loss of 3 Code Enforcement Officers
  - Reduction in municipal code safety enforcement





# Community Impact

## Capital projects accomplished:

- 21 projects totaling over \$52.7M assisted with over \$8.8M in DD funding
  - 10 Street resurfacing/widening/ADA retrofit (109,000 Linear Ft.)
  - 7 Missing sidewalk projects (5,700 linear Ft.)
  - 1 Fwy interchange (Scott Rd/I-215)
  - 2 Traffic signals
  - More projects slated for DD funding for FY 20/21 and beyond



# Community Impact

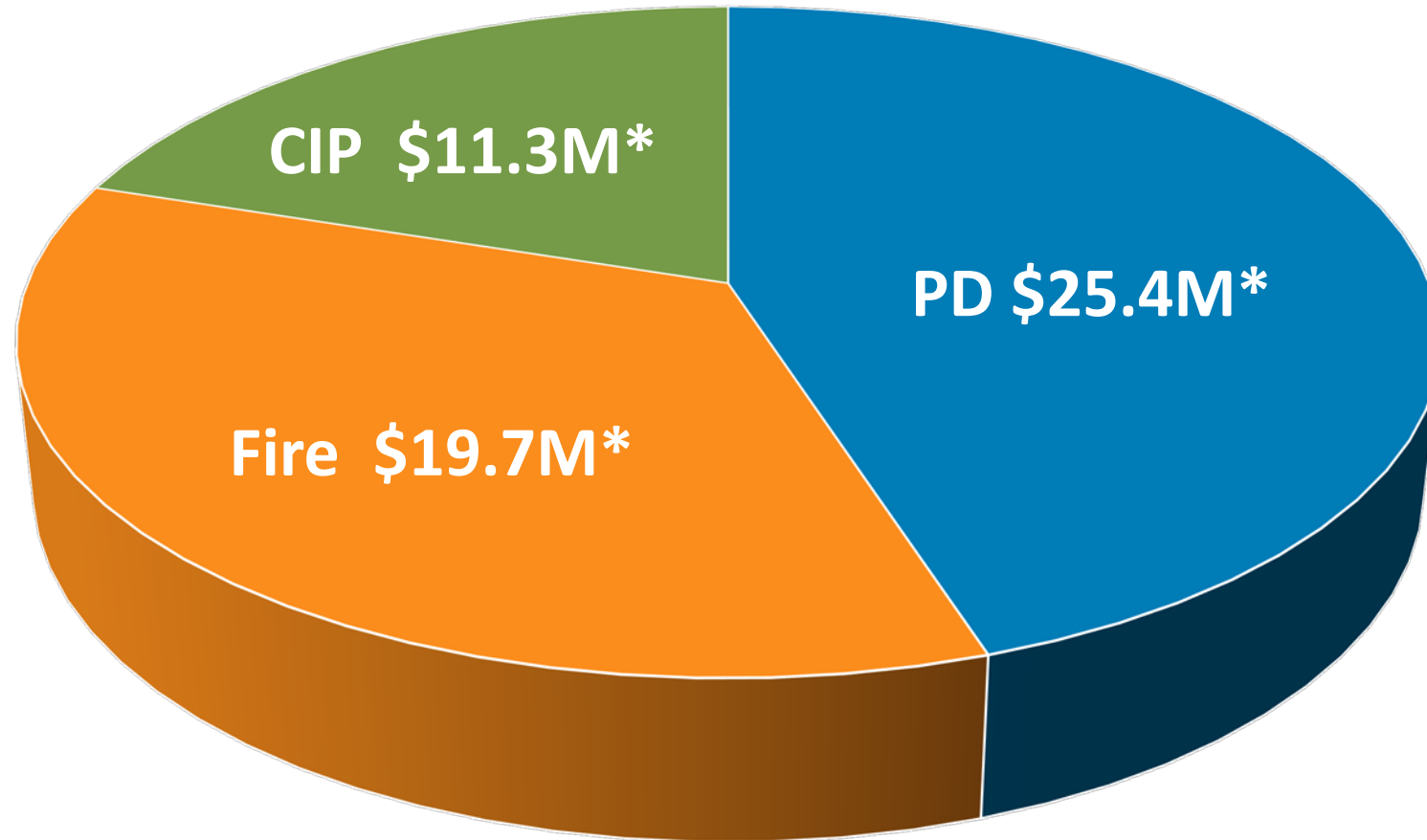
- Reduction in Infrastructure / Capital Improvements
- \$2,059,400 loss in funding FY 20/21
  - Holland Road Overcrossing
  - Bradley Bridge
  - Murrieta Rd Resurfacing (McCall to Salt Creek)
  - Scott Rd and Menifee Rd Sidewalks
  - Hillpointe Community Street Resurfacing
  - McCall Blvd Resurfacing (Encanto to Antelope)
  - New roads and street improvements
  - Traffic Signals postponed



# Fiscal Impact



- 5 Year Measure DD Revenue Projection \$56.4M



\* Projected

# Additional Impacts

- Economic Development
  - Decreased public safety and infrastructure can lead to:
    - Difficulty in attracting and retaining business and industry
    - Halting of investment in the City
    - Reduced production of local jobs
    - Stagnate property values
    - Diminished quality of life for residents
  - Disadvantage to other cities who have sales tax measures
    - Temecula, Murrieta, Wildomar & Hemet





# Conclusion

- 17% loss in funding will likely cause:
  - Significant cuts to public safety
  - Halt or delay road and traffic improvement projects
  - Substantial reduction to all departments
  - Reduced and limited services to residents, incl. senior services
  - Future under-funded City budgets or deficits
  - Inability to recruit quality personnel
  - Broad cuts in service on top of reductions due to COVID-19 crises



# Conclusion (cont.)

- \$12M annual, \$56M loss over five years =
  - Substantial reduction in critical services (PD, Fire, CIP)
  - Affect emergency and critical service delivery to residents
  - Identification of revenue alternative, including possible public safety City-wide assessment or CFD, or increased fees/conditions
  - Immediate fundamental shift on viewpoint of residential growth
    - Phase-in only fiscally sustainable residential development
    - Possible residential development moratoria



# Questions?



**MENIFEE**  
CALIFORNIA