

REAUTHORIZATION OF A LOCAL
CONTROLLED SALES TAX MEASURE
(MEASURE V)

July 17, 2024

HISTORY OF MEASURES L AND V

- In 2012, the Ridgecrest City Council declared a fiscal emergency because it did not have adequate revenue to fund critical services (public safety and road repair).
 - Fiscal emergency was due to the state taking funds from the City through various means: (dissolution of the Redevelopment Agency, Educational Reimbursement Augmentation Fund, Supplemental Educational Reimbursement Augmentation Fund, Vehicle License Fees, booking fees, and several others) and a lack of a sufficient tax base – main employers not paying taxes.
- From 2009 - 2012, the City was forced to reduced the number of police officers from 38 to 30 due to revenue shortfalls - with an overall City staff reduction of approximately 38%.
- In 2012, there was insufficient funding for road repair and there was an estimated \$60M in deferred road maintenance.

HISTORY OF MEASURES L AND V

- In 2012, the citizens of Ridgecrest passed Measure L
 - A local .75 cent sales tax
 - With priorities of protecting public safety and addressing road repair.
 - Measure L included a 5-year sunset clause, scheduled to end in 2017.

HISTORY OF MEASURES L AND V

- In 2016, the citizens of Ridgecrest reauthorized Measure L
 - This time at 1 cent - with a sunset clause of 8 years (Measure V).
 - The City Council placed the local sales tax again on the ballot because the financial condition of the City did not afford the City the resources needed to meet these resident demands in the absence of the sales tax.
 - Without the reauthorized local sales tax in 2016 significant cuts would have been made to the police department and road maintenance.
- Measure V is scheduled to lapse at the end of 2024.

WHO IS CURRENTLY PAYING INTO MEASURE V FUNDS?

Sales Tax (Residents) 53%

Sales Tax (Non-Residents) 47%

Based on a \$2,700 per capita spend per quarter

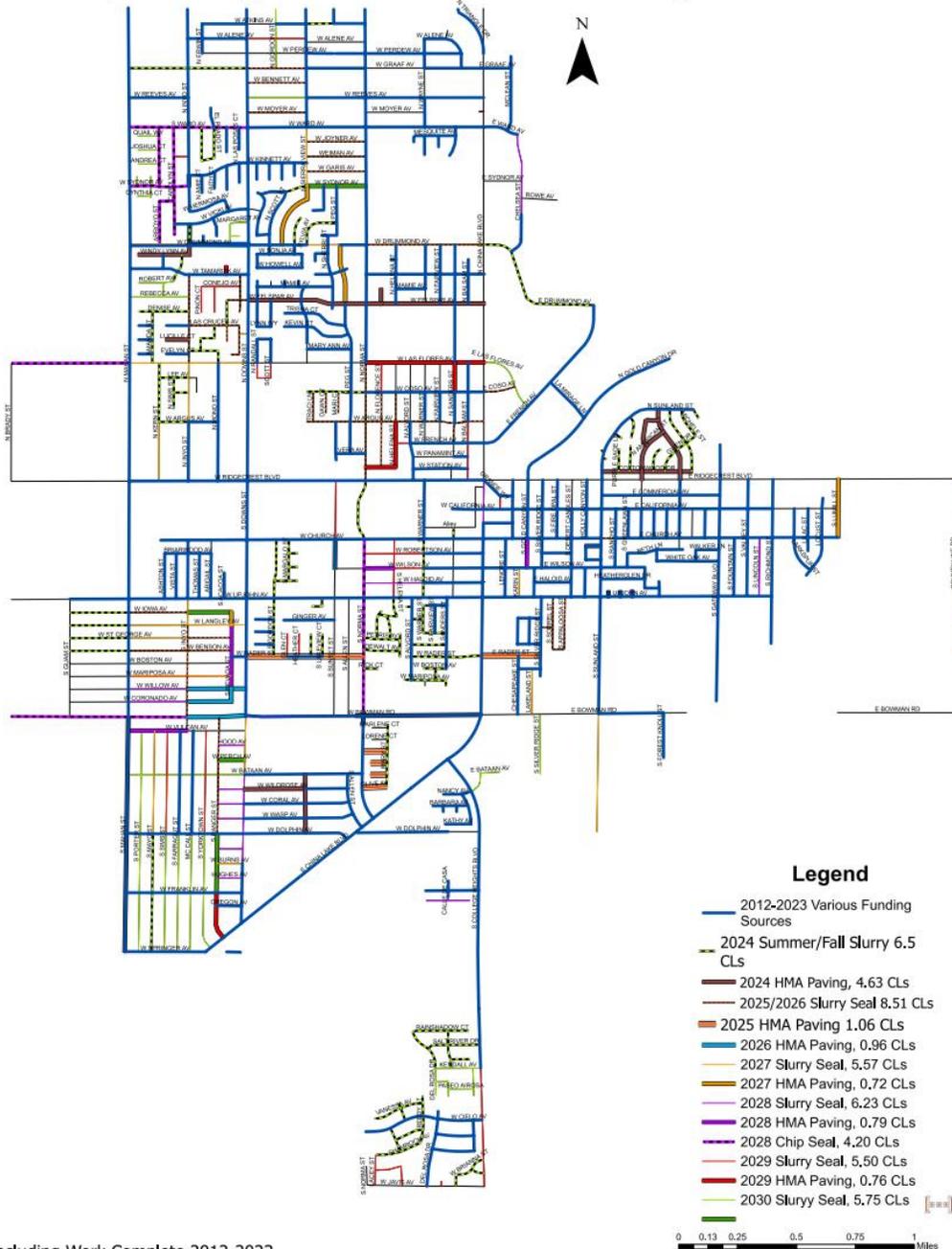
	Estimated Tax Revenue	\$	5,900,000.00	
	Population		29000	
	# of Households		19000	
		\$	16,484.21	\$ 1,373.68 Per Household
Resident	Per Capita		2700	
	Annual Per Capita Taxable Sales	\$	313,200,000.00	(Per Capita x Population) x4
	1% Sales Tax	\$	3,132,000.00	
Non-Resident	Tax Variance (Estimate-Residents)	\$	2,768,000.00	
	Annual Taxable Sales	\$	276,800,000.00	\$ 758,356.16
	Daily Taxable Sales	\$	758,356.16	

HOW ARE MEASURE V FUNDS USED

- Measure V funds 90% of the City's road and pothole repair.
- Measure V funds nearly 50% of the Police Department budget
 - 14 police officer and 6 professional staff positions.



City of Ridgecrest Pavement Management Plan



2024 Five Year Plan

- At the end of the plan in 2030 - 90% of the roads will have been repaired or maintained.

WHAT SERVICES WOULD BE IMPACTED IF
MEASURE V ENDS AND IS NOT
REAUTHORIZED?

Police Department:

- Without the Ridgecrest Public Safety & Essential City Services Measure half of the Ridgecrest police budget would have to be cut, including eliminating 14 police officers who patrol Ridgecrest's neighborhoods.
- Residents would likely see a reduction in the number of neighborhood police patrols, slower 9-1-1 response times, and less crime prevention and investigation.

WHAT SERVICES WOULD BE IMPACTED IF MEASURE V ENDS AND IS NOT REAUTHORIZED?

Road Repair:

- Existing voter-approved funding has provided funds to help repair major streets and fix potholes in Ridgecrest, but more needs to be done.
- Ridgecrest streets have more than \$50 million in maintenance needs just to keep them in good, working condition.
- If approved, the Ridgecrest Public Safety & Essential City Services would provide funding to continue the important work of repairing neighborhood streets and fixing potholes.
- If the Ridgecrest Public Safety & Essential City Services is not passed, Ridgecrest local funding of road maintenance would have to be cut significantly.

2024 TOP COMMUNITY PRIORITIES

In our most recent community survey, the following priorities have been identified by Ridgecrest residents:

- Maintaining 911 emergency response times
- Continuing to fix potholes on neighborhood streets
- Keeping public areas healthy, safe, and clean
- Attracting and retaining local businesses and jobs

PROPOSED REAUTHORIZATION OF LOCAL-CONTROLLED SALES TAX MEASURE

- Reauthorization of a 1 cent local controlled sales tax – Measures V.
- Will not increase the current sales tax. If reauthorized by voters – for the third time – it will continue at its current rate.
- This would be sales tax that is paid by city and county residents, and visitors. This is not a property tax to only by paid by city residents and businesses. The City has gone out of it's way NOT to increase any burden on property owners.
- Local funds that cannot be taken by the county or state.
- Includes fiscal safeguards including annual audits with an independent citizen's oversight.
- Continue until ended by voters.
- Measures L & V Oversight Committee Reports have confirmed the City use of the funds are for the intended purposes – police and roads.
- Approve this resolution to place the reauthorized local controlled sales tax measure for the November 5, 2024 election:

CITY OF RIDGECREST LOCAL SERVICES MEASURE

“Ridgecrest Public Safety/ Essential Services Reauthorization Measure. To prevent cuts/ maintain City of Ridgecrest services, such as:

- repair potholes/city streets;
- 9-1-1 emergency response times;
- police officers/neighborhood police patrols;
- attract/ retain local business/ jobs; and
- for general government use,

shall the City of Ridgecrest measure reauthorizing a previously voter approved 1¢ sales tax with no tax increase, providing \$6,500,000 annually, until ended by voters, with independent oversight/ audits, all funds for City of Ridgecrest, no funds for Sacramento, be adopted?”