

FISCAL ANALYSIS BY CITY MANAGER

MEASURE ____

City of Laguna Beach

Laguna Beach Utility Undergrounding and Fire Safety Measure

This measure proposes a 1% increase in the transactions (sales) and use tax from 7.75% to 8.75% for a 25-year term. The additional tax on a \$1 item would be 1 cent. The tax will be paid by everyone making a taxable purchase, including visitors to the City. The additional revenue generated by the increase will be approximately \$5.6 million per year. The actual amount of revenue may increase or decrease each year due to inflation, general economic conditions, or other factors. This measure is for a “special” tax, which means the City of Laguna Beach must use the tax revenues for specified purposes. The measure requires new sales tax revenues to be accounted for in a special fund and used exclusively for utility undergrounding and related fire safety projects. The measure also provides that new sales tax revenues supplement rather than supplant existing City expenditures. The measure further requires an audit and oversight committee to review how the funds are expended and their compliance with the measure’s spending limitations. Annual reports from the committee are required to be presented to the City Council. The proposed increase in sales tax would become operative on or about April 1, 2019.

/s/ John Pietig
City Manager, City of Laguna Beach

STATEMENT OF AUTHOR

The undersigned author of the fiscal analysis of Ballot Measure __ at the election in the City of Laguna Beach, California, to be held on November 6, 2018, hereby states that such analysis is true and correct to the best of his knowledge and belief.

John Pietig, City Manager, City of Laguna Beach

AUTHOR'S NAME, ADDRESS, DATE AND PHONE NUMBER:

Printed Name: John Pietig Date: July 26, 2018

Title: City Manager, City of Laguna Beach, California

Address: 505 Forest Avenue, Laguna Beach, California 92651
(street, city and zip)

SIGNATURE: _____

Phone No.: (949) 497-0704