

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
SUBJECT: Transaction and Use Tax Implementation Plan  
STAFF CONTACT: Sheri Hartz, Administrative Secretary  
STAFF PRESENTER: Ron Bosworth, Director  
Administrative Services

AGENDA ACTION: RESOLUTION

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ISSUE(S)

Shall the City Council adopt, by resolution, Transaction and Use Tax Implementation Plan for the use of revenues generated by a special sales tax on the November ballot?

BACKGROUND

On August 3, 2004, the City Council approved a special sales tax ordinance to be placed on the November ballot. This special sales tax, if approved by the voters, will be used to fund Police, Fire, and Neighborhood Safety Measures.

The ordinance sets forth permissible uses for the revenue generated, and allocates proceeds from the tax in the following manner: Police (40%), Fire (40%), and Neighborhood Safety/Gang Prevention (20%).

The Transaction and Use Tax - Implementation Plan Summary is attached and will be included as part of the resolution. A more detailed Transaction and Use Tax Implementation Work Plan is also included with this staff report, which will serve as a guide. The Work Plan may change from time to time, but only within the limits of the Summary. The summary can only be revised with six affirmative votes of the City Council.

The ordinance also requires that an implementation plan be approved by the City Council, which sets a framework for how the proceeds will be used, under the 40-40-20 split, over time.

While the implementation plan developed is based on City staff recommendations, it has been created using a collaborative approach, working with community groups to refine and gain consensus on those recommendations.

## ANALYSIS

1. The revenue generated through this special tax is estimated to be \$7 million. For the purposes of this analysis, however, present day dollars for both expenditures and revenues are used, as it would not be prudent to base future program costs on faulty assumptions.
2. There are also limitations put on the revenue to be allocated for the first two years of the tax. By law, if approved in November, collection of the tax cannot begin until April 2005, leaving only three months of revenue to be allocated. While there will be a full year of revenue collection in 2005-06, \$3 million must go to pay for cuts made as a part of the 2004-05 budget, as stipulated in the approved ordinance (No. 3680). The remaining \$4 million will be allocated according to the 40-40-20 split.
3. All revenue allocated, but not expended, will accumulate in a special revenue fund designated for Police, Fire, or Neighborhood Safety/Gang Prevention programs.

## RECOMMENDATION

It is recommended by City staff that the Council, by resolution, approve a Transaction and Use Tax Implementation Plan.

Author: Alan Alton, Budget Analyst  
Attachments:

Transaction and Use Tax Implementation Plan Summary  
Transaction and Use Tax Implementation Work Plan

# City of Santa Rosa

## Transaction and Use Tax - Implementation Plan Summary

<b>Fire Department (Est. Annual Revenue Allocation \$2.8 Million)</b>				
Year	Program	Costs		Total
		One Time	On-Going	
2005-06	Construct Interim Fire Station (SW Area)	300,000	-	
	Construct Interim Fire Station (Mendocino/Jr. College Area)	300,000	-	
	Construct Interim Fire Station #5 (Fountaingrove)	300,000	-	
	Additional Firefighters (Engine 6)	-	348,000	
	Purchase Fire Engine (Partial Cost)	315,000	-	
	<b>Total Estimated Costs for 2005-06</b>	<b>1,215,000</b>	<b>348,000</b>	<b>1,563,000</b>
2006-07	Staffing and Operational Costs for Mendocino/Jr College Station	-	1,369,000	
	Remaining Cost of Fire Engine	75,000	-	
	Purchase Wildland Fire Engine	300,000	-	
	Continued Staffing Costs of Engine 6	-	348,000	
	<b>Total Estimated Costs for 2006-07</b>	<b>375,000</b>	<b>1,717,000</b>	<b>2,092,000</b>
2007-08	Construct Interim Fire Station (SE Area)	350,000	-	
	Purchase of Fire Engine and Equipment	390,000	-	
	Continued Staffing Costs of Engine 6	-	348,000	
	Continued Costs of Mendocino/Jr College Area Station	-	1,369,000	
	<b>Total Estimated Costs for 2007-08</b>	<b>740,000</b>	<b>1,717,000</b>	<b>2,457,000</b>
2008-09 and Beyond	Continued Staffing for Engine 6	-	348,000	
	Continued Costs of Mendocino/Jr College Area Station	-	1,369,000	
	Staffing and Operational Costs of SE Area Fire Station	-	1,369,000	
	Draw From Accumulated Revenues, If Necessary	-	(286,000)	
	<b>Total Estimated Costs for 2008-09 and Future Years</b>	<b>-</b>	<b>2,800,000</b>	<b>2,800,000</b>

<b>Police Department (Est. Annual Revenue Allocation \$2.8 Million)</b>				
Year	Program	Costs		Total
		One Time	On-Going	
2005-06	<b>Patrol Services</b>			
	Additional Staffing and Operational Costs	-	1,249,000	
	Vehicles	-	351,000	
	<b>Total Estimated Costs for 2005-06</b>	<b>-</b>	<b>1,600,000</b>	<b>1,600,000</b>
2006-07	<b>Patrol Services</b>			
and	Additional Staffing and Operational Costs	-	203,300	
Beyond	Continued Staffing of Additional Patrol Services	-	1,249,000	
	Vehicles	-	409,700	
	<b>Downtown Services</b>			
	Additional Positions and Operational Costs	-	431,800	
	<b>Traffic Services</b>			
	Additional Positions and Operational Costs	-	288,800	
	Vehicles	-	56,600	
	<b>Support Services</b>			
	Additional Positions and Operational Costs	-	160,800	
	<b>Total Estimated Costs for 2006-07 and Future Years</b>	<b>-</b>	<b>2,800,000</b>	<b>2,800,000</b>

**Gang Prevention/Intervention (Estimated Annual Revenue Allocation \$1.4 Million)**

Year	Program	Costs		Total
		One Time	On-Going	
2004-05	Add Program Coordination and Development Staff	-	57,000	
	<b>Total Estimated Costs for 2004-05</b>	-	57,000	57,000
2005-06	Add 10 New Program Sites			
	Program Operation and Staffing Costs at 10 New Program Sites	-	293,500	
	Additional Staffing Costs for Neighborhood Services	-	211,000	
	Continued Staffing Costs in Neighborhood Services	-	143,000	
	Portable Building for Neighborhood Program	250,000	-	
	Grants	-	490,000	
	<b>Total Estimated Costs for 2005-06</b>	250,000	1,137,500	1,387,500
2006-07	Add Five New Program Sites			
	Continued Staffing Costs in Neighborhood Services	-	354,000	
	Additional Development Staff Costs in Neighborhood Services	-	68,000	
	Continued Program Operation and Staff Costs	-	293,500	
	Addition Program Operational Costs at New Sites	-	168,500	
	Grants	-	490,000	
	<b>Total Estimated Costs for 2006-07</b>	-	1,374,000	1,374,000
2007-08	Add Two New Program Sites			
And	Additional Program Sites and Staffing Costs	-	41,000	
Beyond	Continued Staffing Costs	-	883,500	
	Grants	-	490,000	
	<b>Total Estimated Costs for 2007-08 and Future Years</b>	-	1,414,500	1,414,500

# **City of Santa Rosa Transaction and Use Tax – Implementation Work Plan**

## **Background**

Ordinance No. 3680, upon voter approval, establishes a special tax to fund Santa Rosa Police, Fire, and Neighborhood Safety Measures. The ordinance also specifies funding permissible uses of the tax revenues, as provided for in an Implementation Plan. This Plan is intended to identify programs, priorities and sequencing along with estimated costs and estimated dates of implementation. Actual timing will be determined based on revenues received from the measure and actual costs. In addition, any unexpended funds will remain segregated for the purposes permitted by the ordinance and carried forward to future years.

## **Fire Department Programs**

The use of the special tax revenues in the Fire department is intended to meet five goals. These include: Improve Citywide Fire and EMS response times; enhance paramedic services through the addition of two paramedic equipped fire engines; fund the construction and relocation of fire stations as recommended by the Santa Rosa Fire Department Deployment Study and 2004 Sonoma County Grand Jury recommendations; and, enhance wild land and emergency response capabilities throughout the City, including the designated Very High Fire Severity Zones.

To meet these goals, the Department plans, as detailed below, a multi-year phasing of projects and staff increases, with all measures in place by the 2008-09 fiscal year.

### **2004-05 – Establish An Account To Fund Future Construction And Personnel Costs**

No new program Expenses.

Establish an account to fund future construction costs for permanent fire stations, and future personnel costs. This account will be on-going and will capture revenue not used during a particular fiscal year.

### **2005-06 – Implement Staffing of New Fire Station in Southwest Area, Purchase Equipment, and Construct Three Fire Stations**

**One Time Costs:** 1) Construct Interim Southwest Fire Station (\$300,000); 2) Relocation of Engine-26 (Dynamic Deployment Resource) to Southwest Fire

Station. (No Cost); 3) Construct Interim N. Mendocino / Junior College Neighborhood Fire Station (\$300,000); 4) Construct Interim Fire Station #5 – Fountaingrove (\$300,000); and 5) Purchase N. Mendocino/Junior College Fire Engine (\$315,000).

**On-going Costs:** 1) Hire three (3) Firefighter's for Engine-6, (Rincon Valley Fire Engine) to maintain 2-in 2-out capabilities \$348,000;

The total costs to implement these programs in the 2005-06 year are estimated to be \$1.6 million. Any allocated funding not needed to implement these programs will be used towards the construction of permanent fire stations to replace interim fire stations, and to fund future personnel costs, if necessary.

The Southwest Fire Station will provide improved response times and coverage for the community. The additional firefighters in Rincon Valley will allow firefighter's to continue to make initial entry into structure fires and comply with OSHA's safety requirement to have two rescue firefighter's outside prior to firefighter's entering a dangerous atmosphere. A permanent station will be funded once funding is available from the Southwest Development Impact Fee Account or alternate funding is secured.

The construction of interim fire stations in the N. Mendocino/Junior College and Fountaingrove neighborhoods will improve coverage in all areas of the City, and in particular will improve response times and initial response into the Very High Fire Severity Zones within the Fountaingrove and Montecito areas.

The Junior College, County Center and Franklin Park neighborhoods have continually challenged the Fire Department's ability to provide adequate response times from the current fire station locations, and has drawn units away from other areas of the City. These new fire station locations will dramatically improve the response to all areas in the City.

### **2006-07 – Implement Staffing of New Fire Station in Junior College/Mendocino Avenue Area and Purchase a Specialized Wildland Firefighting Vehicle**

**One Time Costs:** 1) Purchase a specialized wildland firefighting vehicle and equipment (\$300,000); and 2) Pay off remainder of N. Mendocino/Junior College fire engine (\$75,000).

**On-going Costs:** 1) Staffing and operational costs for fire station (\$1,369,000); and, 2) Continued staffing costs for the three firefighters for Engine-6 (\$348,000)

The total estimated cost to implement these programs, including maintaining on-going costs from prior years, is \$2.1 million. The total amount also includes

setting aside funding in the account established to construct a permanent fire station, and to fund future personnel costs, if necessary.

The newly constructed fire station in the N. Mendocino/Junior College area will become operational. To improve paramedic service, three firefighter positions will be trained at the paramedic level, and will serve on the engine company assigned to this fire station.

The addition of a Type-III wildland firefighting vehicle will enhance wildland suppression throughout the City including within the Very High Fire Severity Zone areas.

### **2007-08 – Construct Fire Station for Southeast Area**

**One Time Costs:** 1) Construct an interim fire station in the Southeast area (\$350,000); and 2) Purchase fire engine and equipment (\$390,000)

**On-going Costs:** 1) Continued staffing and operational costs for Mendocino/Jr. College area fire station (\$1,369,000); and, 2) Continued staffing costs for the three firefighters for Engine-6 (\$348,000).

Total estimated cost to implement programs in 2007-08, and maintain on-going costs is \$2.5 million. As with previous years, unused funding will be added to the account established to construct a permanent fire station, and to fund future personnel costs, if necessary. It is anticipated that over a three to four year period, approximately \$1.8 million will be put into this account.

### **2008-09 and Future Years – Implement Staffing at Southeast Fire Station and Maintain All On-going Costs**

**One Time Costs:** None.

**On-Going Costs:** 1) Staffing and operational costs for the Southeast area fire station (\$1,369,000); 2) Continued staffing and operational costs for Mendocino/Junior College area fire station (\$1,369,000); and, 3) Continued staffing costs for the three firefighters for Engine-6 (\$348,000).

Total estimated annual on-going costs for these programs are \$3.1 million.

Should revenue not increase sufficiently enough to meet these cost projections, funds accumulated in the account established to fund future construction and personnel costs, will be used to fill the gap.

The new fire station in the Southeast area will benefit residents and visitors to the City by improving response times and paramedic service. As with the

Mendocino/Junior College area fire station, three fire fighter positions will be trained at the paramedic level.

## **Police Department Programs**

Budget restrictions in the past three years have necessitated the loss of twelve police officers and six civilian employees. In 2001, the Police Department was authorized to have 178 sworn personnel, which was 1.19 officers per thousand residents. In 2004, the sworn positions were reduced to 167, which equates to 1.08 officers per thousand residents or a 9% reduction.

For reference, a general police industry standard for west coast cities is above 1.25 officers per thousand residents – a standard 15.5% above Santa Rosa's current staffing level. If we were able to increase staff as outlined below we would have a ratio of 1.18 officers per thousand residents.

Also occurring in the past three years has been a 3.3% increase in population, a 10.7% increase in reported crime and a 19% increase in traffic collisions. Police response times to emergencies exceed both national standards and council goals by more than 20%. The significant level of criminal gang violence and activity has also created a significant drain on the limited police resources.

The following is an outline of how the Police Department would use the funds generated by the proposed ballot initiative.

### **2005-06 – Increase Staffing for Patrol Services; Add Vehicles for Patrol**

**One Time Costs:** None.

**On-going Costs:** 1) Additional staffing and operating costs (\$1,249,000); and, 2) Begin vehicle replacement program in Patrol services (\$351,000).

Increased patrol staffing will enable the department to focus upon reducing emergency response times, enhancing neighborhood policing efforts and attempting to meet an objective of having a minimum of one officer in each of the City's nine police beats at all times.

Current patrol staffing shortages have necessitated the temporary transfer of School Resource Officers, Traffic Enforcement Officers, Sex Crime and Family Violence Detectives, Property Crime Detectives, and Violent Crimes Detectives to patrol duties. Increasing the number of patrol officers will enable the other vital department functions to be more adequately staffed.

Increasing non-sworn positions allows sworn patrol officers to be more fully utilized in managing emergencies, neighborhood policing, traffic, and gang

enforcement efforts. The Field and Evidence Technicians conduct a wide range of important field policing efforts that, while very necessary, do not require a sworn police officer to initially manage. The additional technicians will join the eight others already committed to community needs.

The addition of one lieutenant, a sworn mid manager, enables the department's seven day a week, 24 hour patrol function to increase the mid level management presence that is crucial to an organization with a dynamic public safety environment and a young police force. The lieutenant will oversee patrol operations during the assigned watches and ensure geographic accountability for crime problems in a quadrant of the City.

Equipment of various types is needed for each position, including uniforms, safety equipment, computers, firearms, etc.

Training is required to enable officers to do their job, reduce risk and increase safety in the community. State approved training courses have been identified in the department's Master Training Plan.

Seven patrol vehicles are needed to ensure that field officers will continue to have safe and reliable transportation. Patrol vehicles are heavily used in harsh conditions and many in the patrol fleet are now being used with nearly 100,000 miles of road use. Safety and efficiency concerns necessitate a reliable replacement program.

### **2006-07 and Future Years – Additional Staffing and Resources to Four Police Programs**

One Time Costs: None.

On-going Costs: 1) Additional staffing and operational costs in Patrol Services (\$203,300); 2) Continued staffing in Patrol Services (\$1,249,000); 3) Continued vehicle replacement in Patrol Services (\$409,700); 4) Staffing and operational costs for Downtown Services (\$431,800); 5) Additional and continued staffing and operational costs in Traffic Services (\$288,800); 6) Additional and continued vehicle replacement in Traffic Services (\$56,600); and 7) Additional staffing and operational costs in Support Services (\$160,800).

### **Patrol Services**

The addition positions, both sworn and non-sworn will complete the deployment of resources started in the prior year, enabling the department to meet the goals established for the patrol function.

## **Downtown Services**

Additional staffing for the Downtown Enforcement Team will enable the Police Department to increase coverage from four days per week to seven days per week. Increasing this coverage will allow officers to proactively address quality of life issues for area residents, businesses, and visitors. Currently these responsibilities typically are delegated to patrol personnel who do not have sufficient time to address many of these issues.

Additional supervision and management of the downtown beat will allow the department to better coordinate our responses to law enforcement issues downtown. With the addition of the Prince Memorial Greenway, and the improvements occurring and planned for the Railroad Square and Downtown area, demands for law enforcement services will increase, and we will need to better coordinate our resources to ensure our investments in these areas are well protected.

Operational costs include equipment of various types is needed for each position, including uniforms, safety equipment, computers, firearms, etc. In addition, training is required to enable officers to do their job, reduce risk and increase safety in the community. State approved training courses have been identified in the Police Department's Master Training Plan.

## **Traffic Services**

Increasing the number of officers assigned to traffic enforcement will allow the Police Department to better focus enforcement efforts throughout the City in a coordinated effort to reduce collisions and traffic related injuries. Traffic enforcement is a priority of the Police Department, City Council, and the community. Our ability to successfully impact traffic issues is at the core of providing effective police services to the community.

Increasing the number of officers assigned to traffic enforcement brings the percentage of officers assigned to traffic closer to the 10% recommended by the Institute for Transportation Studies at the University of California at Berkeley.

The addition of two motorcycles is necessary to be able to equip the officers assigned to traffic with vehicles specifically designed to enforce traffic laws. Equipment of various types is needed for each position, including uniforms, safety equipment, computers, firearms, etc.

Training is required to enable officers to do their job, reduce risk and increase safety in the community. State approved training courses have been identified in the Police Department's Master Training Plan.

## **Support Services**

Additional staffing resources will allow staff to consistently process a heavy workload. As a result, the objective is to increase the number of hours that the Records Section will be open to assist the public. The increase in hours will provide more time for police personnel to provide such services as fingerprinting, public information requests, copy reports, etc.

In addition, additional staff in the Communications Center will allow for increase in personnel to answer 9-1-1 calls. Currently the Communications Dispatchers are working mandatory overtime in order to keep the Center staffed at minimum levels seven days a week, twenty-four hours per day. This addition will help to minimize overtime.

Equipment of various types is needed for each of these three positions, including, telephones, computers, headsets, and workstations.

Training is required to enable the staff to properly respond to various situations and address the needs of the community. State approved training courses have been identified in the Police Department's Master Training Plan.

## **Gang Prevention & Intervention Programs**

This special tax revenue will enable the City's Recreation & Parks Department to provide leadership, coordination and resources to the continuum of youth and family services that work together toward the prevention and reduction of gangs and gang violence in the City of Santa Rosa. A network of concerned adults and youth, working together, can provide an environment where young people flourish (prevention), children have positive alternatives (intervention) and violators are held accountable (enforcement).

Recognizing that the City can't arrest its way out of the problem, twenty percent (20%) of the revenues derived from this special tax will be directed toward funding crucial youth development programs and activities designed to address gang prevention and intervention. Of this 20%, sixty-five percent (65%) will fund coordination of a citywide community effort by the City's Recreation & Parks Department to help young people who are already troubled and those at risk of gang involvement to succeed and stay away from crime. This will include coordination of the collaborative community response to the problem through the Mayor's Gang Prevention Task Force, as well as operation of after-school recreation programs in schools and neighborhood centers throughout Santa Rosa. This measure will also provide needed resources to enhance and improve the City's Neighborhood Revitalization Program. The remaining thirty-five percent (35%) of these revenues will fund in-school violence prevention and conflict resolution education, as well as grants to local non-profits providing

related services that will enhance youth asset development, reduce risk factors and provide healthy alternatives to gang involvement.

The tax revenue will enable the Recreation & Parks Department to expand its eight (8) existing after-school program sites, offering positive alternatives to gang involvement for youth, to up to 25 of those needed in schools and neighborhood centers throughout the city. Programs offered at these sites provide a safe place where children and families can enjoy recreational, social and academic activities without fear of gangs, drugs and violence. Expansion would begin with areas of the city with the highest level of gang activity and involvement, and spread over the course of several years to the balance of the city.

The tax revenue will also be used to fund violence prevention and conflict resolution education in the schools and, through a grant process, to support local non-profits providing gang crime and violence education and community-based prevention and intervention resources, thereby enhancing their ability to offer a comprehensive array of social services, family counseling, parenting and related programs. Working with representatives from the many sectors of our city, the Recreation & Parks Department will develop a process to award these grants and measure program results. The after-school program sites will provide a foundation from which the related service needs of the community can be identified and addressed in collaboration with our local non-profit service providers. This strategy will reduce costs by coordinating services and avoiding duplication.

The priorities and sequencing of these activities over the next several fiscal years is outlined below; it is expected that all sites and programs that can be funded through this tax revenue will be staffed and in operation by the 2007-08 fiscal year and continuing through the 20-year life of the sales tax measure. There will be an ongoing planning and evaluation effort to ensure that neighborhoods continue to be engaged and programs are successful.

## **2004-05 – Add program coordination and development staff**

### **Program Expansion Planning**

- Assume Mayor's Gang Task Force coordination
- Conduct outreach activities to engage communities affected by gang crime and violence in developing solutions to these problems
- Develop collaborative community input process, grant award process, program accountability measures
- Engage in a collaborative, community-based process to develop a long-term strategic plan, identify school and community program sites, and ensure that program activities are aligned with researched-based youth asset development approaches
- Begin staff recruitments for programs starting 7/1/05
- Provide logistical support – offices, telephones, computers, supplies

**One-time costs:** None

**On-going costs:** Additional staffing costs in Neighborhood Services (\$57,000 – partial year funding for Recreation Supervisor and Senior Administrative Assistant)

**2005-06 – Add 10 new program sites in schools and/or neighborhoods; add program staff and operational supplies**

**Initial Program Expansion**

- Open new programs/sites in southwest, central areas
- Fund grants for 2006/2007
- Fund violence prevention/conflict resolution education in schools for 2006/2007
- Recruit staff for 2006/2007
- Monitor program outcomes and measure success
- Recommend program adjustments based on changing circumstances

**One-time costs:** Portable building to house neighborhood program (\$250,000)

**On-going costs:** Continued staffing costs in Neighborhood Services (\$143,000 – full year funding for Recreation Supervisor, Senior Administrative Assistant); additional staffing costs in Neighborhood Services (\$211,000 – Gang Task Force Coordinator, Recreation Coordinator, Senior Administrative Assistant); program operation and staff costs at new sites (\$293,500); grants (\$490,000)

**2006-07 – Add 5 new program sites in schools and/or neighborhoods; add program staff and operational supplies**

**Continued Program Expansion**

- Open 5 new programs/sites in southeast and northeast
- Buy one portable
- Recruit staff for 2007/2008
- Fund grants for 2007/2008
- Fund violence prevention/conflict resolution education in schools for 2007/2008
- Monitor program outcomes and measure success
- Recommend program adjustments based on changing circumstances

**One-time costs:** None

**On-going costs:** Continued staffing costs in Neighborhood Services (\$354,000 – Recreation Supervisor, 2 Senior Administrative Assistants, Gang Task Force Coordinator, Recreation Coordinator); additional development staff costs in Neighborhood Services (\$68,000 – Recreation Coordinator); continued program

operation and staff costs (\$293,500); additional program operation and staff costs at new sites (\$168,500); grants (\$490,000)

**2007-08 – Add 2 new program sites in schools and/or neighborhoods; add program staff and operational supplies**

**Continued Program Expansion**

- Open new programs/sites in Rincon Valley and Bennett Valley
- Fund grants for 2008/2009
- Fund violence prevention/conflict resolution education in schools for 2008/2009
- Monitor program outcomes and measure success
- Recommend program adjustments based on changing circumstances

**One-time costs:** None

**On-going costs:** Continued staffing costs in Neighborhood Services (\$422,000 – Recreation Supervisor, 2 Senior Administrative Assistants, Gang Task Force Coordinator, 2 Recreation Coordinator); continued program operation and staff costs (\$461,500); additional program operation and staff costs at new sites (\$41,000); grants (\$490,000)