

CITY OF PERRIS

MINUTES: Work Session of the City Council,
Redevelopment Agency, Perris Public
Finance Authority & Perris Public
Utilities Authority
Date of Meeting: 25 May 2004
Time of Meeting: 5:00 p.m.
Place of Meeting: City Council Chambers

1. **CALL TO ORDER:**

The Honorable Mayor Busch called the Work Session of the City Council, Redevelopment Agency, Perris Public Finance Authority and Perris Public Utilities Authority Meeting to order.

5:00 p.m. Called to order.

2. **ROLL CALL:**

Council Members Present: Yarbrough, Landers, Motte, Rogers, Busch

All Council Members Present.

Staff Members Present: City Manager Apodaca, City Attorney Dunn, Community Development Director Gutierrez, Interim Finance Director Fructuoso, City Engineer Motlagh and City Clerk Rey.

Staff Members Present.

3. **WORK SESSION:**

A. Public Safety Parcel Tax

Public Safety Parcel Tax

Introduced by: Eric Dunn, City Attorney

Eric Dunn, City Attorney, reminded us this was the second work session on this item. He also gave a brief background on the CFD.

Eric Dunn, City Attorney, introduced the Public Safety Tax.

City Attorney Dunn stated that the timeline for this Parcel Tax was the end of this year. One way to pursue this is with a Parcel Tax. In working with MuniFinancial, it was agreed that a Parcel Tax was the most likely to pass. City Attorney Dunn introduced Brian Juit, who gave a presentation that explained the cost for funding this fire station and what the Public Safety Tax would need to be throughout the city to fully fund this item.

City Attorney Dunn stated there is a timeline on the proposed Parcel Tax.

Brian Juit, MuniFinancial representative, stated that they have been working with the City on a proposed special tax for public safety in the City of Perris. He gave a background on the CFD and the requirements in order to pass that district to have a special tax election conducted in the City by the end of the year. We are looking at November 2, 2004, as the timeline for the election. Mr. Juit presented the rates and considerations if we were to proceed with the election. He also would be looking at a potential survey to see what the traffic would bear on a tax rate, including how the City was going to educate the registered voters and property owners as to this parcel tax, what it would be used for, and its cost. He then went over the handout with a PowerPoint presentation.

Brian Juit, MuniFinancial representative, gave an extensive PowerPoint presentation to the City Council.

Mr. Juit continued with some background on CFD 2001-3. To have this CFD put in place, there was an agreement that a tax or assessment must be placed before the voters in order for the CFD to be formed. There was also the issue of the State's fiscal uncertainties. We are seeing more and more agencies looking for independent funding sources that cannot be touched by the State, and one of those is special taxes or voter-approved taxes. Once these are passed, the State cannot take away those funds, and what this does is give the City a little bit more financial independence from the State of California and its irregularities in income tax collections and property tax take-aways. Also, increased growth of the city has an effect on response times of the existing fire stations and fire service within the city. This special tax is a funding source to address all these needs. The revenue needed for the North Perris Fire Station is \$1.17 million. All of our tax rates and methodology are based on this figure, and this is the maximum amount you would need for the Fire Station.

Mr. Juit gave a background on CFD 2001-3.

Brian Juit explained the difference between special taxes and assessments. We are using parcel tax, based on land use. So if you are a single family, you get one rate; if you are a multi family, another rate; and if you are commercial, another rate is applied. They also looked at other factors that have to do with fire service and call data from Chief Williams. We are doing a benefit nexus test to make sure that rates we come up with are as equitable and reasonable for the City. Mr. Juit presented the rates per parcel on an annual basis.

Mr. Juit explained the difference between special taxes and assessments.

City Attorney Dunn asked if that was per parcel or per acre.

City Attorney Dunn asked if the rates presented were per parcel or per acre.

Mr. Juit responded that would be per parcel.

Mr. Juit said it would be per parcel.

Mr. Juit continued with non-residential statistics and why there is a wide variance because of different property loss statistics from the NFPA. He expressed that they lumped all those categories together into a non-residential developed category.

Mr. Juit continued with non-residential statistics.

Councilmember Rogers asked if within the comparison rates, number one and number two, all of the non-residential properties were assessed

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approximately \$11,000 a year together, how we would come up with the same money by reducing them to \$375.

properties were assessed approximately \$11,000 a year together, how we would come up with the same money by reducing them to \$375.

City Attorney Dunn stated that if you did not have the public CFD at all and you applied these numbers, you would raise the \$1.17 million to fund the project.

City Attorney Dunn stated that if you did not have the public CFD at all and you applied these numbers, you would raise the \$1.17 million.

Brian Juit stated that a tax analysis was conducted from March to May. It was suggested we start our survey in June. August 6th is our drop-dead date at the Registrar of Voters. Election law requires that 88 days prior to the election is the deadline for the City to get an ordinance or resolution to the Registrar of Voters calling for this special tax election in November. Mr. Juit suggested a three- to four-month period for outreach into the community.

Brian Juit gave final deadline dates.

Mayor Busch asked how much it would take for this survey.

Mayor Busch asked what the survey would cost.

Brian Juit stated that the cost would be dependent on the size of the city. The City of Perris has 300 to 400 of high propensity voters, and it would be \$10,000 to \$13,000 for a survey like that.

Mr. Juit said it would depend on the size of the city.

Brian Juit explained that the Registrar of Voters is already in place to do a vote on November 2nd, and this would be added to the infrastructure currently in place.

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Mayor Pro Tem Landers voiced his concerns on the application of this tax to senior citizens in our community and that this should apply because you own more acres or a large home. He suggested that it should be proportionate to the value of your property.

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Mr. Juit stated they were willing to put together all of the acreage information and have a per-acre rate.

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4. ADJOURNMENT

By unanimous consent, the Joint Work Session of the City Council, Redevelopment Agency, PPFA and PPUA Meeting was adjourned at 5:55 p.m.

5:55 p.m. Joint Work Session of the City Council, Redevelopment Agency, PPFA and PPUA Meeting was adjourned.

Respectfully Submitted,

City Clerk, Margaret Rey

