



Santa Fe Springs, CA

Case Study Comparison

Measure Y General Sales Tax

Lompoc City Council

August 22, 2019

Lompoc, CA & Santa Fe Springs, CA

Demographic/ socio-economic data comparison

Santa Fe Springs (LA County)

- Population: ~17,800
- Median Age: 36
- 2018 per capita income: \$23,510
- Persons in poverty: 14%
- Unemployment rate: 4.6%
- Educational Attainment
 - HS graduate/ equivalent: 79%
 - Bachelor's degree or higher: 16%

Lompoc (SB County)

- Population: ~43,000
- Median Age: 32
- 2018 per capita income: \$21,370
- Persons in poverty: 20%
- Unemployment rate: 4.1%
- Educational Attainment
 - HS graduate/ equivalent: 76%
 - Bachelor's degree or higher: 13%

Lompoc, CA & Santa Fe Springs, CA

Demographic/ socio-economic data comparison

Santa Fe Springs (LA County)

- Between 2016 & 2017 – population grew from 17,436 to 17,669 (1.34% increase)
- **Per capita income grew** from \$14,547 in 2000 to \$23,510 in 2018 (**38%** increase)
- Median property value: \$409,000
- Homeownership rate: 64%
- Average car ownership: 2 per household
- Average commute: 29 minutes

Lompoc (SB County)

- Between 2016 & 2017 population grew from 43,678 to 43,762 (0.19% increase)
- **Per capita income grew** from \$15,509 to \$21,370 in 2018 (**27%** increase)
- Median property value: \$269,000
- Homeownership rate: 43%
- Average car ownership: 2 per household
- Average commute: 23 minutes

Measure Y

Santa Fe Springs, CA (LA County)

- On November 2018 ballot
- Sunset: None
- Passed with 75% approval
- 1 cent general use sales tax
- Sales tax now – 10.50% (higher than the state maximum of 10.25%)
- 19 cities (including Long Beach, Glendale, Santa Monica, Pasadena) are all at state cap – 10.5%
- Many cities are increasing local sales tax to state max so to avoid other ballot measures from the county/ state



Measure Y Ballot Question

Santa Fe Springs, CA (LA County)

- To maintain quality neighborhoods and effective 911 emergency response services by retaining firefighters, police officers, and paramedics; fixing potholes/streets; maintaining senior services, parks, library services, after school programs, community events, and graffiti removal shall a one cent transactions and use tax available for general municipal revenue purposes be collected in the City of Santa Fe Springs generating approximately \$12.8 million annually, until ended by voters, requiring annual audits, with all funds controlled locally?



Measure Y

- Loss of redevelopment agencies (state funding cuts) – City has already cut programs and 25% of workforce in the past 6 years
- To preserve essential city services, Measure Y is estimated to bring in **\$12.8 million**
- Santa Fe Springs faces a \$5.8 million deficit
- Santa Fe Springs City Council *unanimously* voted to place Measure Y on the Ballot (Neighborhood Safety and Essential City Services Protection)



Senate Bill 703

Santa Fe Springs, CA (LA County)

- To push past State cap – SF Springs sought legislation by State Senator Nancy Skinner, D- Berkeley: proposed a bill raising tax in Alameda County, Santa Clara County, and Santa Fe Springs
- Senate Bill No. 703 – Chapter 651 (approved October 10, 2017)
 - Transactions & use taxes: Counties of Alameda and Santa Clara and City of Santa Fe Springs
 - Existing law authorizes cities and counties to a levy a general or specific transactions and use tax where the combined rate of all taxes in the county not exceed 2%
 - SB Bill 703 authorizes Santa Fe Springs to impose a general use tax at a rate of no more than 1% that in combination with other transaction and use taxes exceeds the combined rate limit of 2%
 - SB Bill 703 will repeal the authorization on 12/31/22 if an ordinance proposing the said tax is NOT approved by the city (Measure Y approved Nov. 2018)



Senate Bill 703

Santa Fe Springs, CA (LA County)

- SB Bill 703 authorizes the transactions and use tax for Santa Fe Springs to support citywide programs at a rate of no more than 1% (Measure Y) that exceeds the state limit of 10.25% so long as:
 - The city adopts an ordinance proposing the transactions and use tax by any applicable voting approval requirement.
 - The ordinance proposing the transactions and use tax is submitted to the electorate and is approved by the voters voting on the ordinance pursuant to Article XIII C of the California Constitution.
 - The transactions and use tax conforms to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)), other than Section 7251.1.



An aerial night view of a city skyline. A prominent skyscraper with a grid-like facade is in the foreground. The city lights are visible in the background, creating a dense pattern of lights. A white banner is overlaid on the image.

Thank You! Questions?

