



## CITY COUNCIL STAFF REPORT

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**TO:** Honorable Mayor and City Council                      **DATE:** June 22, 2020

**FROM:** Matthew Bronson, City Manager

**PREPARED BY:** Matthew Bronson, City Manager  
Deanne Purcell, Administrative Services Director

**SUBJECT:** Sales Tax Measure Policy Direction

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### **RECOMMENDATION**

Receive information about a potential sales tax revenue measure and provide direction to staff on drafting a resolution with ballot language for the Council's consideration.

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### **BACKGROUND**

On May 4, 2020 staff presented information on the City's financial projections related to the COVID-19 pandemic which were reiterated at the FY 2020-21 budget hearing on June 1, 2020. The pandemic and resulting economic distress have been an extraordinary challenge for our community and organization with related impacts on City finances. The proposed budget for FY 2020-21 reflects \$800,000 in decreased revenue which equates to approximately 6% of General Fund revenues. In response to this fiscal challenge, the City has taken numerous actions to ensure the City's financial position including instituting a hiring review before filling vacant positions, tightening expenditures to reduce nonessential costs and freeze travel expenses, and delaying one-time infrastructure improvements and putting other items on hold. Given these actions, the City's fiscal outlook is relatively stable for now and the budget for next year maintains existing service levels and prudent ending reserves in the General Fund to protect the City's finances during these times of economic uncertainties.

However, there are significant long-term challenges to address including the full economic impacts of the COVID-19 pandemic as well as unfunded needs consistent with Council Goals shown in Attachment 1 that include repair of major streets and additional sidewalk improvements, business support and assistance, and public safety staffing. The cost of these unfunded needs is sizeable and funding would need to come from a tax measure or other funding sources. During the May 4<sup>th</sup> meeting, the Council provided direction for staff to return to the Council with more information about a prospective measure to consider whether to place such a measure on the November 2020 ballot. Such action would need to be taken by the Council in July in order to meet the Elections Office deadline.

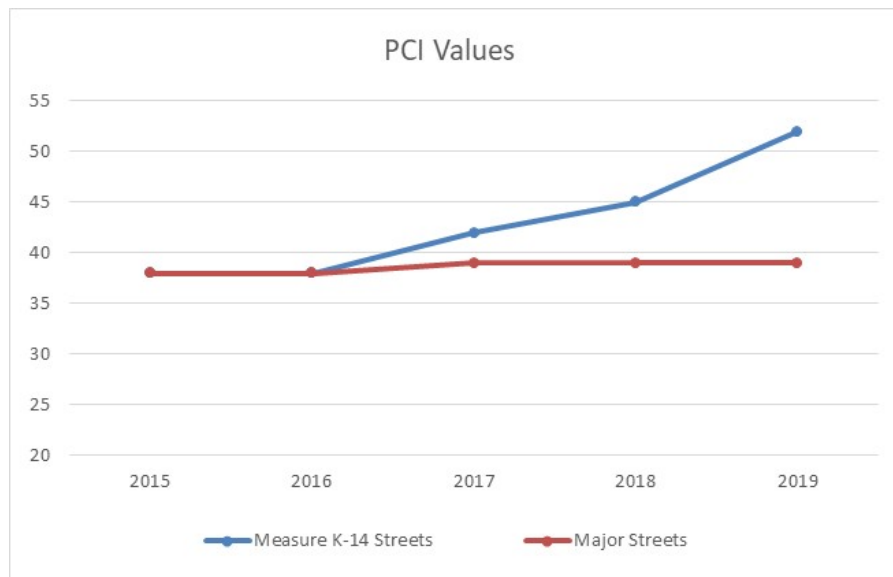
This report is intended to provide background information about the unmet community needs that could be funded by additional revenue from a tax measure, additional information about the mechanism of a sales tax measure as one possibility, and key considerations of a potential measure. For the Council's reference, the City conducted a community survey in fall 2019 that included questions asking likely voters about their support of a potential tax measure focused on public safety needs. The survey indicated a solid base of support as 65.8% of respondents indicated support for a half-cent sales tax increase generating approximately \$800,000 annually. The community survey results are shown in Attachment 2. However, a special tax like the one

surveyed would need 66.6% support to pass which could be a challenge given the survey result and thus one of the considerations asked of the Council is whether a general tax requiring majority (50% + 1) approval to fund needs identified by the Council might be more appropriate to provide additional funding to meet unmet needs.

### Examples of Unmet Community Needs

The City of Grover Beach prides itself on meeting community needs to the best of its ability despite having one of the smallest General Fund budget per capita among cities in the county (see Attachment 3). However, there are numerous community needs that remain unmet and below are examples of three primary unmet needs there were indicated in the 2019 Community Survey as well as Council acknowledgement in the list of Major City Goals. Each need is listed below along with its related Council Major City Goal.

*Repair of Major Streets and Sidewalk Improvements (Goal: Street and Other Capital Improvements).* Since passage of Measure K-14 in 2014 authorizing up to \$48 million in bonds for local street repair, the City has completed maintenance and repair of nearly 200 city blocks or nearly 50% of local streets and the Pavement Condition Index (PCI) value for local streets has significantly increased from 39 in 2015 to 52 in 2019. The City has invested an average of \$4 million per year over the past five years to achieve this result. However, the PCI value for “major streets” (which are arterial streets like Oak Park Boulevard and West Grand Avenue) has remained at below 40 for the past five years as shown in the chart below. In contrast to the \$4 million per year for local streets, the City has only spent \$327,000 per year for major streets given a lack of funding sources for these roadway repairs. The total cost of repairing all the major streets in the city is over \$10 million with little funding identified for these repairs.



In addition to the major street repairs, the City faces an ongoing challenge of additional sidewalk improvements to make the city more accessible and pedestrian-friendly. The City has historically not implemented significant sidewalk improvements given the cost of adding sidewalks but has added approximately two miles of sidewalks and pathways in conjunction with street repairs since the start of the Measure K-14 street repair program. The City also seeks out grant funding where available including the Safe Routes to School grant program which is funding a sidewalk infill project next year near Grover Beach Elementary School. However, there is little funding for citywide sidewalk improvements beyond grant funds as General Fund support is limited and using Measure K-14 street funds reduces funding for street improvements.

*Business Support and Assistance (Goal: Economic Development).* The City's business community has been significantly impacted by the COVID-19 pandemic and faces continued financial difficulties. The City has shown its support for the business community in helping to fund the work of the South County Chambers of Commerce with an economic development contract through June 30, 2021 and supporting businesses directly through waiving late fees for utility and transient occupancy tax payments through May for both business and residential customers. In addition, the City has created a one-time business assistance initiative to offer microgrants of up to \$10,000 to support businesses in adjusting to the impacts of COVID-19 since business retention is a key part of economic development. The City is investing a total of \$150,000 in this one-time program using \$100,000 in SB 1090 funds for economic development and \$50,000 in General Fund reserves. Applications are currently being reviewed with grant recipients selected by the end of June. However, there is no ongoing funding beyond this year for future microgrant programs or other business assistance programs including additional economic development work carried out by the Chamber. Additional revenue could not only fund additional business assistance efforts to support our economy but could also provide additional funding for community nonprofit groups who are providing needed services to members of our community.

*Public Safety Staffing (Goal: Public Safety).* Public safety is a foundation of local government services along with community well-being and security. The City's police services provided by the Grover Beach Police Department and fire and emergency medical services provided by the Five Cities Fire Authority are responsive and cost-effective as measured by their respective costs per capita shown in Attachment 3. However, there are significant staffing needs particularly in police services as the ratio of police officers compared with calls for service is higher than most cities in the county as shown in Attachment 4 and thus our officers are responding to a volume of service calls (approximately 20,000) that exceeds two other cities. The current staffing of 21 sworn officers is below the 23 sworn officers recommended in the 2018 Police Department audit and does not allow our officers time for as proactive community outreach work to resolve issues before they become problems. Additional revenue would provide funding to increase officer capacity to do such outreach and further strengthen the Police Department's connection with the community. The cost of a new officer position including total compensation and equipment is an estimated \$150,000. Fire staffing levels have been bolstered in the past year through transitioning three Reserve Firefighters to permanent Firefighters though there will be future funding needs for staffing and equipment to ensure a well-functioning fire and emergency medical services operation which was underscored by the successful response this week to the Avila Fire.

## **Background on Sales Tax Mechanism**

There are various mechanisms to generate additional revenues that the Council could consider to provide additional funding to meet community needs. The Council previously placed two general tax measures on the November 2018 ballot to increase the TOT rate from 10% to 12% (Measure L-18) and changing the flat rate for a Business Tax Certificate to a tiered rate based on business square footage (Measure M-18). Both measures passed and combined generate approximately \$150,000 annually to support community needs. Voters also approved a cannabis tax in 2016 (Measure L-16) to create a tax structure if the City allowed commercial cannabis businesses to operate which the City ultimately did. The cannabis tax revenue from these businesses is estimated to generate \$1.5 million in FY 2020-21 which is accounted for in the current financial estimates mentioned earlier.

To meet the unmet community needs highlighted above, staff is proposing the Council consider a transaction and use tax (referred to here as a sales tax) for November 2020 instead of additional changes to these previously adjusted tax rates or increasing an existing tax like utility users tax or creating a new tax such as a parcel tax. The current sales tax rate in Grover Beach is 7.75% which includes the statewide tax rate of 7.25% plus an additional 0.5% transaction and use

general tax approved by Grover Beach voters in 2006 as Measure X-06. Of this 7.25% rate, cities receive 1% as base sales tax revenue and the State receives 6.25%. Each city in San Luis Obispo County has a sales tax rate of 7.75% and the unincorporated County has a sales tax rate of 7.25%. Staff would note that all cities in the county are considering a potential tax measure in November to address their particular community needs and Atascadero has approved the placement of a sales tax measure and Pismo Beach approved the placement of a TOT measure. Paso Robles, Morro Bay, San Luis Obispo, and Arroyo Grande are also considering sales tax measures for possible placement similar to what staff is proposing in Grover Beach. For comparison, cities in Santa Barbara County have sales tax rates ranging from 8% to 9% (for reference, Santa Maria is 8.75%) and Monterey County cities have rates ranging from 8.25% to 9.5%. Sales tax rates statewide range from 7.25% to 10.5% and Attachment 5 shows sales and use tax rates across the state for reference.

Overall, sales tax revenue generates \$2.5 million and is the City's second highest revenue source at 20% of General Fund revenues after property tax revenues. The City's current 0.5% sales tax created by Measure X-06 generates an estimated \$900,000 that is used to fund City services and operations. If voters enacted another 0.5% sales tax this November, it would thus generate another \$900,000 for community needs while a 1% sales tax would generate \$1.8 million. Based on staff's analysis using data from a financial consultant, approximately 40% of the City's sales tax revenues are generated by visitors and the average cost per household would be \$8 per month for a 0.5% sales tax and \$16 per month for a 1% sales tax. Such funding would not be subject to appropriation by the County, State, or other public agencies and all funds would remain local in Grover Beach. If approved, the tax would begin on April 1, 2021.

### **Key Considerations of a Potential Sales Tax Measure**

If the Council wished to consider a sales tax measure for the November ballot, there are four primary considerations that staff would identify for the Council as indicated below:

- *Type of Tax.* The Council would first need to provide direction on whether this measure should be a general or special tax. A general tax generates general revenues that can be used for any purpose determined by the Council and requires a majority (50% + 1) vote while a special tax must be spent on uses specified in the ballot measure and requires a 2/3 (66.6%) vote. Staff would suggest that the Council consider a general tax to provide flexibility on addressing community needs while retaining the ability to develop an annual spending plan for use of the revenues from this measure.
- *Amount of Increase.* The Council would need to provide direction on the amount of tax increase to include in the tax measure. Staff would propose either 0.5% and 1% as two primary options but the Council could consider other options as well. Of these two options, staff would suggest that 1% would be preferable as while the City polled for a 0.5% versus 1% measure in 2019, the City's survey research firm (Godbe Research) has indicated that sales tax measures are typically not rate sensitive but rather hinge on voter perception about what is sufficient to provide desired services and meet community needs. The difference in revenue generated to meet unmet community needs is also significant as a 0.5% measure would generate \$900,000 annually while a 1% measure would generate \$1.8 million. The 1% increase would bring the sales tax rate in the city to 8.75% which would be equal to Santa Maria and potential other cities in the county pending tax measures in their respective communities.
- *Timeframe for Measure.* The Council is also asked to provide direction on the desired timeframe for a tax measure. A "sunset clause" can be enacted to put a specific timeframe

on a measure instead of the standard open-ended timeframe that does not have a specific end date. Such a clause can be perceived as beneficial in making the tax temporary unless re-authorized by voters. However, none of the City's current tax measures have sunset dates and the potential measure polled in 2019 with 65.8% support did not specify a sunset date. Many of the unmet needs identified are multi-year or ongoing needs and would be difficult to fund with a time-limited measure. Staff would thus not recommend a sunset date for this measure as the measure could always be overturned by voters if desired.

- *Oversight Process.* Lastly, the Council is asked to provide direction on the desired level of citizen oversight on the tax measure. Currently, the City has a Citizen Oversight Committee for City Revenue Measures which is a three-member advisory committee whose task is to provide oversight of voter-approved city revenue measures and review an annual report that is prepared by the City. This annual report includes a summary of expenditures from revenue generated from the revenue measures and budgeted expenditures for the upcoming fiscal year. This committee typically meets annually in the fall to review this information and authorize a final report to the Council. This committee currently has one vacancy and staff is planning to open a public recruitment prior to the fall meeting. The Council could determine that this committee would be sufficient for providing desired oversight into this tax measure along with the previous measures or consider enlarging the committee to five members to provide more oversight given the new measure and ask the committee to provide input into service and project needs that could be funded by the City. The Council could also create a separate committee specific to this measure. Staff would suggest that utilizing the existing committee would be a good approach to provide desired public oversight without creating a new committee.

## **Conclusion**

Placing a tax measure on the ballot is a key policy issue for the Council to consider. The City has made significant strides in providing effective and efficient services and the City's leadership in considering economic growth opportunities and cost management have led to a relatively stable financial position even with impacts from COVID-19. The City has the second smallest General Fund budget, budget per capita, and number of employees in the county and stretches its resources to achieve results for the community in a cost-effective way. But while next year's budget does not have service or staffing reductions, the City's financial projections do not have adequate funding to meet key community needs such as major street repairs and sidewalk improvements, business support and assistance, and public safety staffing.

To help meet these and other important community needs, the Council is asked to provide direction on whether to move forward with a sales tax measure for the November 2020 ballot along with addressing the key considerations listed above. If Council wants to continue moving forward, staff would bring an agenda item to the July 20<sup>th</sup> meeting including the required resolution to formally place this measure on the November 2020 ballot. This would be the last scheduled meeting the Council could place a measure on the November ballot. Lastly as the Council is aware, placing such a measure on the ballot does not constitute a vote by the Council on such a measure but rather whether the voters should be given the opportunity to decide if an additional sales tax is an appropriate action to provide additional funding to meet community needs.

## **FISCAL IMPACT**

If approved by voters, a 0.5% sales tax increase would generate approximately \$900,000 annually with a 1% increase generating \$1.8 million. The new tax would begin in April 1, 2021 for a partial-year implementation in FY 2020-21 and full implementation in FY 2021-22.

## **ALTERNATIVES**

The City Council has the following alternatives to consider:

1. Receive information about a potential sales tax revenue measure and provide direction to staff on drafting a resolution with ballot language for the Council's consideration; or
2. Provide alternative direction to staff.

## **PUBLIC NOTIFICATION**

The agenda was posted in accordance with the Brown Act.

## **ATTACHMENTS**

1. FY 2020-21 City Council Goals
2. 2019 Community Survey Results
3. Budget and Staffing Per Capita Comparison
4. Police Department Staffing Comparison
5. Statewide Sales and Use Tax Rates

## **MAJOR CITY GOALS**

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**ECONOMIC DEVELOPMENT.** Develop and implement economic development strategies that support business retention and attraction, tourism marketing and development, revenue generation and effective permit processing.

**HOUSING AND HOMELESSNESS.** Collaborate with developers and non-profits in efforts to increase housing availability particularly affordable housing units and partner with regional agencies and organizations to address homelessness challenges in the city and region.

**PUBLIC SAFETY.** Ensure quality, contemporary public safety services (police, fire, emergency medical) by providing adequate resources to meet existing demands; and by engaging businesses and the community in addressing public safety challenges, such as vagrancy problems near commercial areas, neighborhoods and parks.

**STREET AND OTHER CAPITAL IMPROVEMENTS.** Continue improvements to major and local streets using Measure K-14 funds, SB1 funds and other resources while incorporating other desirable capital improvements such as utility upgrades and “complete streets” improvements; and improve other infrastructure such as City parks, recreation facilities and other public buildings.

## **OTHER IMPORTANT GOALS**

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**CITY BEAUTIFICATION AND PUBLIC ART.** Enhance the appearance of the community through tree maintenance and landscaping, utility undergrounding, public art, and signage, especially along the Grand Avenue corridor.

**ENVIRONMENTAL SUSTAINABILITY.** Integrate environmentally sustainable principles and practices into City operations and new development plans and standards; increase resource conservation and reduce carbon emissions through initiatives such as Central Coast Blue, Community Choice Energy and electric vehicle charging stations.

**PEDESTRIAN AND BICYCLE SAFETY.** Make Grover Beach a more pedestrian and bicycle friendly community by adding and/or enhancing bicycle lanes, sidewalks, streetlights, street and crosswalk striping and enhancements, and other traffic calming measures.

## **ADDRESS AS RESOURCES PERMIT**

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**CODE COMPLIANCE.** Strengthen the code compliance program and related Municipal Code sections to be more proactive in inspecting and addressing such issues as overgrown landscaping, short term rental violations, illegal advertising/business signage, conflicting right-of-way encroachments and continued monitoring of the cannabis industry.

**COMMUNITY ENGAGEMENT.** Provide opportunities for community members to engage and be involved with their community through programs, initiatives and events.

**RECREATION AND COMMUNITY PROGRAMS.** Provide viable recreation, youth, and special event programs designed to meet current and emerging needs, while avoiding duplication of programs offered by other providers.



GODBE RESEARCH  
Gain Insight



## City of Grover Beach: 2019 Community Priorities Survey

January 6, 2019



The City of Grover Beach commissioned Godbe Research to conduct a survey of adult residents with the following research objectives:

- Gauge satisfaction with the City's provision of services;
- Determine opinions on most pressing issues facing Grover Beach;
- Gauge importance of and satisfaction with City services and facilities;
- Assess potential voter support for a sales tax to enhance essential public safety services with funding that cannot be taken by the State;
- Test agreement with various statements about the measure;
- Gauge satisfaction with contacting City departments;
- Determine communication preferences to learn about community and government events and information; and
- Identify any differences in opinions due to demographic and/or voter behavioral characteristics.

- Data Collection Landline (n=28), cell phone (n=44), text to online (n=354), and email to online (n=26) interviewing
- Universe 10,089 adults ages 18 and older in the City of Grover Beach, with a subsample of those likely to vote in the November 2020 election (5,405)
- Fielding Dates October 28 through November 3, 2019
- Interview Length 23 minutes
- Sample Size 452 Adult residents  
319 Likely November 2020 voters
- Margin of Error  $\pm 4.51\%$  Adult residents  
 $\pm 5.32\%$  Likely November 2020 voters



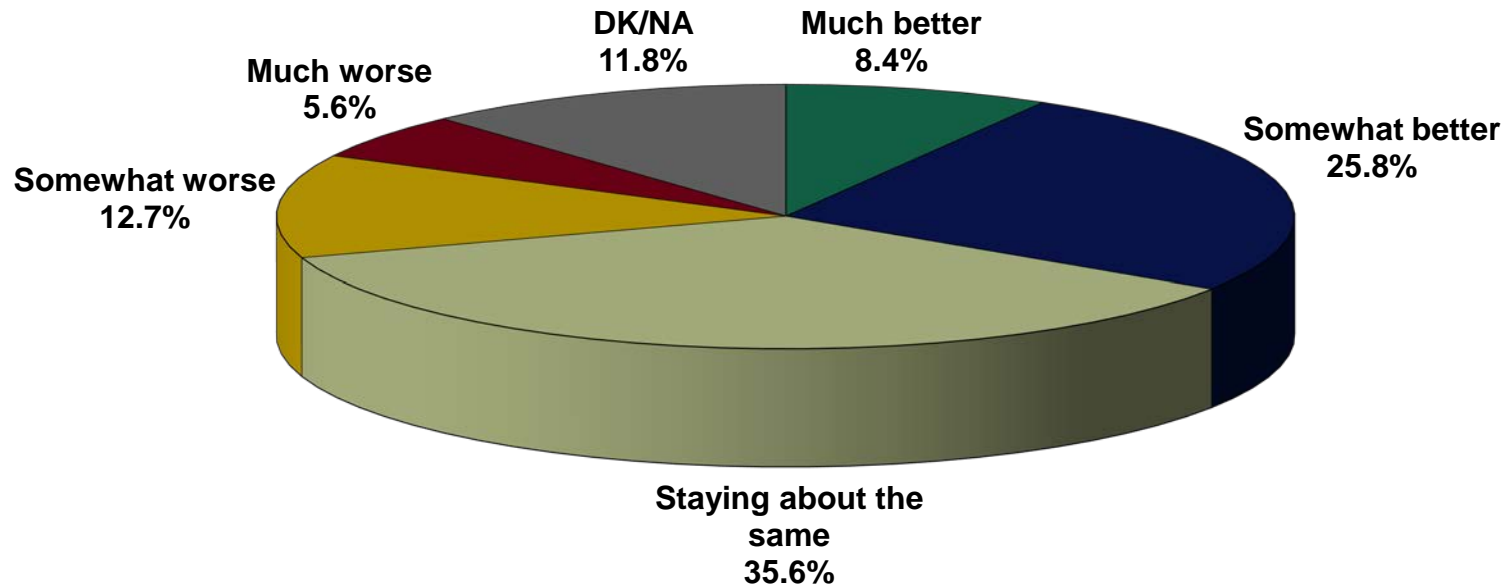
GODBE RESEARCH  
Gain Insight



## Key Findings

# Q1. Opinion on Overall Quality of Life in City Versus 5 Years Ago

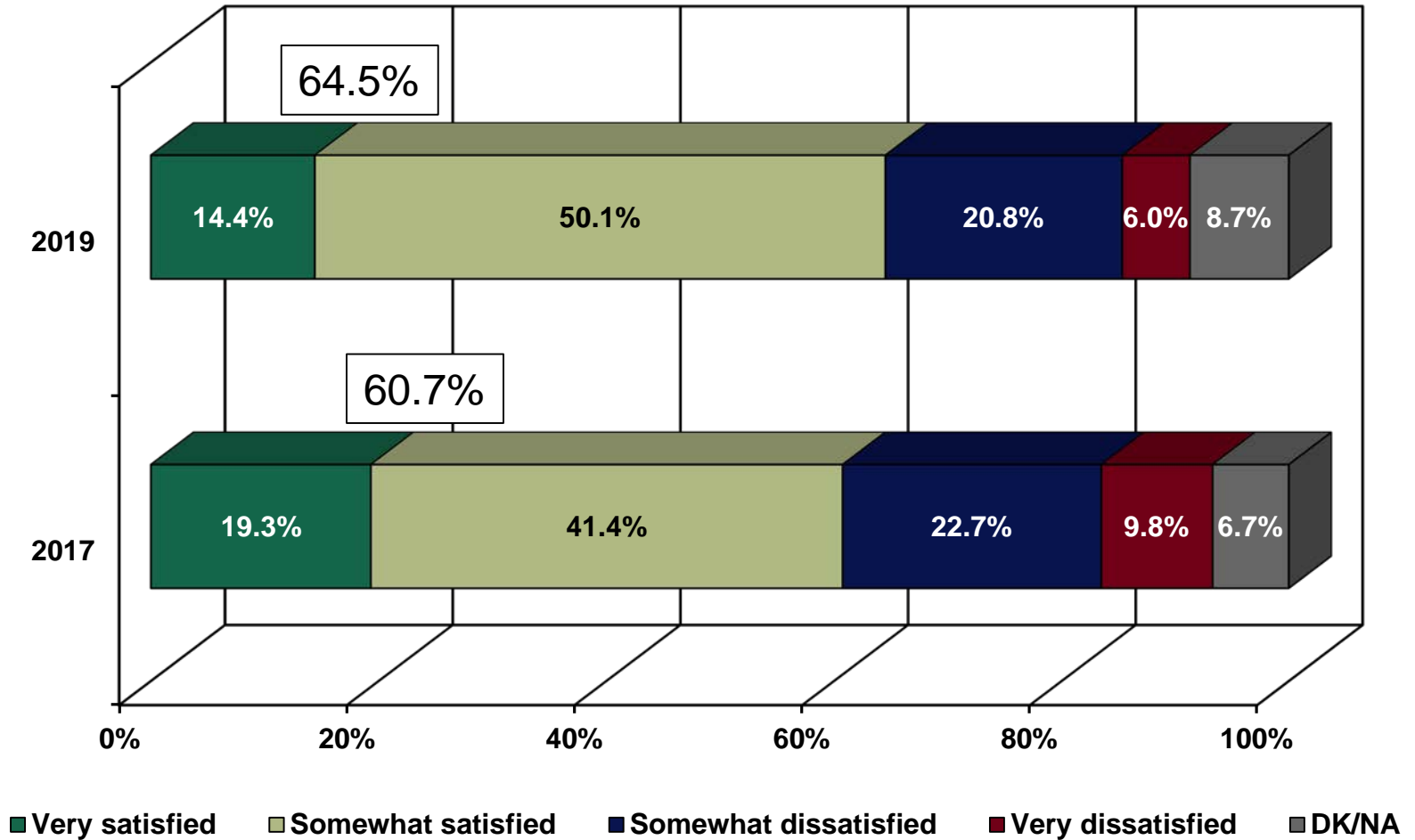
Adults 18+ (n=452)



Total Better	34.3%
Total Worse	18.3%
Ratio Better to Worse	1.9 to 1

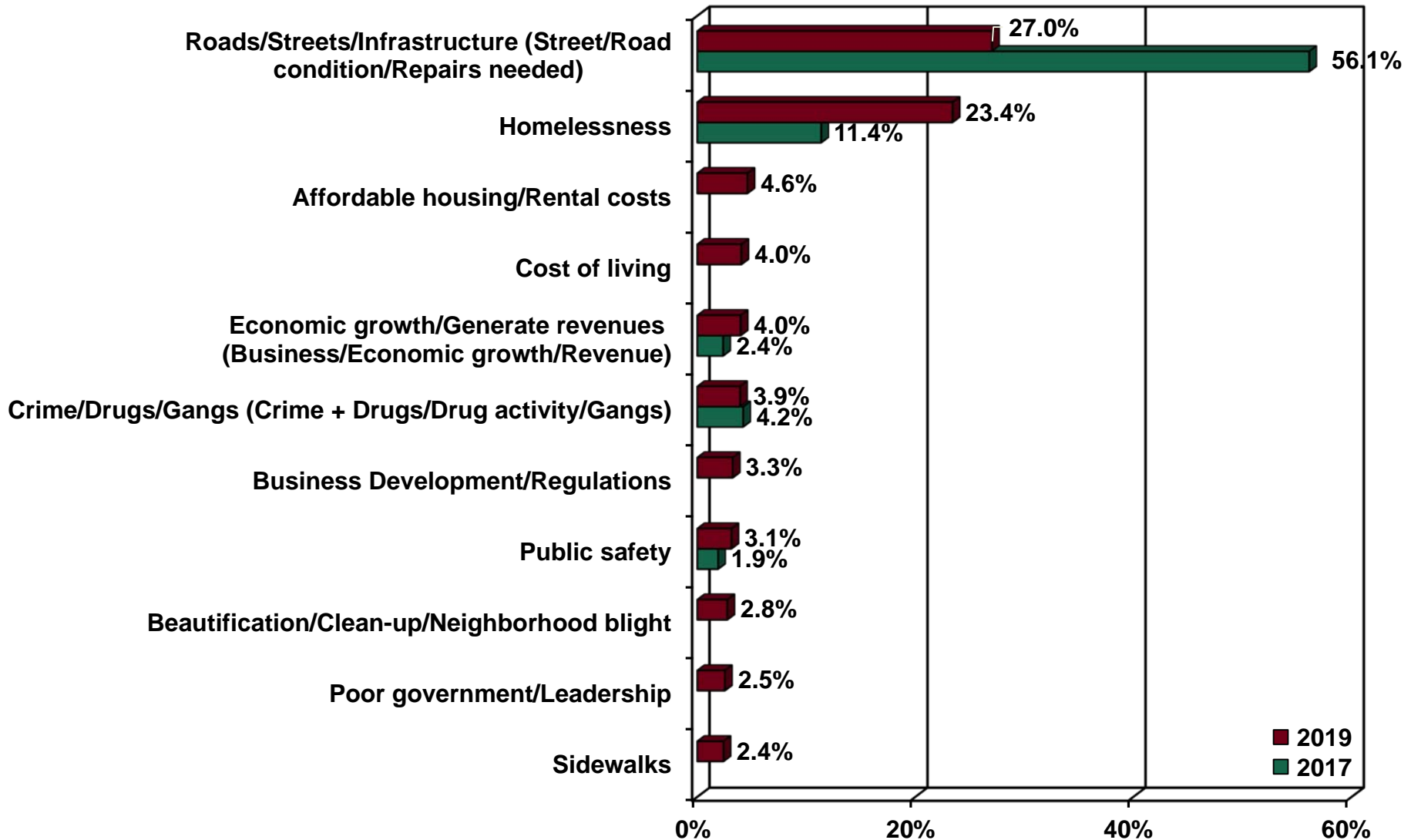
# Q2. Satisfaction with City Services

## Adults 18+



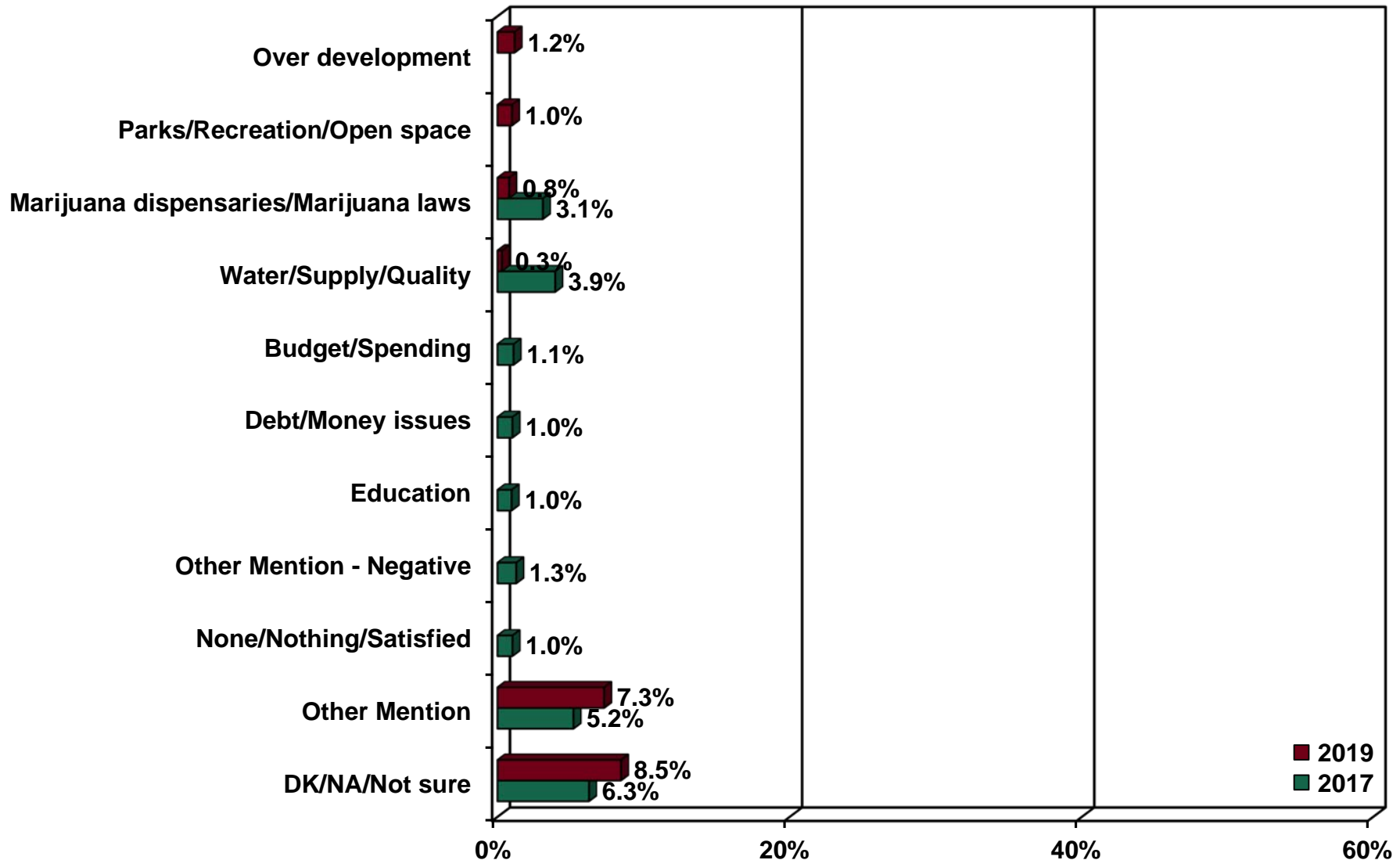
# Q3. Most Important Issue Facing Grover Beach I

## Adults 18+



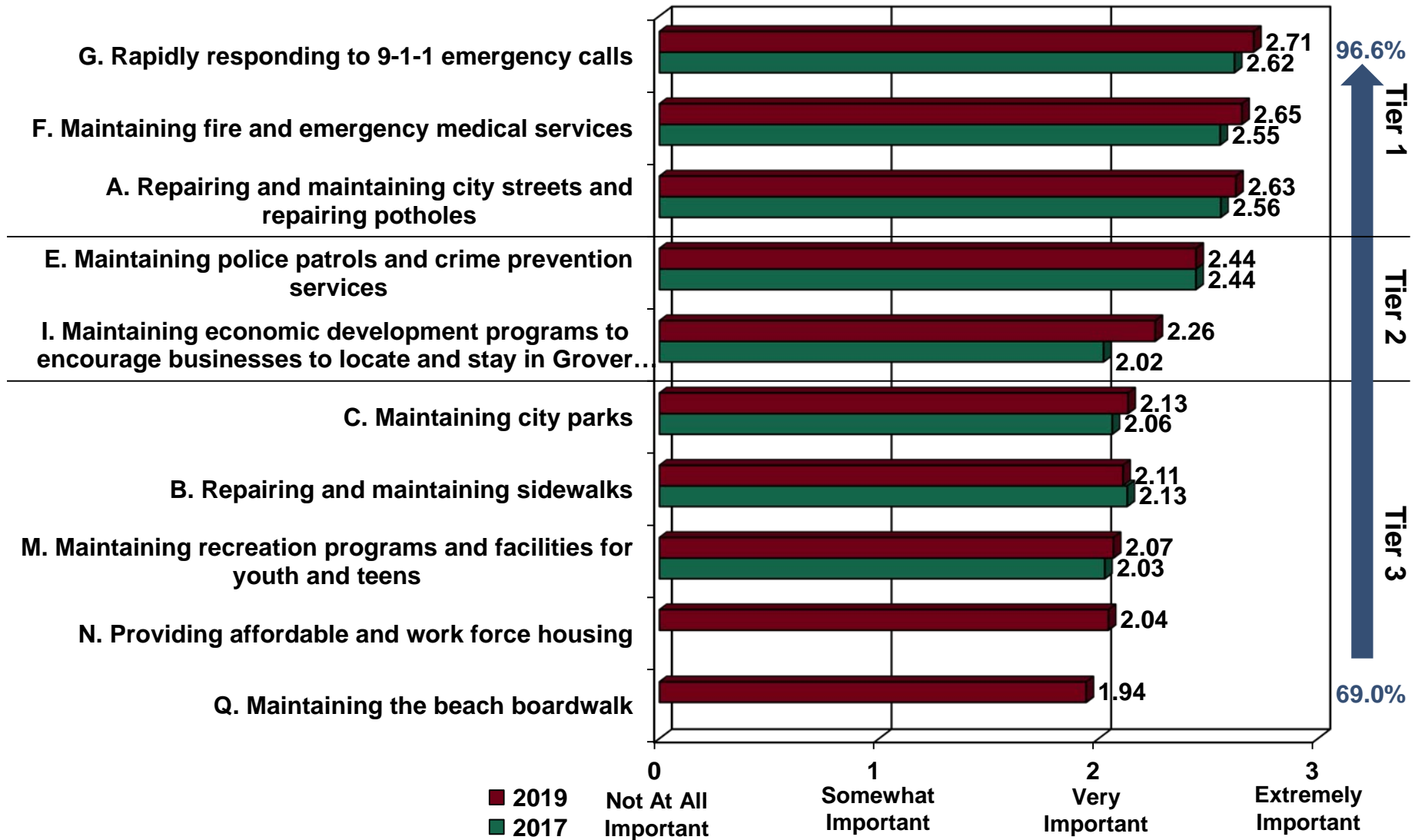
# Q3. Most Important Issue Facing Grover Beach II

## Adults 18+



# Q4. Importance of City Services I

## Adults 18+

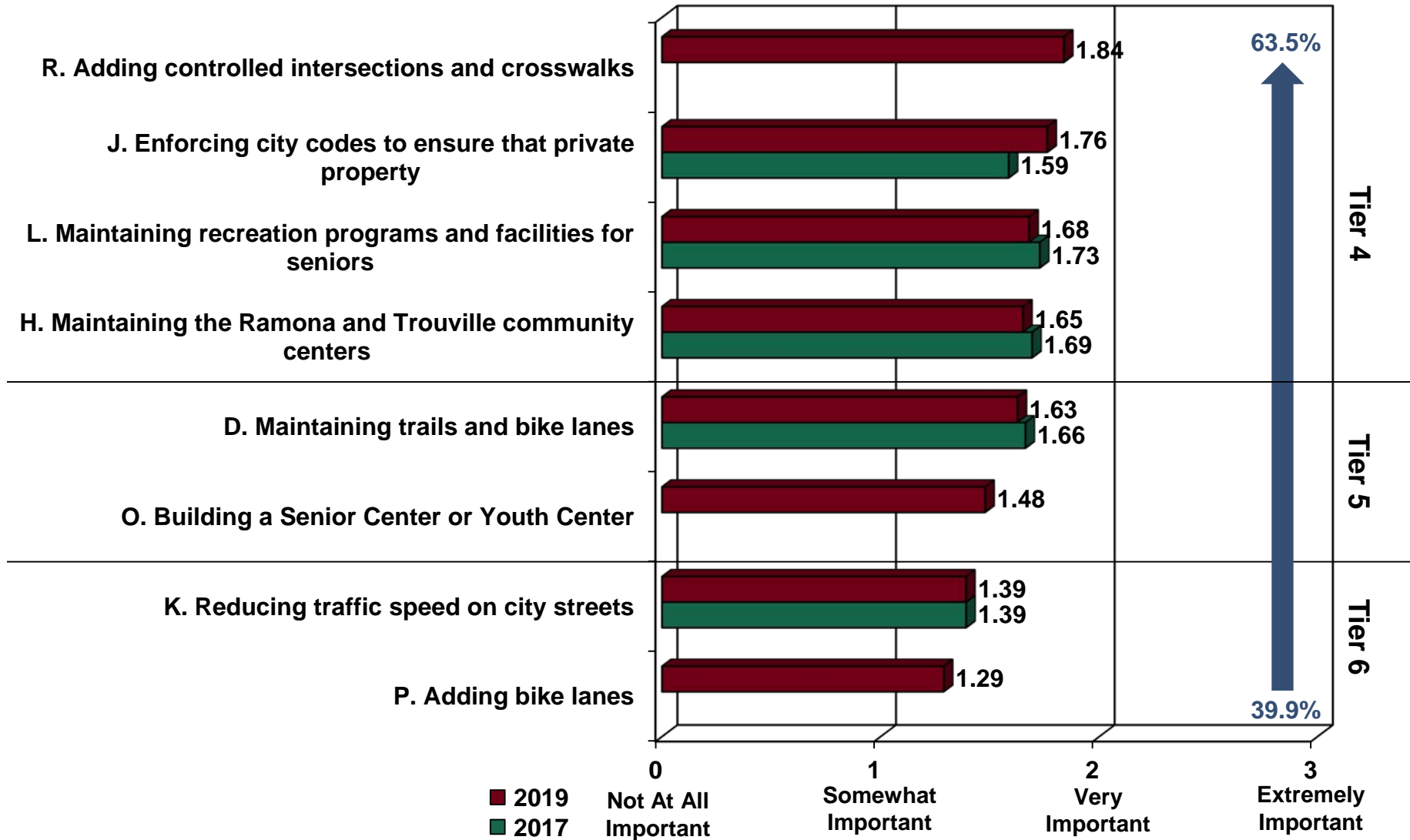


Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Extremely Important" = +3, "Very Important" = +2, "Somewhat Important" = +1, and "Not At All Important" = 0.



# Q4. Importance of City Services II

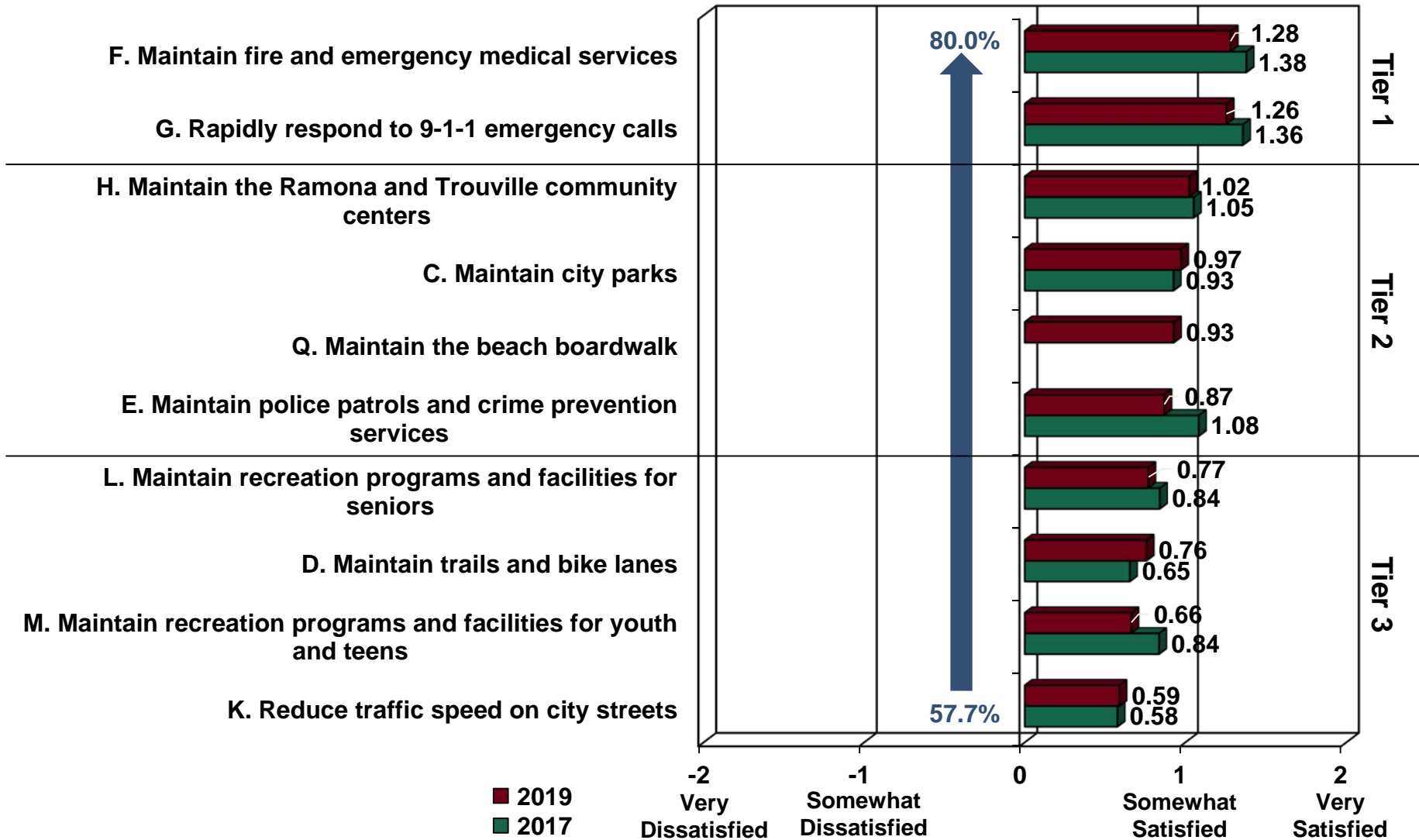
## Adults 18+



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Extremely Important" = +3, "Very Important" = +2, "Somewhat Important" = +1, and "Not At All Important" = 0.

# Q5. Satisfaction with City Services I

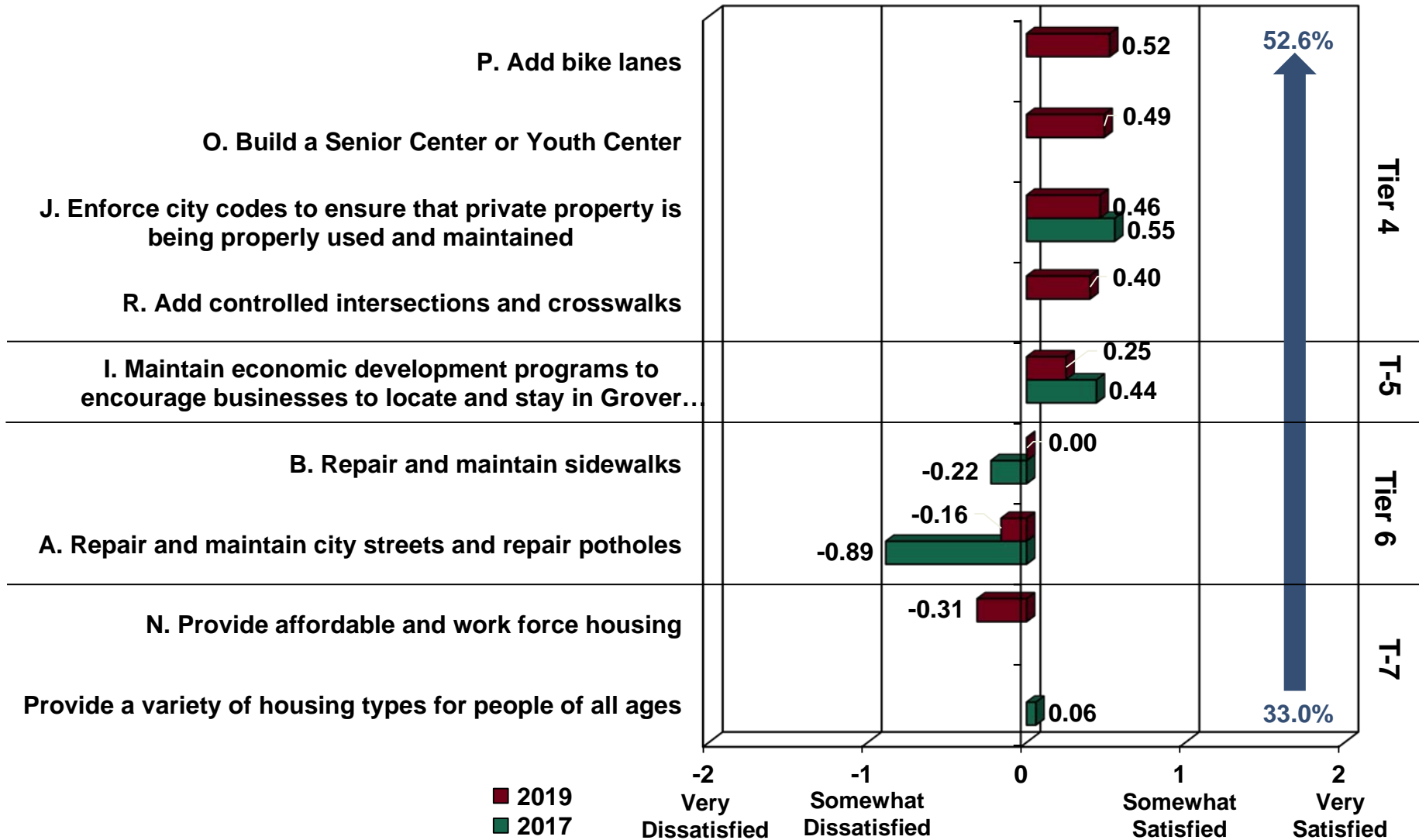
## Adults 18+



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Very Satisfied" = +2, "Somewhat Satisfied" = +1, "Somewhat Dissatisfied" = -1, and "Very Dissatisfied" = -2.

# Q5. Satisfaction with City Services II

## Adults 18+



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Very Satisfied" = +2, "Somewhat Satisfied" = +1, "Somewhat Dissatisfied" = -1, and "Very Dissatisfied" = -2.

# Importance – Satisfaction Correlation

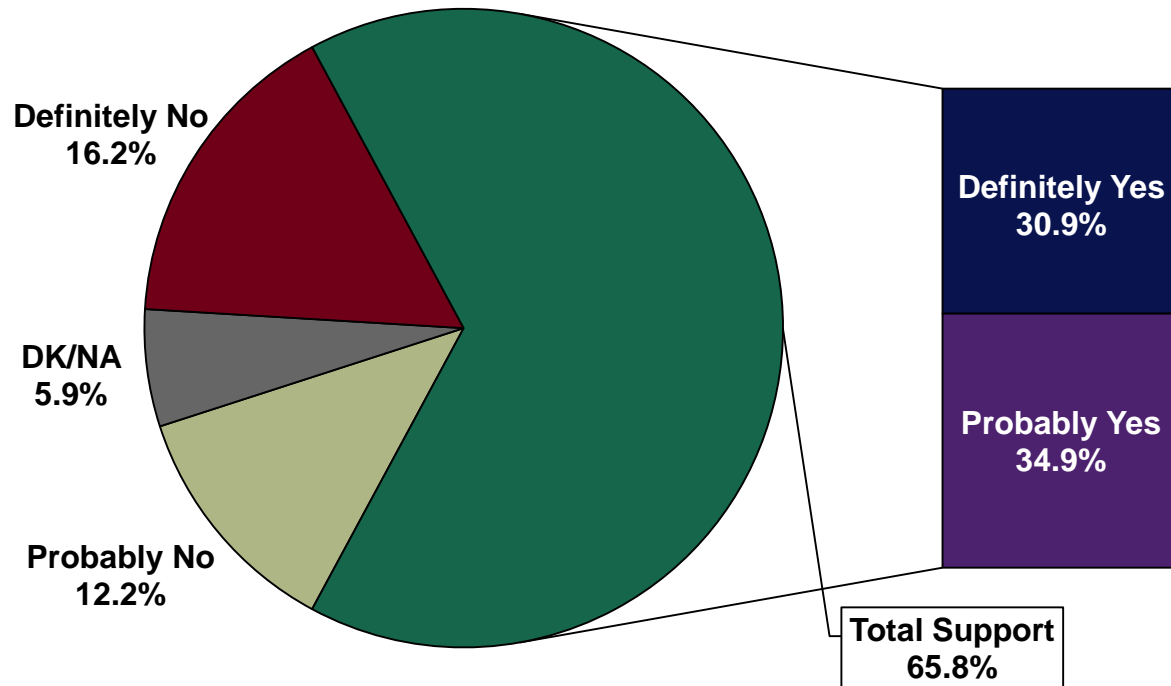
## Adults 18+

	Importance	Satisfaction
G. Rapidly responding to 9-1-1 emergency calls	2.71	1.26
F. Maintaining fire and emergency medical services	2.65	1.28
A. Repairing and maintaining city streets and repairing potholes	2.63	-0.16
E. Maintaining police patrols and crime prevention services	2.44	0.87
I. Maintaining economic development programs to encourage businesses to locate and stay in Grover Beach	2.26	0.25
C. Maintaining city parks	2.13	0.97
B. Repairing and maintaining sidewalks	2.11	0.00
M. Maintaining recreation programs and facilities for youth and teens	2.07	0.66
N. Providing affordable and work force housing	2.04	-0.31
Q. Maintaining the beach boardwalk	1.94	0.93
R. Adding controlled intersections and crosswalks	1.84	0.40
J. Enforce city codes to ensure that private property is being properly used and maintained	1.76	0.46
L. Maintaining recreation programs and facilities for seniors	1.68	0.77
H. Maintaining the Ramona and Trouville community centers	1.65	1.02
D. Maintaining trails and bike lanes	1.63	0.76
O. Building a Senior Center or Youth Center	1.48	0.49
K. Reducing traffic speed on city streets	1.39	0.59
P. Adding bike lanes	1.29	0.52

Note: The lowest 2 satisfaction ratings are shown in red and the next three lowest are shown in orange.

# Q6. Uninformed Support for Sales Tax

November 2020 (n=319)



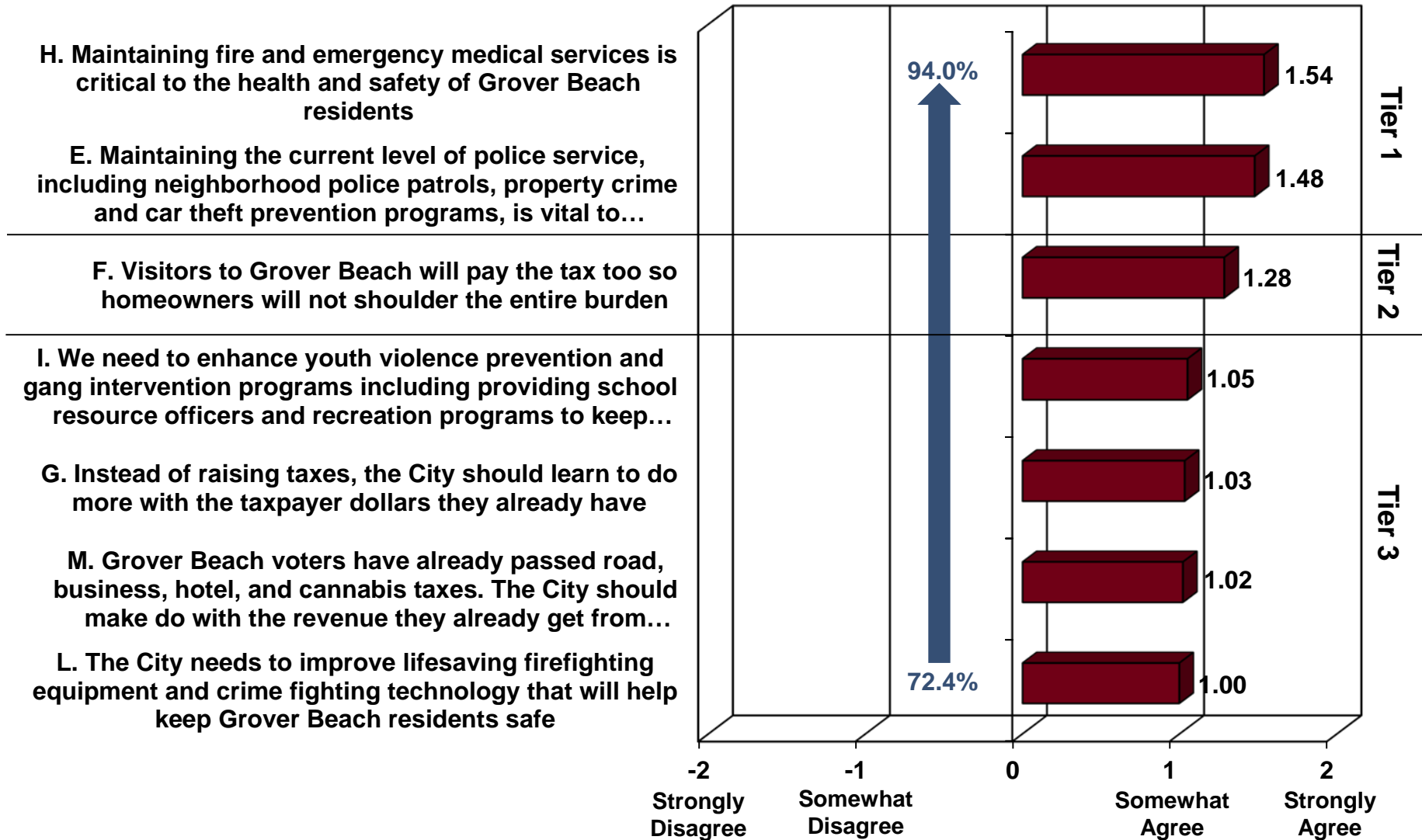
Shall the City of Grover Beach measure to enhance essential public safety services including:

- rapid response to 9-1-1 emergency calls;
- fire and emergency medical services;
- neighborhood police patrols and crime prevention services;
- youth violence prevention and gang intervention programs; and
- traffic enforcement services;

by enacting a half-cent sales tax, providing an estimated \$800,000 annually, until repealed by voters, with independent citizens' oversight, regular audits, that cannot be taken by the State, and all funds spent locally, be adopted?

# Q7. Agreement With Statements About the Sales Tax Measure I

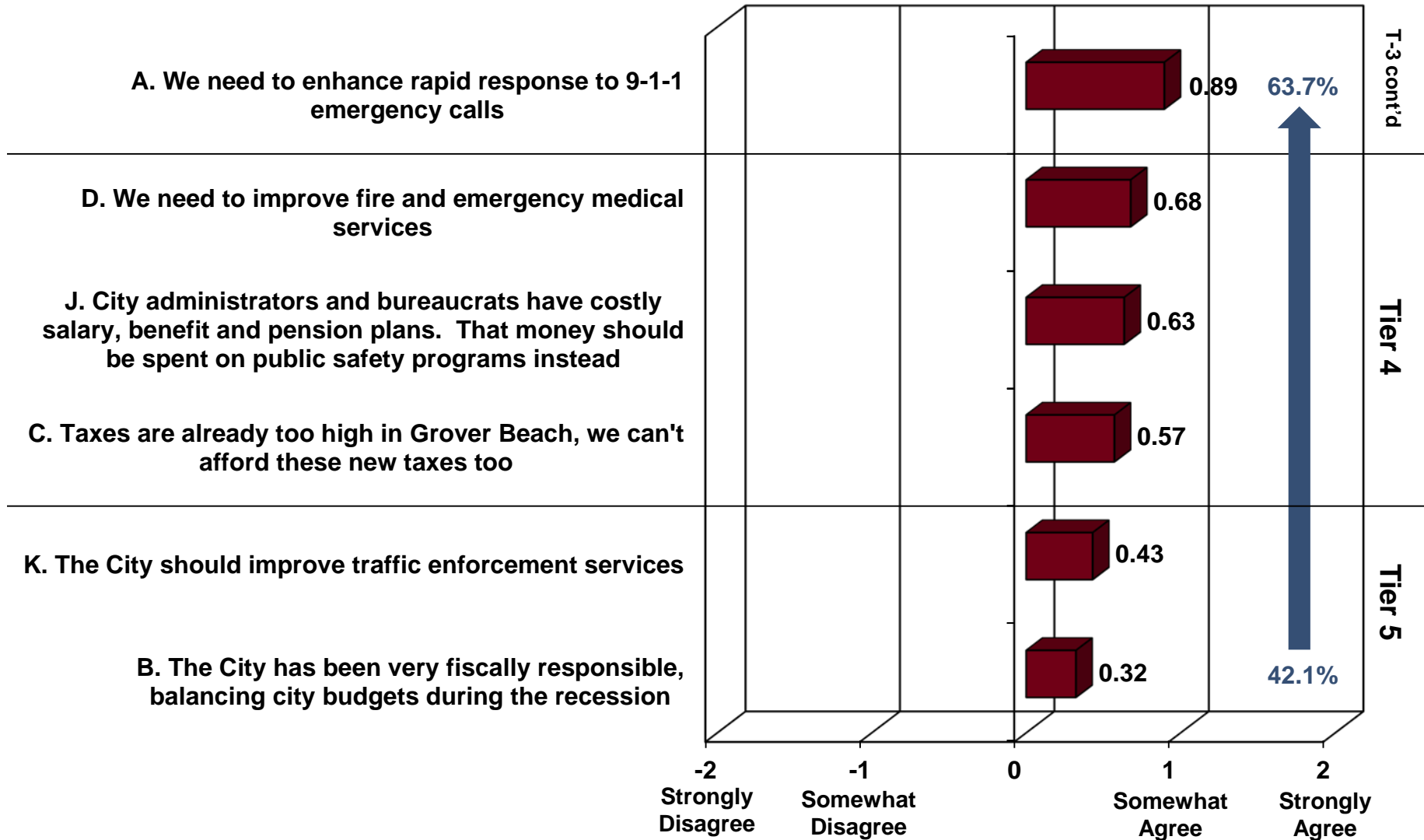
November 2020 (n=319)



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Strongly Agree" = +2, "Somewhat Agree" = +1, "Somewhat Disagree" = -1, and "Strongly Disagree" = -2.

# Q7. Agreement With Statements About the Sales Tax Measure II

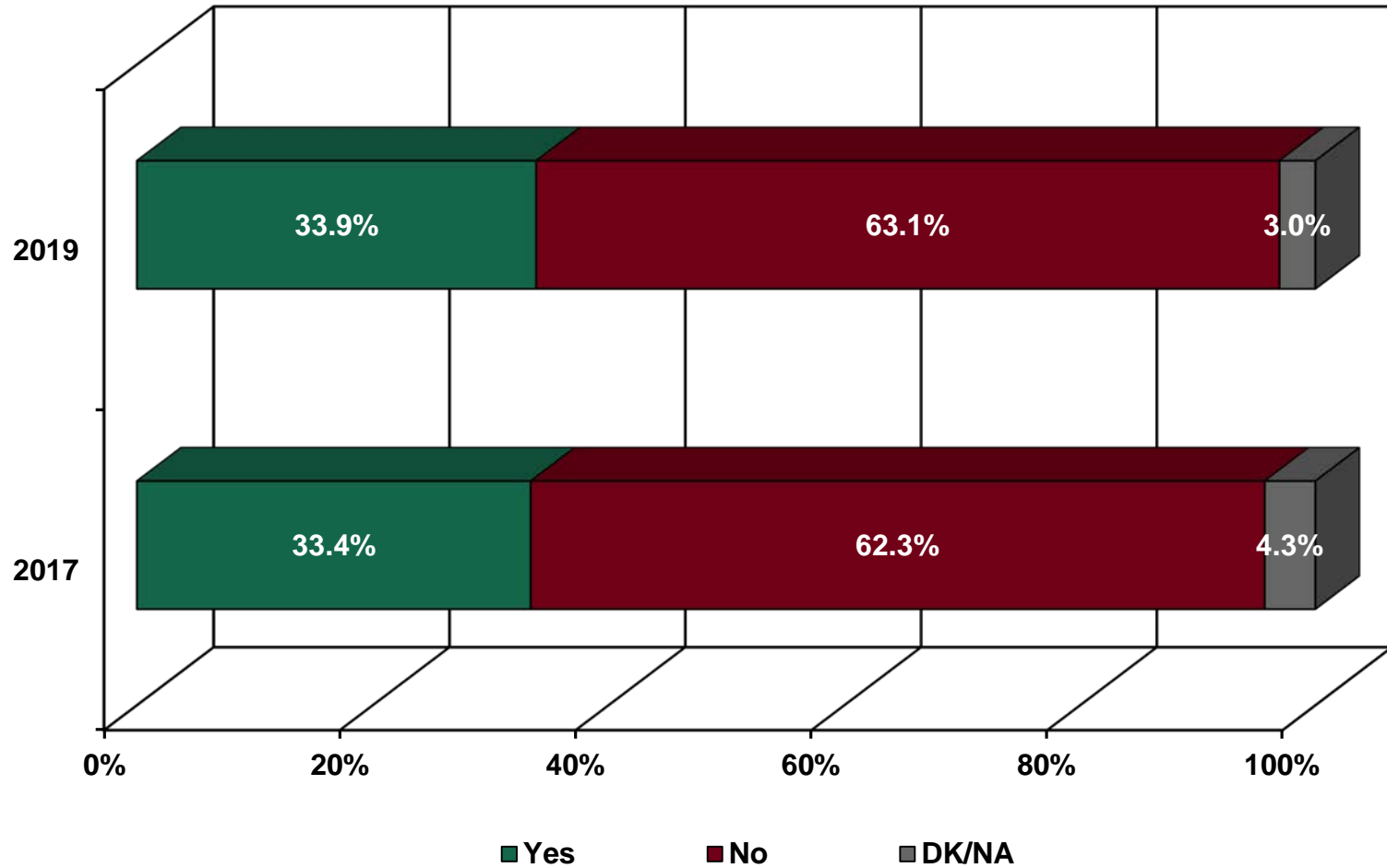
November 2020 (n=319)



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Strongly Agree" = +2, "Somewhat Agree" = +1, "Somewhat Disagree" = -1, and "Strongly Disagree" = -2.

# Q8. Contacted a City Department in Past 12 Months

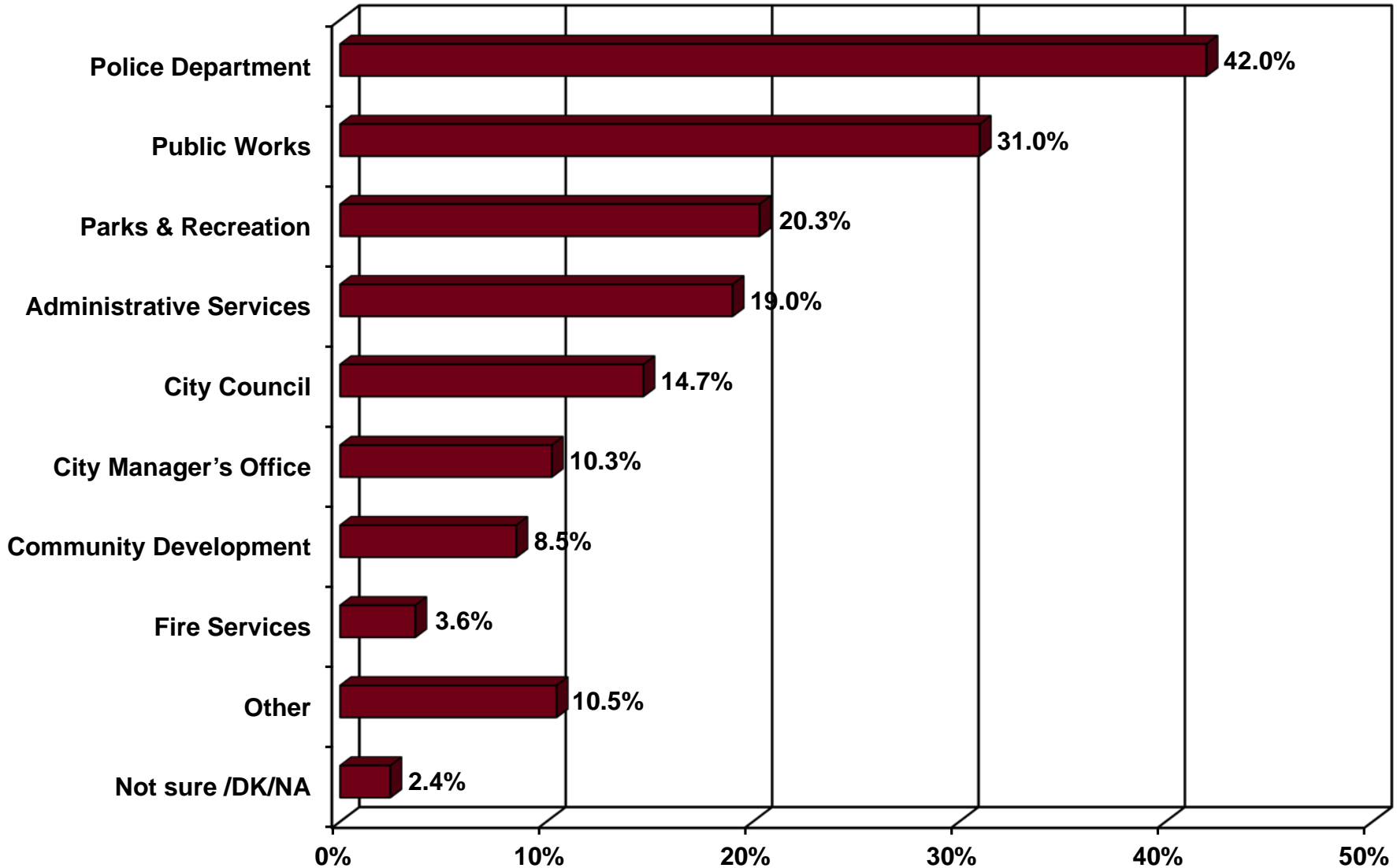
Adults 18+



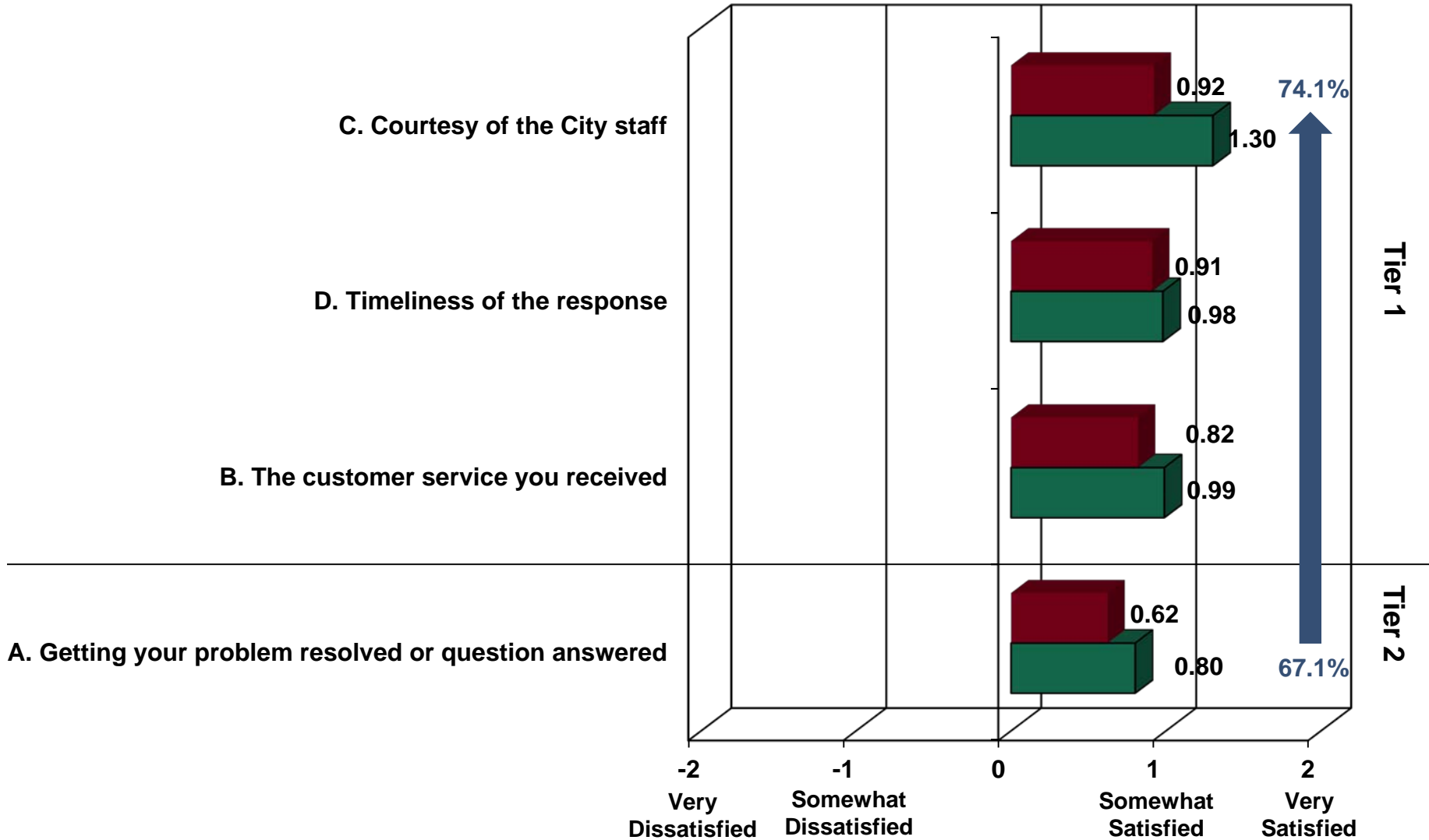


# Q9. City Departments Contacted

Adults 18+ (n=452)



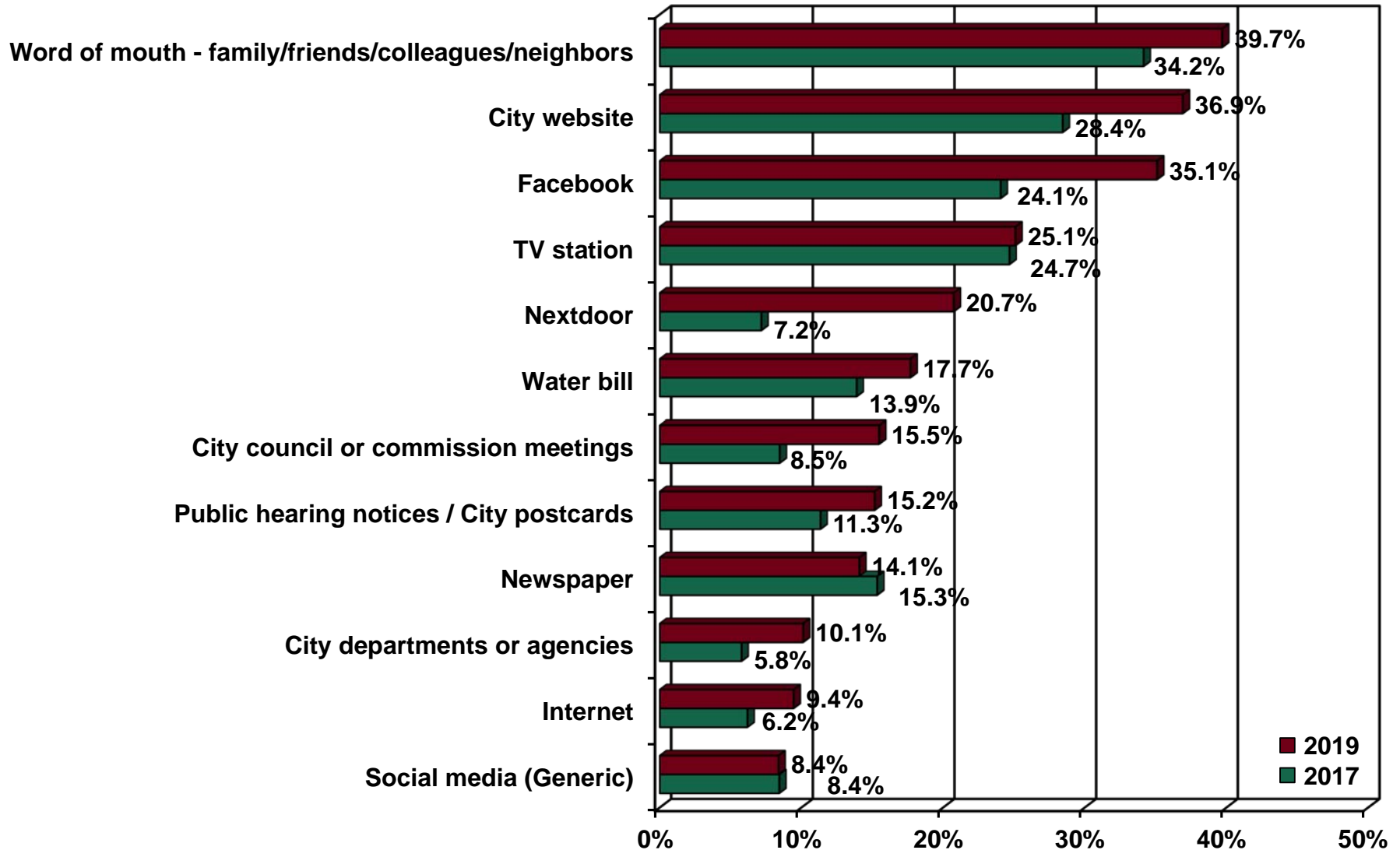
# Q10. Satisfaction with City Customer Service Adults 18+



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Very Satisfied" = +2, "Somewhat Satisfied" = +1, "Somewhat Dissatisfied" = -1, and "Very Dissatisfied" = -2.

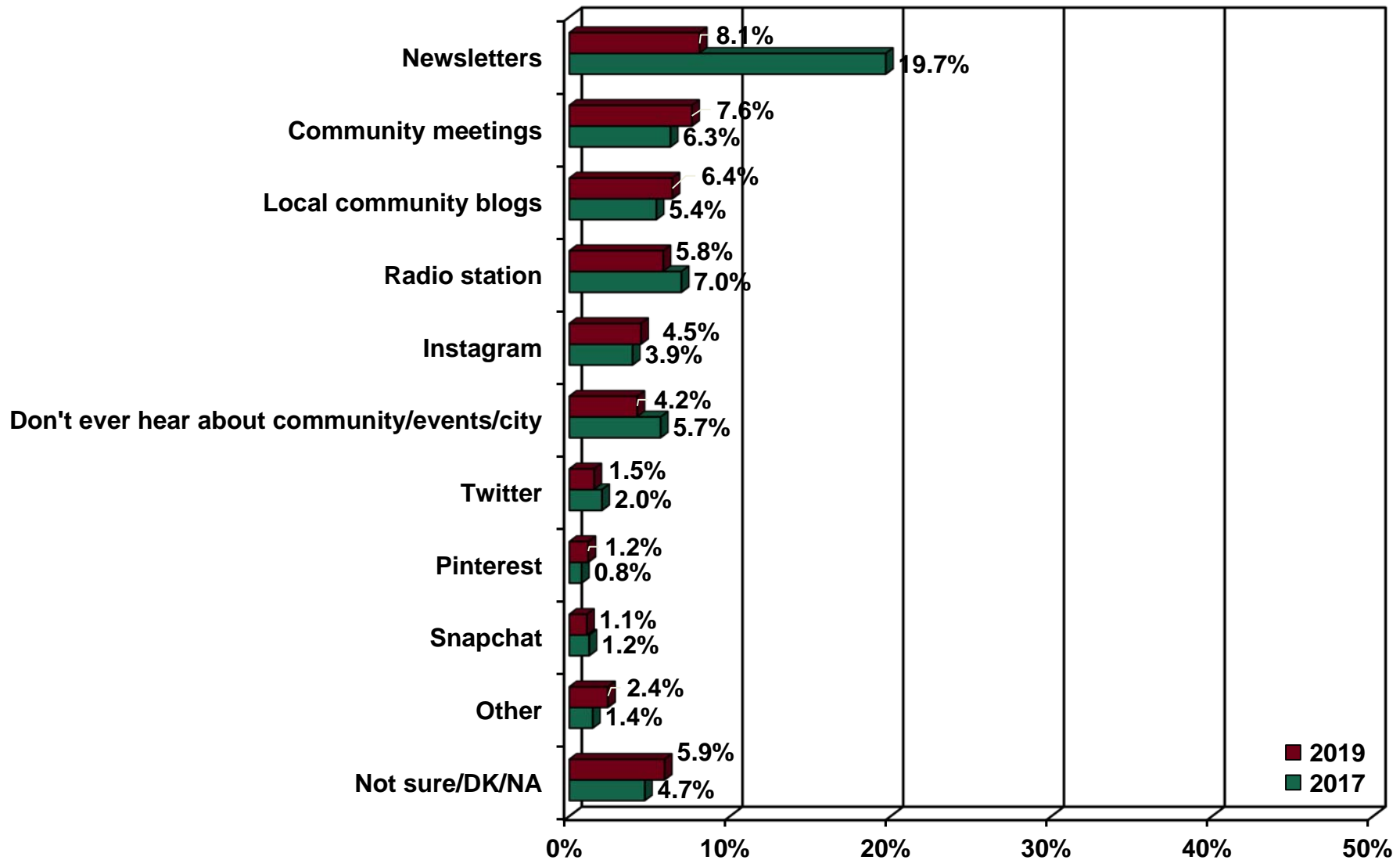
# Q11. Preferred Sources for Local Information I

## Adults 18+



# Q11. Preferred Sources for Local Information II

## Adults 18+



- Seventy percent of respondents think that the quality of life in Grover Beach is better or staying the same than 5 years ago.
- A majority of residents are satisfied with the job the City is doing to provide city services.
  - Sixty-five percent of respondents indicated that they are “very satisfied” (14.4%) or “somewhat satisfied” (50.1%) with the job the City is doing to provide services.
- In an open-end format, residents’ top concerns are:
  - Roads/Streets/Infrastructure (27.0%)
  - Homelessness (23.4%)
- The most important municipal services are:
  - Rapidly responding to 9-1-1 emergency calls
  - Maintaining fire and emergency medical services
  - Repairing and maintaining city streets and repairing potholes
- Residents are most satisfied with:
  - Maintain fire and emergency medical services
  - Rapidly respond to 9-1-1 emergency calls

- The survey revealed a base of voter support for a measure to increase the local sales tax by one-half cent.
  - Support for the sales tax measure in the November 2020 election was 65.7%.
- Respondents strongly agree:
  - Maintaining fire and emergency medical services is critical to the health and safety of Grover Beach residents.
  - Maintaining the current level of police service, including neighborhood police patrols, property crime and car theft prevention programs, is vital to protecting Grover Beach's quality of life.
- Thirty-four percent of respondents have contacted the City in the last 12 months.
  - 75.7% of respondents were satisfied with the “customer service you received”
  - 74.9% of respondents were satisfied with the “Timeliness of the response”
  - 74.1% of respondents were satisfied with the “Courtesy of the City staff”
  - 67.1% of respondents were satisfied with “Getting your problem resolved or question answered”

- Top sources of information on local community, local events and City government are:
  - Word of mouth – family / friends / colleagues / neighbors
  - City website
  - Facebook
  - TV station
  - Nextdoor
  - Water bill
  - City council or commission meetings
  - Public hearing notices / City postcards
  - Newspaper
  - City departments or agencies



**GODBE RESEARCH**  
Gain Insight



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Nevada Office

59 Damonte Ranch Parkway, Suite B309  
Reno, NV 89521

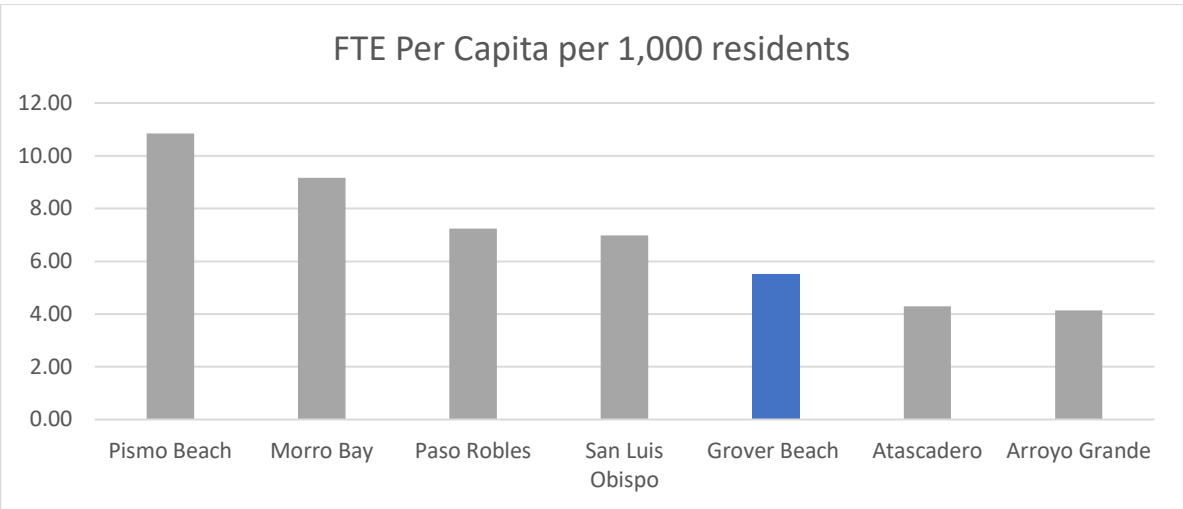
Pacific Northwest Office

601 108th Avenue NE, Suite 1900  
Bellevue, WA 98004

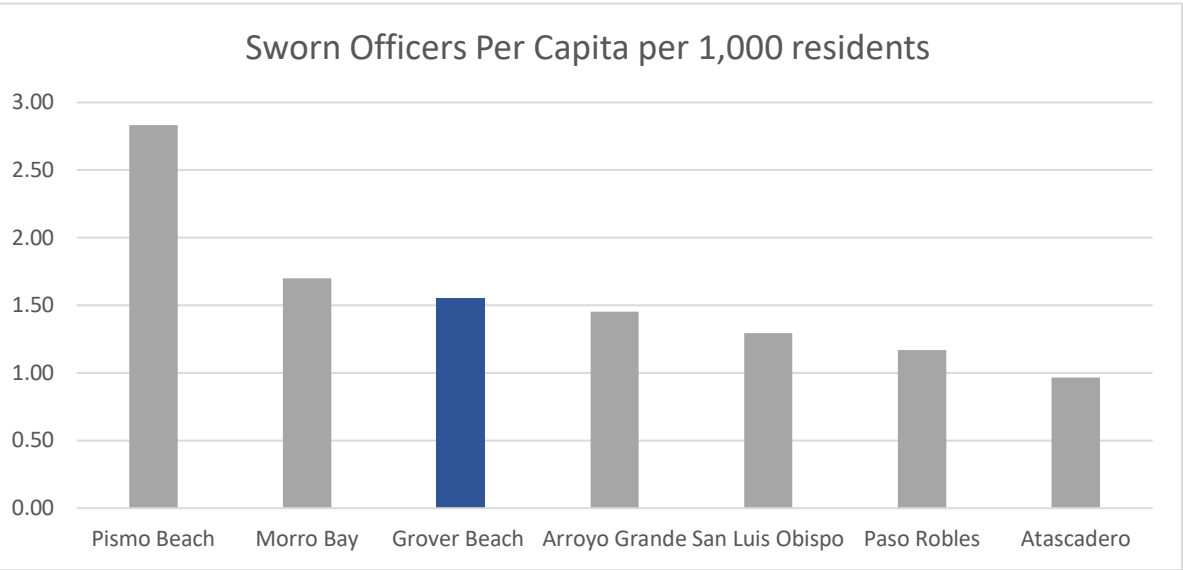


Budget and Staffing Comparisons

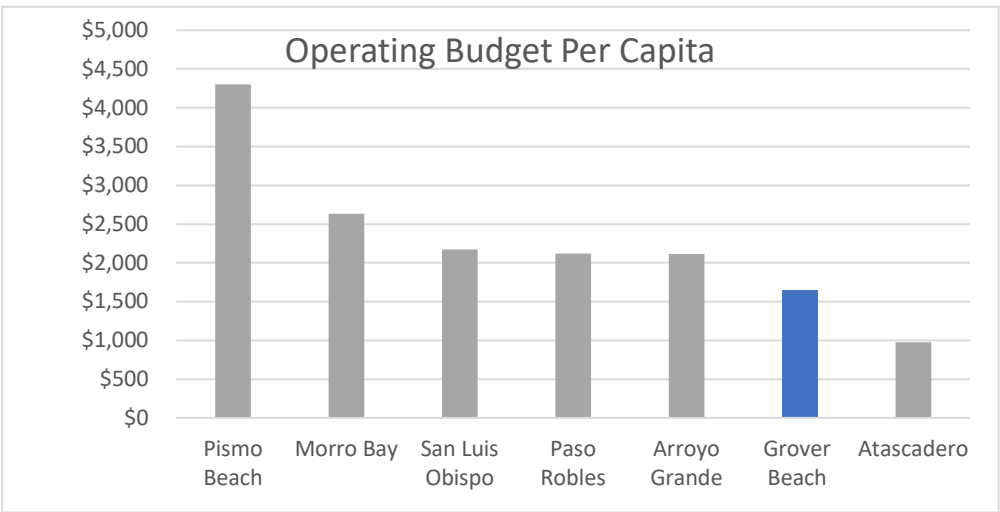
City	Number of Full Time Employees	Population	FTE Per Capita per 1,000 residents
Pismo Beach	88	8,116	10.84
Morro Bay	97	10,592	9.17
Paso Robles	229	31,656	7.23
San Luis Obispo	329	47,160	6.98
Grover Beach	75	13,538	5.53
Atascadero	129	30,037	4.29
Arroyo Grande	74	17,876	4.14



City	Number of Sworn Officers	Population	Sworn Officers Per Capita per 1,000 residents
Pismo Beach	23	8,116	2.83
Morro Bay	18	10,592	1.70
Grover Beach	21	13,538	1.55
Arroyo Grande	26	17,876	1.45
San Luis Obispo	61	47,160	1.29
Paso Robles	37	31,656	1.17
Atascadero	29	30,037	0.97

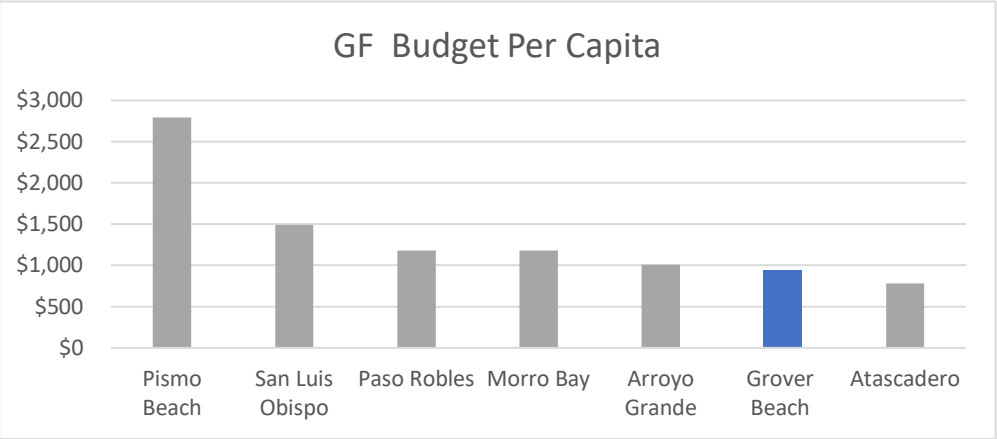


City	Total Operating Budget (All Funds)	Population	Operating Budget Per Capita
Pismo Beach	\$34,897,733	8,116	\$4,300
Morro Bay	\$27,893,111	10,592	\$2,633
San Luis Obispo	\$102,383,000	47,160	\$2,171
Paso Robles	\$67,104,600	31,656	\$2,120
Arroyo Grande	\$37,800,000	17,876	\$2,115
Grover Beach	\$22,327,874	13,538	\$1,649
Atascadero	\$29,308,950	30,037	\$976

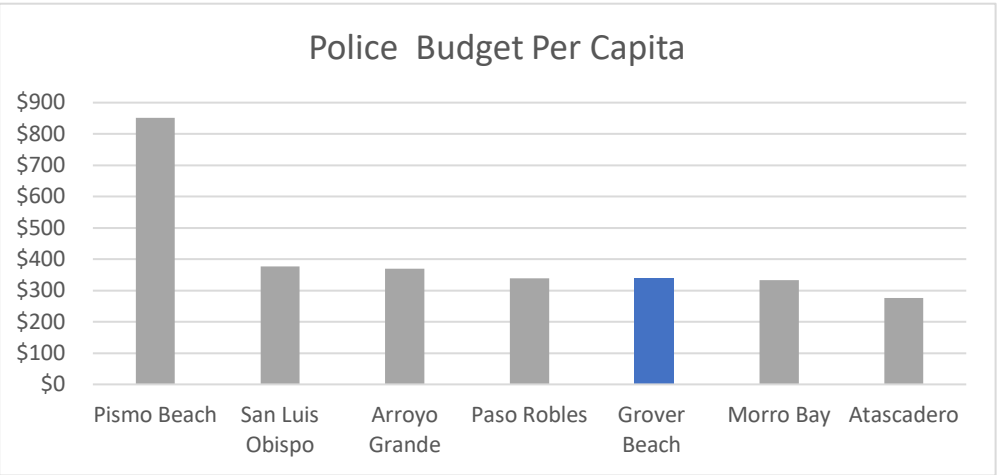


### Budget and Staffing Comparisons

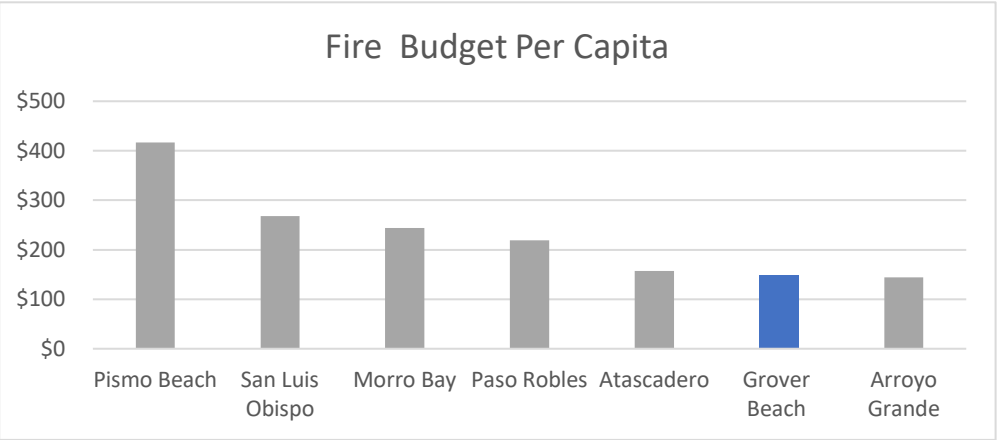
City	GF Operating Budget	Population	GF Budget Per Capita
Pismo Beach	\$22,660,070	8,116	\$2,792
San Luis Obispo	\$70,283,576	47,160	\$1,490
Paso Robles	\$37,348,700	31,656	\$1,180
Morro Bay	\$12,471,004	10,592	\$1,177
Arroyo Grande	\$18,066,802	17,876	\$1,011
Grover Beach	\$12,663,389	13,538	\$935
Atascadero	\$23,377,290	30,037	\$778



City	Police Operating Budget	Population	Police Budget Per Capita
Pismo Beach	\$6,909,037	8,116	\$851
San Luis Obispo	\$17,802,862	47,160	\$377
Arroyo Grande	\$6,603,643	17,876	\$369
Paso Robles	\$10,725,200	31,656	\$339
Grover Beach	\$4,575,515	13,538	\$338
Morro Bay	\$3,531,166	10,592	\$333
Atascadero	\$8,271,510	30,037	\$275



City	Fire Operating Budget	Population	Fire Budget Per Capita
Pismo Beach	\$3,380,188	8,116	\$416
San Luis Obispo	\$12,615,778	47,160	\$268
Morro Bay	\$2,579,593	10,592	\$244
Paso Robles	\$6,941,400	31,656	\$219
Atascadero	\$4,721,260	30,037	\$157
Grover Beach	\$2,015,507	13,538	\$149
Arroyo Grande	\$2,580,955	17,876	\$144



## Police Department Staffing Comparison

2019	Arroyo Grande	Atascadero	Grover Beach	Morro Bay	Paso Robles	Pismo Beach	San Luis Obispo
Population	17,876	30,037	13,538	10,592	31,656	8,116	47,160
# of Sworn Officers	26	29	21	18	37	23	61
# of Calls for Service	19,291	25,404	19,684	10,865	43,458	23,447	39,850
Officer Ratio to Residents (per 1,000)	1.45	.97	1.55	1.70	1.17	2.83	1.29
Officer Ratio to Calls for Service	742	876	937	604	1,175	1,019	653

**California Sales and Use Tax Rates by County and City\***  
*Operative April 1, 2020 (includes state, county, local, and district taxes)*

**Attachment 5**

**ALAMEDA**

**COUNTY 9.25%**

City of Alameda 9.75%  
City of Albany 9.75%  
City of Hayward 9.75%  
City of Newark 9.75%  
City of San Leandro 9.75%  
City of Union City 9.75%

**ALPINE**

**COUNTY 7.25%**

**AMADOR**

**COUNTY 7.75%**

**BUTTE**

**COUNTY 7.25%**

City of Oroville 8.25%  
Town of Paradise 7.75%

**CALAVERAS**

**COUNTY 7.25%**

City of Angels Camp 7.75%

**COLUSA**

**COUNTY 7.25%**

City of Williams 7.75%

**CONTRA COSTA**

**COUNTY 8.25%**

City of Antioch 9.25%  
City of Concord 8.75%  
City of El Cerrito 9.75%  
City of Hercules 8.75%  
City of Martinez 9.25%  
Town of Moraga 9.25%  
City of Orinda 8.75%  
City of Pinole 9.25%  
City of Pittsburg 8.75%  
City of Pleasant Hill 8.75%  
City of Richmond 9.25%  
City of San Pablo 8.75%

**DEL NORTE**

**COUNTY 7.50%**

**EL DORADO**

**COUNTY 7.25%**

City of Placerville 8.25%  
City of South Lake Tahoe  
7.75%

**FRESNO**

**COUNTY 7.975%**

City of Coalinga 8.975%

City of Fowler 8.975%  
City of Huron 8.975%  
City of Kerman 8.975%  
City of Kingsburg 8.975%  
City of Parlier 8.975%  
City of Reedley 8.475%  
City of Sanger 8.725%  
City of Selma 8.475%

**GLENN**

**COUNTY 7.25%**

City of Orland 7.75%

**HUMBOLDT**

**COUNTY 7.75%**

City of Arcata 8.50%  
City of Eureka 8.50%  
City of Fortuna 8.50%  
City of Rio Dell 8.75%  
City of Trinidad 8.50%

**IMPERIAL**

**COUNTY 7.75%**

City of Calexico 8.25%  
City of El Centro 8.25%

**INYO**

**COUNTY 7.75%**

**KERN**

**COUNTY 7.25%**

City of Arvin 8.25%  
City of Bakersfield 8.25%  
City of Delano 8.25%  
City of Ridgecrest 8.25%  
City of Wasco 8.25%

**KINGS**

**COUNTY 7.25%**

City of Corcoran 8.25%

**LAKE**

**COUNTY 7.25%**

City of Clearlake 8.75%  
City of Lakeport 8.75%

**LASSEN**

**COUNTY 7.25%**

**LOS ANGELES**

**COUNTY 9.50%**

City of Arcadia 10.25%  
City of Avalon 10.00%  
City of Burbank 10.25%  
City of Commerce 10.00%

City of Compton 10.25%  
City of Covina 10.25%  
City of Cudahy 10.25%  
City of Culver City 10.25%  
City of Downey 10.00%  
City of El Monte 10.00%  
City of Glendale 10.25%  
City of Glendora 10.25%  
City of Hawthorne 10.25%  
City of Huntington Park 10.25%  
City of Inglewood 10.00%  
City of Irwindale 10.25%  
City of La Puente 10.00%  
City of Lawndale 10.25%  
City of Long Beach 10.25%  
City of Lynwood 10.25%  
City of Monrovia 10.25%  
City of Pico Rivera 10.25%  
City of Pasadena 10.25%  
City of Pomona 10.25%  
City of San Fernando 10.00%  
City of Santa Fe Springs 10.50%  
City of Santa Monica 10.25%  
City of Sierra Madre 10.25%  
City of South El Monte 10.00%  
City of South Gate 10.25%  
City of South Pasadena 10.25%

**MADERA**

**COUNTY 7.75%**

City of Chowchilla 8.75%  
City of Madera 8.25%

**MARIN**

**COUNTY 8.25%**

Town of Corte Madera 9.00%  
Town of Fairfax 9.00%  
City of Larkspur 9.00%  
City of Novato 8.50%  
Town of San Anselmo 8.75%  
City of San Rafael 9.00%  
City of Sausalito 8.75%

**MARIPOSA**

**COUNTY 7.75%**

**MENDOCINO**

**COUNTY 7.875%**

City of Fort Bragg 8.875%  
City of Point Arena 8.375%  
City of Ukiah 8.875%

City of Willits 8.375%

**MERCED**

**COUNTY 7.75%**

City of Atwater 8.25%  
City of Gustine 8.25%  
City of Los Banos 8.75%  
City of Merced 8.25%

**MODOC**

**COUNTY 7.25%**

**MONO**

**COUNTY 7.25%**

Town of Mammoth Lakes  
7.75%

**MONTEREY**

**COUNTY 7.75%**

City of Carmel-by-the-Sea  
8.75%  
City of Del Rey Oaks 9.25%  
City of Gonzales 8.25%  
City of Greenfield 9.50%  
City of King City 8.75%  
City of Marina 9.25%  
City of Monterey 8.75%  
City of Pacific Grove 8.75%  
City of Salinas 9.25%  
City of Sand City 8.75%  
City of Seaside 9.25%  
City of Soledad 8.75%

**NAPA**

**COUNTY 7.75%**

City of St. Helena 8.25%

**NEVADA**

**COUNTY 7.50%**

City of Grass Valley 8.50%  
City of Nevada City 8.375%  
Town of Truckee 8.25%

**ORANGE**

**COUNTY 7.75%**

City of Fountain Valley 8.75%  
City of Garden Grove 8.75%  
City of La Habra 8.25%  
City of La Palma 8.75%  
City of Placentia 8.75%  
City of Santa Ana 9.25%  
City of Seal Beach 8.75%  
City of Stanton 8.75%  
City of Westminster 8.75%

\*(For more details, refer to [www.cdfa.ca.gov/taxes-and-fees/sales-use-tax-rates.htm](http://www.cdfa.ca.gov/taxes-and-fees/sales-use-tax-rates.htm).)

Note: Some communities located within a county or a city may not be listed. If you are in doubt about the correct rate or if you cannot find a community, please call our toll-free number at 1-800-400-7115 (CRS:711), or call the local California Department of Tax and Fee Administration office nearest you for assistance.

**PLACER  
COUNTY 7.25%**

Town of Loomis 7.50%  
City of Roseville 7.75%

**PLUMAS  
COUNTY 7.25%**

**RIVERSIDE  
COUNTY 7.75%**

City of Cathedral City 8.75%  
City of Coachella 8.75%  
City of Hemet 8.75%  
City of Indio 8.75%  
City of La Quinta 8.75%  
City of Menifee 8.75%  
City of Murrieta 8.75%  
City of Norco 8.75%  
City of Palm Springs 9.25%  
City of Riverside 8.75%  
City of Temecula 8.75%  
City of Wildomar 8.75%

**SACRAMENTO  
COUNTY 7.75%**

City of Galt 8.25%  
City of Isleton 8.75%  
City of Rancho Cordova 8.25%  
City of Sacramento 8.75%

**SAN BENITO  
COUNTY 8.25%**

City of Hollister 9.25%  
City of San Juan Bautista 9.00%

**SAN BERNARDINO  
COUNTY 7.75%**

City of Barstow 8.75%  
City of Montclair 8.00%  
City of San Bernardino 8.00%  
Town of Yucca Valley 8.75%

**SAN DIEGO  
COUNTY 7.75%**

City of Chula Vista 8.75%  
City of Del Mar 8.75%  
City of El Cajon 8.25%  
City of La Mesa 8.50%  
City of National City 8.75%  
City of Oceanside 8.25%  
City of Vista 8.25%

**SAN FRANCISCO  
COUNTY 8.50%**

**SAN JOAQUIN  
COUNTY 7.75%**

City of Lathrop 8.75%  
City of Lodi 8.25%  
City of Manteca 8.25%  
City of Stockton 9.00%  
City of Tracy 8.25%

**SAN LUIS OBISPO  
COUNTY 7.25%**

City of Arroyo Grande 7.75%  
City of Atascadero 7.75%  
City of Grover Beach 7.75%  
City of Morro Bay 7.75%  
City of Paso Robles 7.75%  
City of Pismo Beach 7.75%  
City of San Luis Obispo 7.75%

**SAN MATEO  
COUNTY 9.25%**

City of Belmont 9.75%  
City of Burlingame 9.50%  
City of East Palo Alto 9.75%  
City of Redwood City 9.75%  
City of San Bruno 9.75%  
City of San Mateo 9.50%  
City of South San Francisco 9.75%

**SANTA BARBARA  
COUNTY 7.75%**

City of Carpinteria 9.00%  
City of Guadalupe 8.00%  
City of Santa Barbara 8.75%  
City of Santa Maria 8.75%

**SANTA CLARA  
COUNTY 9.00%**

City of Campbell 9.25%  
City of Los Gatos 9.125%  
City of San Jose 9.25%

**SANTA CRUZ  
COUNTY<sup>1</sup> 8.50%**

City of Capitola 9.00%  
City of Santa Cruz 9.25%  
City of Scotts Valley 9.00%  
City of Watsonville 9.25%  
Santa Cruz (Unincorporated Area)<sup>2</sup> 9.00%

**SHASTA  
COUNTY 7.25%**

City of Anderson 7.75%

**SISIERA  
COUNTY 7.25%**

**SISKIYOU  
COUNTY 7.25%**

City of Dunsmuir 7.75%  
City of Mount Shasta 7.50%  
City of Weed 7.50%  
City of Yreka 7.75%

**SOLANO  
COUNTY 7.375%**

City of Benicia 8.375%  
City of Fairfield 8.375%  
City of Rio Vista 8.125%  
City of Suisun City 8.375%  
City of Vacaville 8.125%  
City of Vallejo 8.375%

**SONOMA  
COUNTY 8.25%**

City of Cotati 9.25%  
City of Healdsburg 8.75%  
City of Rohnert Park 8.75%  
City of Santa Rosa 9.00%  
City of Sebastopol 9.00%  
City of Sonoma 8.75%

**STANISLAUS  
COUNTY 7.875%**

City of Ceres 8.375%  
City of Oakdale 8.375%

**SUTTER  
COUNTY 7.25%**

**TEHAMA  
COUNTY 7.25%**

City of Corning 7.75%  
City of Red Bluff 7.50%

**TRINITY  
COUNTY 7.25%**

**TULARE  
COUNTY 7.75%**

City of Dinuba 8.50%  
City of Farmersville 8.75%  
City of Lindsay 8.75%  
City of Porterville 9.25%

City of Tulare 8.25%  
City of Visalia 8.50%  
City of Woodlake 8.75%

**TUOLUMNE  
COUNTY 7.25%**

City of Sonora 7.75%

**VENTURA  
COUNTY 7.25%**

City of Oxnard 7.75%  
City of Port Hueneme 8.75%  
City of Santa Paula 8.25%  
City of Ventura 7.75%

**YOLO  
COUNTY 7.25%**

City of Davis 8.25%  
City of West Sacramento 8.25%  
City of Woodland 8.00%

**YUBA  
COUNTY<sup>3</sup> 7.25%**

City of Marysville 8.25%  
City of Wheatland 7.75%  
Yuba (Unincorporated Area)<sup>4</sup> 8.25%

<sup>1</sup> This county tax rate applies to areas that are within the boundaries of any incorporated cities within the Santa Cruz county.

<sup>2</sup> This county tax rate applies to areas that are not within the boundaries of any incorporated cities within the Santa Cruz county.

<sup>3</sup> This county tax rate applies to areas that are within the boundaries of any incorporated cities within the Yuba county.

<sup>4</sup> This county tax rate applies to areas that are not within the boundaries of any incorporated cities within the Yuba county.