



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager's Office



DATE: February 10, 2012
BOARD MEETING DATE: February 28, 2012
SPECIAL NOTICE/HEARING: Public Hearing
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: John L. Maltbie, Acting County Manager

SUBJECT: Special Parcel Tax for Extended Police and Structural Fire Services in County Service Area No. 1

RECOMMENDATION:

1. Conduct a public hearing and adopt a resolution adopting a special parcel tax at an annual rate not to exceed \$65 per parcel for extended police and structural fire protection services in County Service Area No. 1, to be levied in each of the next four fiscal years, effective upon voter approval.
2. Adopt a Resolution calling an election in County Service Area No. 1 for the purpose of submitting to the electors of said area a ballot measure for the adoption of the special tax for extended police and structural fire protection services.

BACKGROUND:

County Service Area No.1 (CSA 1) was formed in 1955 to provide enhanced fire services within the district boundaries. With the creation of this special district, a portion of the property tax paid by the CSA 1 voters was set aside for these fire protection services. In 1966, The Board adopted a resolution adding police services to the CSA 1 budget, to be provided by the County Sheriff.

With the passage of Proposition 13, property tax revenue in CSA 1 was reduced. In 1982, a 2/3 majority of the voters of CSA 1 approved a parcel tax to fund the enhanced level of police and fire service they desired. The 1982 ballot measure set the not to exceed amount of the tax at \$110 a parcel. The special tax was renewed in 1986 and 1991 with a not to exceed amount of \$110. In 1996, due to the ongoing actual rate of \$65 a parcel, the not to exceed amount on the ballot was reduced. A \$65 per parcel maximum tax was approved by district voters in 1996, 2000, 2004 and 2007.

The Board of Supervisors sets the actual amount of the tax at a public hearing each year. The actual amount of the tax is based on projected annual income and expenses for CSA 1. Since the tax was first adopted, the actual levy has never been more than \$65 per parcel. In FY 11/12, the supplemental fire and police services included a

contract with Cal Fire for one three-person fire engine company located at Station 17, on Tower Road and Sheriff patrols 7 days a week, 18 hours a day.

DISCUSSION:

The current parcel tax authorization expires in July of 2012. County staff met with CSA 1 Homeowner Association representatives to discuss the continuation of the tax. The Homeowner Association representatives support continuing the parcel tax at a \$65 maximum rate for another four years.

This Board is being asked to consider two resolutions. The first resolution adopts a special tax for extended fire and police services in CSA-1 for four fiscal years, beginning in FY 2012-2013 and ending in FY 2015-2016, at a maximum annual rate of \$65 per parcel to be applied uniformly to all non-exempt parcels. The second resolution calls for an election on the proposed tax and consolidates the election with the statewide election on June 5, 2012.

If the voters of CSA No. 1 approve the special tax measure by a 2/3 vote, the County will levy the tax beginning in FY 2012-2013. Each fiscal year, the County will hold a public hearing to set the actual tax rate to be levied, up to the maximum of \$65 per parcel.

This action supports the Healthy Community Shared Vision by providing CSA 1 residents the opportunity to generate additional funding for their enhanced fire and police service.

This memo and resolution have been reviewed and approved by County Counsel.

FISCAL IMPACT:

As a special district, the revenue generated by CSA 1 must pay for 100% of the district expenses. Therefore, approving a parcel tax election for CSA 1 has no impact on the General Fund.

The CSA 1 budget for FY 11/12 is \$2,133,110. The primary revenue source for CSA 1 is a share of the property taxes paid by CSA 1 residents. The parcel tax generates about \$92,000 a year, which is about 4% of the total budget. For the past five years, district revenue has exceeded expenses and CSA 1 reserves have grown to \$1.6 million, which is why continuing the \$65 a parcel rate is recommended. It is important for the district to maintain a large reserve to pay for future vehicle replacement and/or fire station improvements.

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION ADOPTING A SPECIAL PARCEL TAX AT AN ANNUAL RATE NOT TO EXCEED \$65 PER PARCEL FOR EXTENDED POLICE AND STRUCTURAL FIRE PROTECTION SERVICES IN COUNTY SERVICE AREA NO. 1, TO BE LEVIED IN EACH OF THE NEXT FOUR FISCAL YEARS, UPON VOTER APPROVAL

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that :

WHEREAS, the Board does hereby determine that in order to maintain present levels of extended police and structural fire protection services in County Service Area No. 1, it is necessary to impose a special tax pursuant to the provisions of California Government Code Section 50075 et seq.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

Section 1: For the next four fiscal years, commencing with FY 2012-13 and concluding with FY 2015-16, an annual special tax is hereby imposed on property within the boundaries of County Service Area No. 1 as identified in Exhibit B, and per the tax schedule in Exhibit A, attached hereto and incorporated herein by reference. Pursuant to Section 50075.1(a) of the Government Code, the proceeds of the special tax shall be spent only on extended police and structural fire protection services in County Service Area No. 1. Pursuant to Section 50075.1(b) of the Government Code, proceeds of the

special tax shall be used for no other purpose.

Pursuant to Section 50075.1(c) of the Government Code, the County shall create an account into which the proceeds of this tax shall be deposited.

Pursuant to Sections 50075.1(d) and 50075.3 of the Government Code, the chief fiscal officer of the County shall file an annual report with the Board of Supervisors each year following imposition of the tax which report shall contain a description of the amount of funds collected and expended and the status of any project required or authorized to be funded as identified in this measure, if any.

Section 2: Prior to levying a special tax in any fiscal year, the Board of Supervisors shall conduct a public hearing on the proposed tax. Notice of the time, date and place of hearing shall be published pursuant to Government Code 6061, published once in a newspaper of general circulation in the County Service Area No. 1. Following said hearing, the Board shall adopt a resolution fixing the amount of tax to be raised and the rate for the parcel tax, up to the maximum rate of \$65 per parcel. Any tax levied shall become a lien upon the properties against which taxes are assessed and collectible as herein provided.

Section 3: At the time of adoption of its annual budget, the Board shall determine the precise amount of the special tax, if any, to be imposed during the ensuing fiscal year.

Section 4: The special tax herein shall be imposed commencing July 1, 2012, and shall be collected by the San Mateo County Tax Collector at the same time along with, and shall be subject to the same penalties as general ad valorem property taxes

collected by said Tax Collector. The tax and penalties shall bear interest at the same rate for unpaid ad valorem property taxes until paid.

Section 5: The Board may from time to time adopt regulations necessary for the enforcement and administration of the special tax provided for herein. Such regulations shall be consistent with the purpose and intent of this resolution.

Section 6: If any section of this resolution is held invalid or unenforceable by the final judgments of any court, then that section may be amended by the Board by a majority vote to conform with the judgments of such court, provided such amendment is consistent with the purpose and intent of this resolution.

Section 7: If any section, subsection, sentence, phrase or clause of this resolution is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this resolution.

Section 8: This resolution shall be submitted to the voters of County Service Area No. 1 at an election to be conducted on June 5, 2012 within said Area, and shall take effect immediately upon its confirmation by two-thirds (2/3rds) of the voters voting upon the ballot measure at said election.

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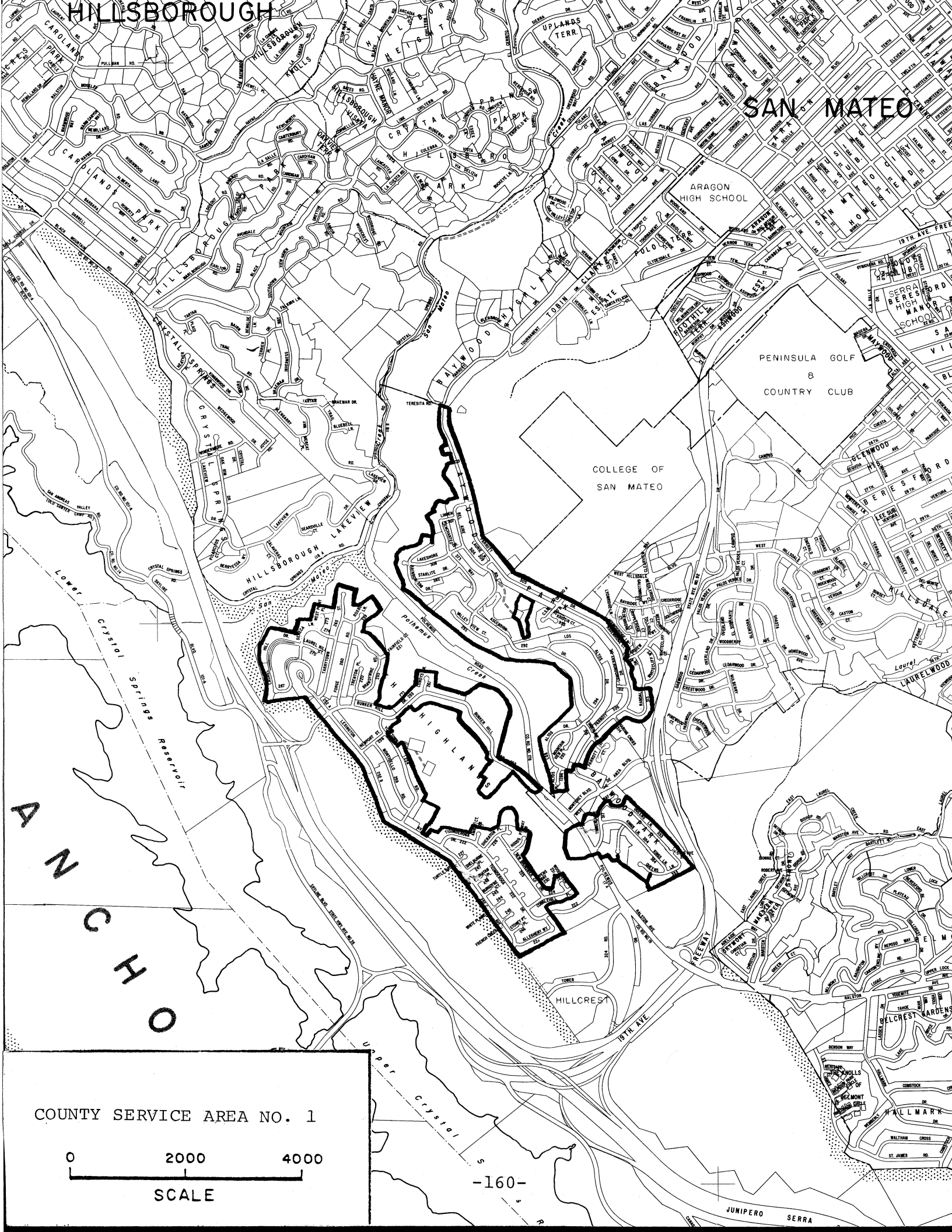
EXHIBIT A

Parcels of real property within the San Mateo County Service Area No. 1, not exempted by law from ad valorem property taxes, shall be taxed according to the following schedule but not to exceed the rate set forth below:

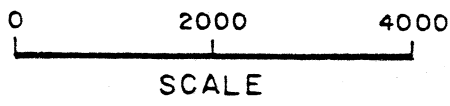
<u>Type of Property</u>	<u>Maximum Amount Per Year</u>
All parcels not exempted by law from ad valorem property taxes	\$65.00 per parcel

HILLSBOROUGH

SAN MATEO



COUNTY SERVICE AREA NO. 1



RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION CALLING AN ELECTION IN THAT CERTAIN PORTION OF THE
COUNTY CONSISTING OF COUNTY SERVICE AREA NO. 1 FOR THE PURPOSE
OF SUBMITTING TO THE ELECTORS OF SAID AREA A BALLOT MEASURE FOR
THE ADOPTION OF A SPECIAL TAX FOR EXTENDED POLICE
AND STRUCTURAL FIRE PROTECTION SERVICES**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that:

WHEREAS, this Board did, on February 28, 2012, adopt a resolution to impose a special tax for extended police and structural fire protection services pursuant to the provisions of California Government Code Section 50075 et seq., and;

WHEREAS, Government Code 50075 et seq., requires that a ballot measure for approval of said special tax shall be submitted to the voters of the affected area, and;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

1. An election shall be and is hereby ordered to be held on June 5, 2012, at which election there shall be submitted to the qualified electors of the area the question of imposition of a special tax for extended police and structural fire protection services, said proposition to read as follows:

MEASURE ____:

Special Tax for Extended Police and Fire Protection Services

Shall Resolution No. _____ of the County of San Mateo continuing the levy of a special tax for four years at a maximum rate of \$65 per parcel per year for extended police and structural fire protection services be approved?

2. The Board of Supervisors does hereby submit to the qualified electors of the above described area at said election said measure as set forth in paragraph 1 of this resolution and designates and refers to said measure as the measure to be set forth on the ballots for use at said election. The full text of the measure is as contained in Resolution No. _____, adopted by this Board and incorporated by this reference. Pursuant to Election Code Section 9160, the resolution need not be included in the voter information pamphlet but shall be mailed promptly and at no charge to voters so requesting.

3. The County Clerk shall publish a notice of this election in accordance with the Elections Code and give any other required notices.

4.

(a) The Election shall be held and conducted, the returns canvassed, and the result declared in the same manner as provided by law for general elections.

(b) The Election will be held on June 5, 2012, from the hour of 7:00 a.m. to the

hour of 8:00 p.m., during which period of time the polls will remain continuously open. At 8:00 p.m., the polls will be closed, except as provided in section 14401 of the Elections Code.

(c) The County Clerk shall prepare and mail to each eligible voter in the County a sample ballot and a voter's pamphlet containing the text of the measure as indicated in paragraph 1 above, and a statement pursuant to Elections Code Section 9160 that provides "If you desire a copy of the entire measure as contained in Resolution No. _____ please contact the election official's office at (650) 312-5222 and a copy will be mailed at no cost to you."

(d) The County Clerk shall establish elections precincts, designate the polling places, and provide election officers for each precinct at the June 5, 2012, election in accordance with the election laws of the State of California.

(e) The election on the proposed measure shall be consolidated with any and all other elections to be held on June 5, 2012.

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