



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** BOARD OF SUPERVISORS  
DISTRICT 1  
**File #:** 20-138

Board Meeting Date: 3/24/2020

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors  
**From:** Dave Pine, Supervisor, District 1  
**Subject:** Special Parcel Tax for Extended Police and Structural Fire Services in County Service Area No. 1

**RECOMMENDATION:**

Adopt resolutions:

- A) 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 (4) fiscal years, effective upon voter approval; and
- B) Calling a June 23, 2020, special all-mailed ballot election in County Service Area No. 1 for the purpose of submitting to the voters of said area a ballot measure for the adoption of a special parcel 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 protection services within the district boundaries including the unincorporated areas of the San Mateo Highlands, Baywood Park, Baywood Plaza, and Polhemus Heights. With the creation of this service area, a portion of the property tax paid by the CSA-1 voters was set aside for these fire protection services. In 1966, the Board of Supervisors adopted a resolution adding police services to the CSA-1 budget, with such services to be provided by the County Sheriff.

With the passage of Proposition 13, property tax revenue in CSA-1 was reduced. In response, a 2/3 majority of the voters of CSA-1 approved a parcel tax in 1982 to help 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 per parcel. The district voters renewed the special tax in 1986 and 1991 with a not-to-exceed amount of \$110. In 1996, the not-to-exceed amount proposed on the ballot was reduced to \$65 per parcel and that maximum amount has been approved by district voters in 1996, 2000, 2004, 2008, 2012 and 2016.

The Board of Supervisors sets the actual amount of the tax at a public hearing each year. Since the special tax was first adopted in 1982, the actual levy has never been more than \$65 per parcel.

Traditionally, the CSA-1 special parcel tax has appeared every four years on the Presidential Primary Election ballot. Unfortunately, due to the change in the Primary Election date this year (the election was moved from June to March), and changes in County staff, the measure was not added to the March 2020 Primary Election ballot.

**DISCUSSION:**

The current parcel tax authorization expires on June 30, 2020. On March 16, 2020, my office and County staff conducted a virtual town hall meeting with interested CSA-1 residents regarding the continuation of the special parcel tax. I also solicited input via an email to CSA-1 community members who I have worked with in the past. The community associations within CSA-1 support continuing the special parcel tax at a \$65 maximum rate for another four (4) years as did substantially all of the individuals who contacted me.

This Board is being asked to consider two resolutions. The first resolution adopts a special parcel tax for extended fire and police services in CSA-1 for four (4) fiscal years beginning in FY 2020-21 and ending in FY 2023-24 at a maximum annual rate of \$65 per parcel to be applied uniformly to all non-exempt parcels. The second resolution calls for a special all-mailed ballot election on the proposed special parcel tax on June 23, 2020.

If the voters of CSA-1 approve the special parcel tax measure by a 2/3 vote, the County will levy the tax beginning in FY 2020-21. Each fiscal year, the Board of Supervisors will hold a public hearing to set the actual tax rate to be levied, up to the maximum of \$65 per parcel.

In FY 2018-19, CSA-1's total revenue was \$3,733,386. The primary revenue source for CSA-1 is a share of the property taxes paid by CSA-1 residents. For the past five years, district revenue has significantly exceeded expenses and CSA-1's reserves have grown to \$6,121,400 as of the end of FY 2018-19.

The approximately \$94,000 generated annually by the special parcel tax is used for fire and police services but is not earmarked for any specific personnel, equipment or programs. In FY 2019-20, the contract for CSA-1 with CAL FIRE is estimated to total \$2,544,972 and the contract for law enforcement is estimated to total \$720,306. The parcel tax will fund 2.9% of the estimated costs for these fire and law enforcement services.

The resolutions have been reviewed and approved by County Counsel as to form.

**FISCAL IMPACT:**

The Chief Elections Officer estimates that conducting the special election will cost in the range of \$83,000 to \$100,000. These expenses will be incurred by the General Fund.