



WHAT IS **MEASURE Z?**

Measure Z establishes a **one-cent Transaction and Use Tax** with revenues going directly to the City of Riverside. Measure Z will be on the **November 8, 2016 ballot** and would pay for critical unfunded City programs and services, such as public safety, prevention of homelessness, road maintenance and tree trimming, recreation and parks, and more.

RiversideCA.gov/MeasureZ

JOIN US AT YOUR LOCAL **MEASURE Z COMMUNITY MEETINGS**

October 5, 2016 - 6 PM

Hunt Park - Renck Community Center
4015 Jackson St, Riverside, CA 92503

October 13, 2016 - 6:30 PM

Orange Terrace Community Center
20010 Orange Terrace Pkwy, Riverside, CA 92508

October 19, 2016 - 6:30 PM

City Hall - Art Pick Council Chamber
3900 Main St, Riverside, CA 92501

October 20, 2016 - 6 PM

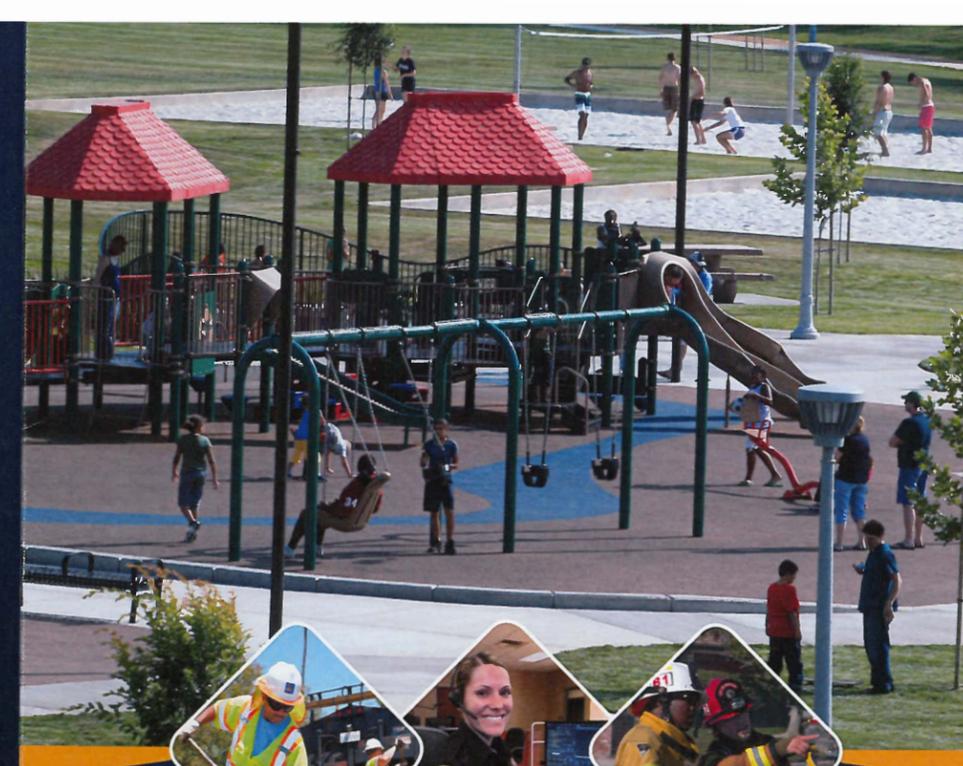
Arlanza Community Center
7950 Philbin Ave, Riverside, CA 92503

*Meeting schedule subject to change.

Please visit RiversideCA.gov/MeasureZ for updated information.



To learn more about Measure Z, visit
RiversideCA.gov/MeasureZ



MEASURE Z

WHAT IT'S ALL ABOUT



ELECTION DAY | NOVEMBER 8, 2016

MEASURE Z

How is Measure Z different from existing sales taxes?

The current sales and use tax rate in Riverside is 8%. The City receives only 1% of the 8%; the rest goes to the State (6.25%) and Riverside County (0.75%). If Measure Z passes, the entire additional 1% Transaction and Use Tax would go to the City.

What purchases would be taxable under Measure Z?

Retail sales of tangible personal property in California are generally subject to sales tax, such as furniture, giftware, toys, antiques, clothing, prepared food, liquor, automobiles, etc. **The tax would not apply to medicine and most groceries.**



How much money would Measure Z raise?

Between **\$48 million and \$50 million** annually specifically for the City of Riverside's General Fund, **which pays for most City services.**



What specifically would Measure Z revenue pay for?

Measure Z is a **general purpose tax**, so, due to State Law, the City is prohibited from specifying exactly what the money would fund. If Measure Z passes, the City Council and the new Budget Engagement Commission, **made up of residents and business representatives, will solicit input from the taxpayers** on the key priorities that should be funded. Taxpayers also can give input during the City's budget process.



How will these funds be accounted for?

Measure Z funds would be tracked and presented to the City Council publicly on a **quarterly basis, and audited annually.** Staff reports of those presentations to the City Council are available to the public before the Council hears the report.



WHY DOES THE CITY NEED THE ADDITIONAL MONEY?

The City has never fully recovered from the economic recession that started in 2008. Over the last several fiscal years, the City's General Fund has suffered from a lack of revenues to meet the growing cost of expenses, especially related to critical programs and services such as public safety, library and recreation programs. **To avoid interruptions in services, the City used one-time revenues and reserves, and deferred building maintenance and public safety vehicle replacement.**

These short-term and one-time fixes have now been exhausted, and with the City's revenues coming in far less than what was estimated, there is a structural deficit in the City's budget. As a result, an \$11 million annual shortfall was projected for each of fiscal years 2016-2017 and 2017-2018, with a similar financial forecast for the additional three years. To balance its budget, the City put in place spending freezes and hiring freezes and implemented major cuts across all departments, including public safety, libraries and recreation. These cuts enabled the City to balance the FY 2016-2018 two-year budget, but with a reduction in basic services and without addressing **\$200 million in unfunded critical needs, such as maintenance of police and fire stations, replacement of 30-year old fire trucks, and pothole patching.**

If approved by voters, the monies generated by Measure Z would **help restore service cuts, improve City services and start addressing the significant backlog of the unfunded critical needs.**

With Measure Z, the City will be able to fund critical needs, such as:



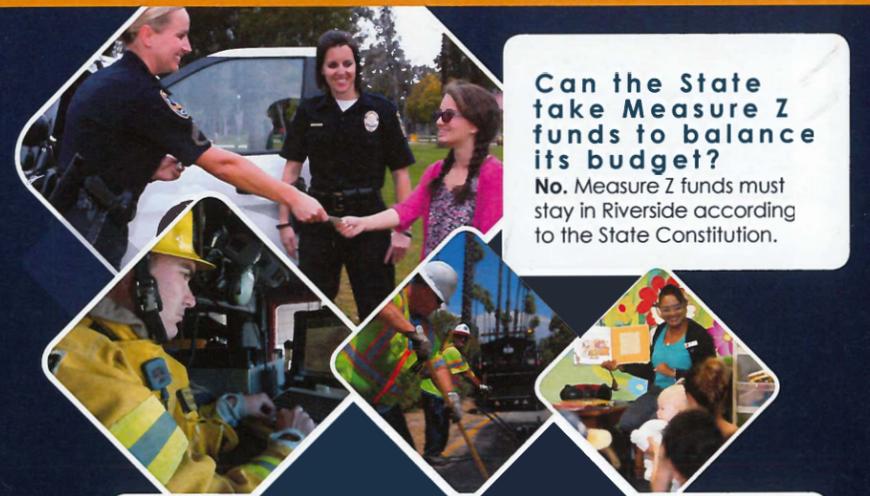
Replacement of 30-Year Old Fire Trucks



Police and Fire Station Maintenance



Pothole Patching



Can the State take Measure Z funds to balance its budget?

No. Measure Z funds must stay in Riverside according to the State Constitution.

What would a new sales tax rate be if Measure Z passes?

The current sales and use tax rate in Riverside is 8%. On January 1, 2017, the Statewide sales tax rate is schedule to decrease by 25 cents as a result of the expiration of a temporary increase approved by the voters in 2012, bringing Riverside's local rate to 7.75%. **If Measure Z passes, Riverside's sales tax rate would go up from the current 8% to 8.75%.**



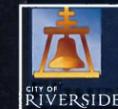
How long would Measure Z be in effect?

Measure Z would impose a local one-cent tax for **20 years, until March 31, 2037**, when it would go back to the voters. Voters could change or remove the tax any time prior to that.



Where can I find information on Measure Z and the November 8th Election?

The official Measure Z ballot information can be found at RiversideCA.gov/City_Clerk and to learn more about Measure Z, visit RiversideCA.gov/MeasureZ.



<http://riversideca.gov/manager/measurez.asp>



Responses to Frequently Asked Questions Concerning Implementation of Measure Z

Q: What is Measure Z?

A: Measure Z is a one-cent transaction and use tax (similar to the sales tax), with revenues going directly to the City of Riverside. Measure Z was approved by voters on November 8, 2016 to help pay for critical unfunded City programs and services.

Q: What was the intent of Measure Z?

A: The Riverside Mayor and City Council placed Measure Z on the ballot, at the recommendation of City staff, to help restore as much as possible of the \$11 million in critical services eliminated in June 2016, as well as to start addressing over \$40 million of other critical needs, such as first responder staffing and vehicles, road and tree maintenance, and building repair and maintenance. Please click [here](#) for a summary of items comprising the \$11 million reduction, along with the additional \$5 million in annual “managed savings” reductions to maintain a balanced budget. This [link](#) details the \$11 million budget cuts by department. Follow this [link](#) to see the list of the unfunded needs by department, and [here](#) for highlights of the most critical needs.

Q: Prior to Measure Z’s passage, the City eliminated nearly \$11 million from the City budget, including essential programs and services. What were these cuts?

A: In order to address a structural (meaning ongoing) shortfall in the City’s finances, the City eliminated a number of critical positions and services, including:

- 17 police and 7 fire positions;
- Community livability services provided by the Police Department, City Attorney’s Office, and Community and Economic Development Department;

- Landscape services and signal repairs;
- Three Innovation and Technology positions, and three positions in the City Manager's Office.

In addition to the \$11 million in permanent reductions, the City Council authorized over \$5 million in annual "managed savings" reductions to help maintain a balanced budget. Many of these reductions also impact services, particularly in public safety. Please click [here](#) for a summary of items comprising the \$11 million reduction, along with the additional \$5 million in annual "managed savings" reductions to maintain a balanced budget. This [link](#) details the \$11 million budget cuts by department.

Q: Before the November 2016 election, the City identified critical unfunded needs, at least some of which could be addressed with additional tax revenue. What are they?

A: In February-May 2016, each City department presented to the City Council, as well as to the community in neighborhood meetings, their assessment of critical needs that the City currently does not fund or significantly underfunds, jeopardizing the future quality of life in Riverside and the quality of municipal services. These needs are estimated at over \$40 million annually, and do not include construction of new facilities such as the Main Library or the downtown Police headquarters. Highlights include:

- Funding for repair and replacement of first responder vehicles (police and fire);
- Addition of 60 police officers – which would still keep Riverside's police officer count significantly below the West Coast average;
- Repair and maintenance of City facilities, such as police and fire stations, recreation centers and libraries, the Convention Center and the Fox Theater, and many others; and
- Street repair and maintenance.

Follow this [link](#) to see the list of the unfunded needs by department, and [here](#) for highlights of the most critical needs.

Q: When does the additional 1% transaction and use tax authorized by Measure Z take effect?

A: The new rate will go into effect on April 1, 2017. At that time, the combined total Riverside sales tax rate will become 8.75%.

Q: When will the City start receiving the additional tax revenue?

A: The majority of the funds will be received starting July 1, 2017, but the City expects to begin receiving some money in May and June 2017.

Q: How much money is the City going to get?

A: The City expects to receive approximately \$50 million per year.

Q: What will the City spend the money on?

A: As discussed above, Measure Z was placed on the ballot to help address as much as possible of the recent service cuts, and the unfunded critical needs. The City Council approves the City budget and will ultimately decide how Measure Z revenues are spent, based on information from staff and input from constituents. Also for the first time this year, the City is adding a further level of scrutiny through the creation of a new Budget Engagement Commission, which will meet and make recommendations to the City Council on what the new funds should be spent on. For information on the Budget Engagement Commission, please follow this [link](#).

Upcoming Budget Engagement Commission Meetings

Location: Mayor's Ceremonial Room, City Hall 7th Floor

Time: 5:00 pm to 7:00 pm

- February 23, 2017
- March 9, 2017
- April 6, 2017
- May 4, 2017
- June 8, 2017

Regularly scheduled City Council meetings that the Budget Engagement Commission will be invited to attend.

Location: Art Pick Council Chamber, City Hall

- January 31, 2017
- April 11, 2017

- May 9, 2017
- June 6, 2017
- June 13, 2017

Q: How will the Measure Z funds be accounted for?

A: Measure Z funds will be deposited and tracked in a separate fund in the City budget and will be subject to an annual independent audit.

Q: How can I, as a resident or business owner, get involved?

A: Like always, residents and business owners can provide their input by contacting their City Council member or by attending any City Council meeting. Residents and business owners who would like to serve on the Budget Engagement Commission can find an application on the City's website - http://www.riversideca.gov/city_clerk/Budget-Engagement-commission.asp – or from the City Clerk's Office in City Hall, 3900 Main Street. Lastly, you are encouraged to contact via email City Manager's staff assigned to the Budget Engagement Commission: Assistant City Manager Marianna Marysheva at mmarysheva@riversideca.gov.