

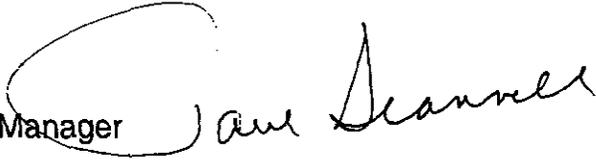


COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Manager's Office

DATE: October 20, 2003

BOARD MEETING DATE: November 4, 2003

TO: Honorable Board of Supervisors
FROM: Paul Scannell, Assistant County Manager 
SUBJECT: Special Tax for Police and Fire Services in County Service Area No. 1

RECOMMENDATION:

1. Conduct a public hearing to consider adopting a special tax rate to provide structural fire protection and police services in the unincorporated area defined by County Service Area No. 1;
2. Adopt a resolution calling an election for the purpose of submitting a proposition for the adoption of a special tax for structural fire protection and police services in County Service Area No. 1 for consolidation with the March 2, 2004 election; and
3. Adopt a resolution adopting a special tax to be imposed upon voter approval by a 2/3 vote in County Service Area No. 1.

BACKGROUND:

County Service Area No. 1 (CSA #1) was formed in 1955 to provide enhanced fire and police services within its boundaries. The Sheriff provides enhanced police service in the form of dedicated patrol coverage on an 18 hour 7 day per week basis, and enhanced fire protection is provided in the form of a dedicated 3 person engine company stationed in Belmont under contract with the California Department of Forestry. CSA #1 contains approximately 1,450 parcels and has an estimated population of 5,000.

Property tax revenue for CSA #1 was reduced dramatically in 1978 as a result of the

passage of Proposition 13. The 1978 reduction in property taxes limited the ability of CSA #1 to provide the level of services deemed necessary by the residents.

In 1982, CSA #1 voters approved a ballot measure by a 2/3 vote to impose a special tax not to exceed \$110 per parcel to maintain a level of fire and police service. That special tax was renewed by 2/3 votes in 1986, 1991, 1996 and 2000. Because of the annual increase in property taxes and the level of service required by CSA #1, the actual special tax, set annually by the Board of Supervisors after a public hearing, had never exceeded \$65 per parcel. The tax, approved by a 2/3 vote in 1996, reflected a Board approved reduction of the not-to-exceed amount of CSA #1's Special Tax to \$65.

DISCUSSION:

Subject to voter approval every four years, the rate of the special tax is established annually by the Board of Supervisors and forwarded to the Controller for inclusion on that year's tax bill. The \$65 capped amount of the special tax is the same rate the tax has been since 1982.

County Counsel has reviewed the necessary resolutions and the Assessor-County Clerk-Recorder is prepared to proceed with a consolidated election on March 2, 2004 in accordance with law.

VISION ALIGNMENT:

The resolutions calling for a special tax in CSA #1 keeps the commitment of: Ensuring basic health and safety for all and goal number seven: Maintaining and enhancing the public safety of all residents and visitors.

FISCAL IMPACT:

The cost to operate CSA #1 for FY 2003-04 totals \$1,933,631. The revenue funding this unit is primarily through the collection of Property Taxes and Fund Balance. At the maximum rate, the special tax yields approximately \$93,000 or 5% toward the CSA #1 budget. There is no impact to the General Fund since CSA #1 is a Special District.

Cc:

- Honorable Don Horsley, Sheriff
- Chief John Ferriera, California Department of Forestry
- Marcia Raines, Director, Environmental Services Agency
- Cliff Donley, President, Highlands Homeowners' Association
- Tom Casey, County Counsel
- Kanchan Charan, Controller's Office
- Warren Slocum, Assessor-County Clerk-Recorder

RECOMMENDED

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J. Mathe
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COUNTY MANAGER