



City of Arts & Innovation

# News Release

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## **Measure Z Spending Priorities Topic of Special City Council Meeting Jan. 31**

*Meeting is first step toward deciding how to best utilize estimated \$51.5 million in annual revenues*

RIVERSIDE, Calif. – The City of Riverside will devote a special City Council meeting on Tuesday, Jan. 31, to reviewing priorities for how best to utilize an estimated \$51.5 million per year in additional revenue that will begin entering city coffers later this year as a result of the passage of Measure Z.

The 6 p.m. meeting in the Art Pick Council Chamber at Riverside City Hall, 3900 Main Street, is the first of many opportunities for the public and its elected representatives to provide feedback to City staff on priorities for spending Measure Z funds. A final spending plan for Measure Z money is scheduled for approval by the City Council on May 9.

“The public voted to approve Measure Z, so it is imperative that the public be given every opportunity to give input on how these funds should be spent,” Mayor Rusty Bailey said. “It’s very encouraging to know that the next three months will be devoted to determining the highest and best use of this additional revenue.”

Multiple public meetings are scheduled in the coming weeks with the City Council and the new Budget Engagement Commission. Budget Engagement Commission members are to be appointed at the City Council’s Feb. 14 meeting and will meet either as a group, or jointly with the City Council, for several weeks. A full list of the Commission’s meetings, as well as meetings in which the City Council will discuss budget issues, can be found at [www.riversideca.gov/measurez](http://www.riversideca.gov/measurez).

Measure Z, which increased the local sales tax on taxable goods purchased in Riverside by one-cent-per-dollar, was approved by nearly 60 percent of voters on Nov. 8. The tax takes effect April 1 and is expected to generate about \$10 million by June 30, 2017, and about \$51.5 million per fiscal year thereafter.

The City of Riverside faces critical unfunded operational and capital needs of more than \$225 million during the next five years, or roughly \$45 million per year. Another \$1.1 billion in new facilities, road projects and the like are included in the annual Capital Improvement Plan, meaning that tough decisions must be made on how to spend the additional revenue from Measure Z.

Some of the unfunded infrastructure needs include a new police headquarters with a holding facility, a new Main Library, two new parking structures downtown, expansion of the Riverside Convention Center and renovation and expansion of the Metropolitan Museum.

“Our City is in the best financial shape in years, thanks to the voters,” Mayor Pro Tem Mike Gardner said. “But these funds are not unlimited and our needs are significant, so we really need members of the public to make their thoughts known moving forward.”

The City Council cut about \$11 million in spending last summer to balance the 2016-18 budget, which encompasses two fiscal years. The only one of those reductions that has been restored is a Fire Department squad that was brought back online in December, at a cost of \$450,000 for the remainder of the 2016-17 fiscal year and about \$800,000 for FY 2017-18.

The City Council eventually will decide whether to restore other previous cuts made as part of that \$11 million reduction, and how to spend other Measure Z revenues. City staff is recommending a number of options, including:

- adding 60 additional police officers to the Riverside Police Department, starting with 17 positions in 2017-18 and adding 43 additional positions over the next three years. This would increase the number of officers on the street by nearly 50 percent.
- setting aside each year \$2 million for police vehicles and \$1.6 million for fire vehicles.
- doubling the amount of money from the General Fund each year for street maintenance and repair, from \$2 million to about \$4.3 million, increasing the miles paved in the city each year from 28 to 43.
- adding \$400,000 per year to tree trimming in each of the next five years, a 44 percent increase that should double the number of trees trimmed each year.
- adding a Community Advocate to the City Manager’s Office and a Community Prosecutor to the City Attorney’s Office to work with the District Attorney to reduce vandalism, graffiti and other crimes that degrade neighborhoods.
- increasing the City’s General Fund Reserve to the 20 percent aspirational goal established by the City Council from 12.7 percent.
- paying off \$31.1 million in Pension Obligation Bonds during a 10-year period.

“The City of Riverside has spent the past 18 months reducing costs, identifying critical needs and reforming our budget process into a more business-like model,” City Manager John Russo said. “City staff is eager to get direction from our elected officials and the public to craft a plan that brings that same level of prudence to getting the most out of the Measure Z revenues.”

Complete staff reports can be accessed prior to the meeting at <http://bit.ly/MeasureZdocs>, and the meeting will be available for viewing at [www.watchriverside.com](http://www.watchriverside.com), both live and after the meeting. Ecomments can be made before the meeting by going to <https://riversideca.legistar.com/Calendar.aspx> and selecting the ecomment function for item #2 of the Jan. 31 meeting.