

**Impartial Analysis
City of Los Alamitos
Measure XX**

CITY OF LOS ALAMITOS
2020 APR -3 PM 5:21

Measure XX, the “City of Los Alamitos Quality of Life, 911 Police Response, Business/Job Protection Measure” was placed on the ballot by the City Council of the City of Los Alamitos. This Measure would authorize a one and one-half cent (1.5%) transactions and use tax (i.e., “sales tax”) within the City of Los Alamitos, which would add one and one-half cents to the cost of a \$1.00 item purchased in the City. Sales taxes are not a tax on homes or properties. Sales taxes are applied to purchases (except for food purchased as groceries or prescription medication). Out of town shoppers visiting Los Alamitos would also share in the cost.

Measure XX is intended to prevent significant cuts to public safety and other general City services resulting from a projected structural budget deficit growing from \$1.6 million in 2021-22 to over \$3.4 million in 2027-28 and approximately \$3.7 million by 2030. The City estimates that the proposed sales tax will generate an additional \$4.1 million annually. The actual amounts will vary based on the level of retail sales completed.

This sales tax would be a general tax, meaning that revenues raised from the tax would go into the City’s general fund and may be used for general governmental purposes of the City, including emergency 911 police response, neighborhood/park police patrols, street and park maintenance, youth and senior recreation programs, and other city services. The City would not be required to use the revenues raised by the measure for any special purpose.

Revenue and expenditures from this sales tax would be included in the City’s annual independent audit, the report of which is available to the public. Financial information would also be disclosed in the City’s Comprehensive Annual Financial Report and other public documents.

Revenue and Taxation Code section 7285.9 authorizes the City to levy a local transactions and use/sales tax at a rate of one and one-half percent so long as the tax is approved by two-thirds of the City Council and by a majority of the voters voting in an election on that issue. If approved, the sales tax would become effective on April 1, 2021.

The tax would be paid in addition to current sales taxes and would be collected at the same time and in the same manner as existing sales taxes. By law, all revenues raised by the measure would belong to the City of Los Alamitos and could not be taken by, or shared with, the State or any other agency.

A “yes” vote on Measure ___ will authorize the one and one-half cent (1.5%) sales tax.

A “no” vote on Measure ___ will not authorize the sales tax.

The above statement is an impartial analysis of the measure or proposed ordinance. If you desire a copy of the measure or the ordinance, please call the City Clerk’s office at (562) 431-3538 ext. 200 and a copy will be mailed at no cost to you.

s/Michael S. Daudt
City Attorney