



City of Grass Valley Measure B Citizen Oversight Committee Agenda Action Sheet

Title: Confirm proposed expenditures are consistent with Measure B and the associated initial Expenditure Plan for a portion of Fiscal Year 2024/25.

CEQA: Not a Project.

Recommendation: That the Citizen Oversight Committee confirms the initial expenditures for Measure B.

Prepared by: Timothy M. Kiser, City Manager

Council Meeting Date: August 19, 2024

Date Prepared: August 15, 2024

Agenda: Administrative

Background Information: On October 24, 2023, the Grass Valley City Council unanimously passed Resolution No. 2023-62 and Ordinance 826, initiating a pivotal decision for the community. The resolution called for a March 5, 2024 election, where citizens would vote on a 3/8 percent general sales tax (transactions and use tax) measure aimed at enhancing Fire Resiliency and Vegetation Management.

In accordance with Ordinance 826, the Grass Valley City Council adopted a detailed plan outlining the allocation of proceeds from the proposed tax, following a duly noticed public hearing.

On March 5th, the citizens of Grass Valley narrowly approved Measure B, and the City needs to continue to maintain our commitment to transparency and accountability reflecting the City Council's unwavering dedication to serving the best interests of the community as we have demonstrated with Measure E. Based on the State's determination, Measure B will take effect on October 1, 2024, resulting in the City receiving approximately 75% of the estimated annual revenue, or about \$2 million, for Fiscal Year 2024/25.

Staff recommends dividing the proposed expenditure plan into two phases for Fiscal Year 2024/25: approximately 60% of the anticipated revenue to be allocated now, and the remaining 40% after December 2024. This phased approach will allow staff to proceed with initial tasks while ensuring prudent management of tax revenues and aligning with revenue projections from the past fiscal year. Below is the proposed expenditure plan for the first 60%, or approximately \$1.2 million:

60% Expenditure Plan for Fiscal Year 2024/25

3/8 Percent (.00375) Sales Tax increase Based Upon Today \$'s

50%/50% Split between Resiliency and Vegetation Mitigation (\$2.75 Million+/- to be generated annually) For Fiscal Year 2024/25, Measure B will not start collecting tax until October 2024, thus the City estimates will receive approximately 75% of the total revenue or \$2 Million dollars. For the 60% Expenditure Plan, we are looking to allocate \$1.2 million of the \$2 million now, and staff will bring back the remaining 40% expenditure plan after December 2024.

- Resiliency - 50% of \$2.00 M or \$1.0+/- M for Fiscal Year 2024/25
 - Priority R.1 (60%)- Move Closer to National Standards by increasing from two to three Firefighters per engine (\$530K) 1-Fire Fighter now and 6 - Fire Fighters in January 2025
 - Priority R.2 (60%) \$300K total to hire a consultant to implement a vegetation management/inspection program and pay for a portion of masticator operator salary.
 - TBD for (40% Expenditure Plan) Annual Fire Vegetation / Green Waste Pickup/Drop-off
- Vegetation Mitigation - 50% of \$2.00 M or \$1.0+/- M for Fiscal Year 2024/25
 - Priority VM.1 (60%)- \$100K to start the environmental process for Fuel Reduction around the City.
 - TBD for (40% Expenditure Plan) Creating Grants for residences/ businesses for assistance in Fuel Reductions (Priority on hardships and low income)
 - Priority VM.2 (60%) \$70K evaluating for long-term green waste solutions (environmental review)