

Economic Recovery, Public Safety, and Reinvestment



Potential Ballot Measure

Jacob Ellis, City Manager



Overview



Where
we've
been

Where
we are
today

Where
we're
going

The
Problem
(s)

Potential
Solutions

Where
we've
been

Past State Takeaways

- Sacramento has historically shifted responsibility for many services to local cities, without the funding to provide the critical services we need.
- These unfunded mandates & takeaways have resulted in the loss of millions of dollars from the City's budget in the last five years alone.
- Corona responsibly reduced local budgets to address the budget gap.
- These budget cuts and staffing reductions have impacted local services, including Fire, Police and emergency response.

Where
we are
today

Corona SWOT Analysis

Strengths

- **Dedicated workforce**
- Plenty of workspace!
- Solid commercial / retail / industrial tax base
- Community pride
- **Excellent transparency in operations & website information**
- Solid departmental leadership
- Engaged individuals, non-profits, businesses, faith community, etc.
- Financial reserves (one-time money only)
- **Supportive, responsive, high functioning Council**

Weaknesses

- **Financial capacity**
- **Highly reactive org.**
- Unfunded pension liability
- Extremely lean org; staff stretched too thin
- Uncompetitive wages in certain areas
- Excessively org complexity / rules.
- Lack of physical gathering place in the city
- Lack of clarity on mission, vision, values mandate & focus.
- **Imbalanced org structure**

Weaknesses

- Work/life balance - burnout among staff
- **Purchasing**
- Recruitment process
- Level of expertise in some areas of the org.
- **Resistance to change**
- No asset management plan
- Outdated redevelopment plan & city-wide strategic plan
- Increased strain on resources due to Covid19
- **Perception of lack of transparency**

Opportunities

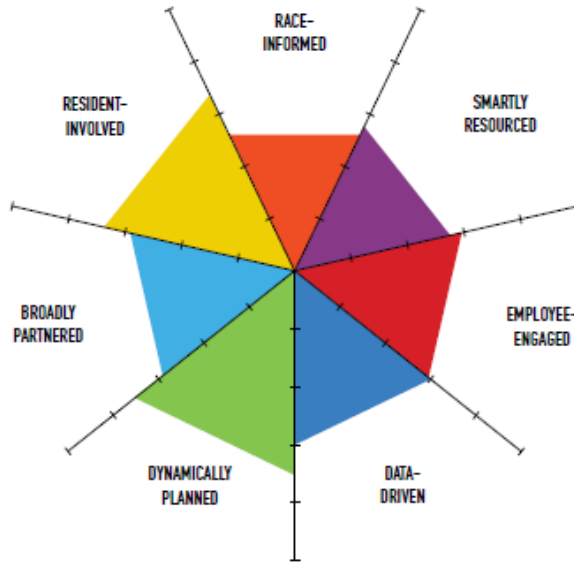
- **New strategic plan**
- Rebuild leadership team.
- Data driven decision making
- **Downtown redevelopment**
- Increased community building
- Government on demand
- Addressing the weaknesses...

Threats

- **Adversarial public criticism**
- Continued State legislation & unfunded mandates
- Volatility in markets, civil unrest, pandemics, etc.

Where
we're
going

High Performing Gov't



- ▶ DYNAMICALLY PLANNED
- ▶ BROADLY PARTNERED
- ▶ RESIDENT-INVOLVED
- ▶ RACE-INFORMED
- ▶ SMARTLY RESOURCED
- ▶ EMPLOYEE-ENGAGED
- ▶ DATA-DRIVEN

The Problem(s)



Past State Takeaways Impact Our Ability to Respond

- With the economic downturn caused by the COVID19 pandemic and the ongoing increases in the costs of providing local services, **the City is facing a multi-million-dollar deficit.**
- Due to past State takeaways, our budget was already significantly cut. **Further budget reductions without service impacts are impossible long-term.**
- **Without additional revenue, the City will be unable to restore cuts to essential services that our residents have told us they value**, such as Fire, Police, homelessness programs, support for local businesses and many other local services that residents depend on and that help our economy recover.

Funds are not available

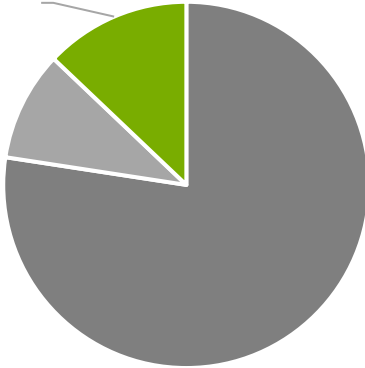
- The COVID-19 pandemic shows why **the City needs to be prepared for any health crisis**, and our community wants these critical services maintained.
- But **years of State takeaways have left us ill prepared** as we face a continued health crisis and the beginning of fire season.
- Funds are urgently needed to **upgrade the equipment and tools firefighters and paramedics use every day** for fast, effective and safe response to medical emergencies, house fires and wildfires in our community.

The
Problem
(s)

Where our tax dollars go...

Sales Tax

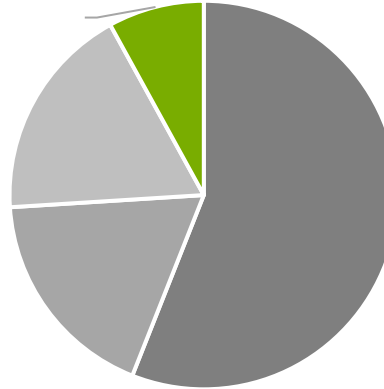
13% Stays Local



■ State ■ County ■ Local

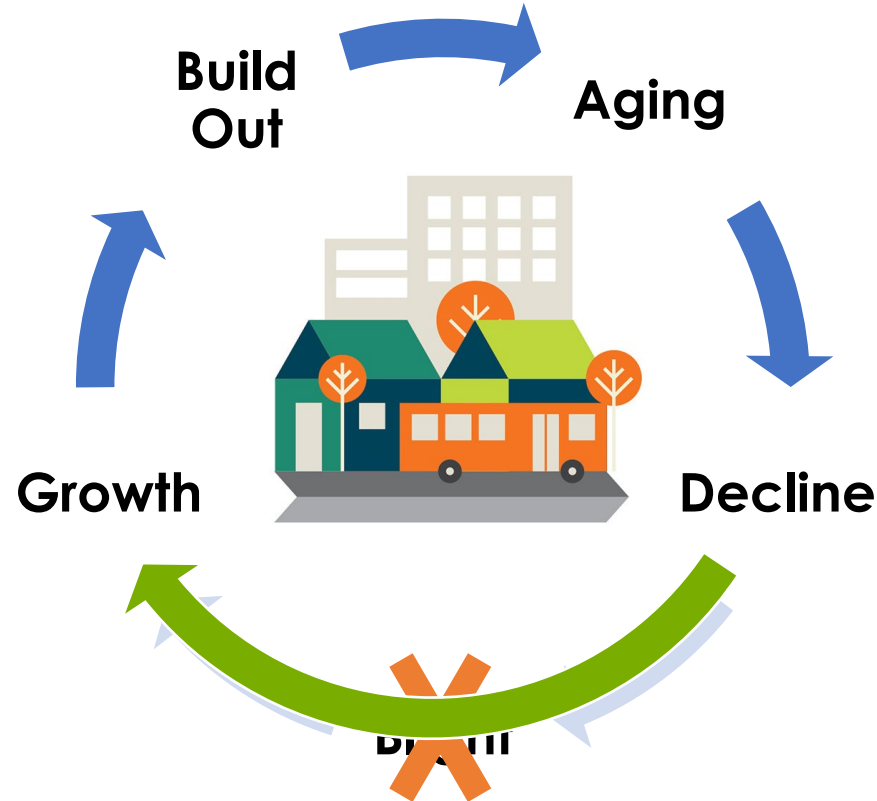
Property Tax

8% Stays Local



■ Schools
■ Special Districts & Redev.
■ County
■ Local

Rise and Fall of American Cities





Homelessness



Public Safety



Parks, Recreation & Trails

An aerial night photograph of a city, likely Los Angeles, with the San Gabriel Mountains in the background. The sky is a vibrant mix of orange, red, and blue, indicating sunset or sunrise. The city lights are visible, and a prominent bridge or highway is illuminated in the center. The text "Economic Recovery & Reinvestment" is overlaid in white at the bottom left.

Economic Recovery & Reinvestment

A photograph of a road construction site. In the foreground, two workers in orange safety vests and yellow hard hats are using tools to work on the asphalt. A large yellow and black construction vehicle is partially visible behind them. In the background, a line of orange and white traffic cones separates the work area from a road where a maroon pickup truck and a white utility truck are stopped. A 'SLOW' sign is visible on the road. The scene is set in a sunny, urban environment with palm trees and buildings in the distance.

Aging Infrastructure & Equipment

Building Our Community



Potential Solutions...



Potential
Solutions

Cut Services vs. Increase Revenue



Potential Solutions

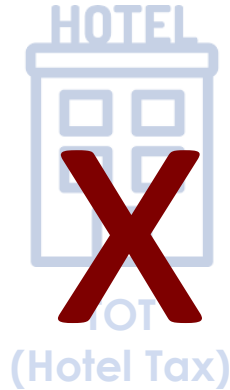
Locally Controlled Revenue Options



- ❑ Limited to 1% of property value
- ❑ Generates \$50M annually



- ❑ Averages 4.5% annually.
- ❑ CPI Averages 2.2% annually



- ❑ 10% rate
- ❑ Generates \$2.5M annually



- ❑ Varies by program or service
- ❑ Market driven



- ❑ Not based on property value
- ❑ Some significant downsides



- ❑ 7.75% rate
- ❑ Generates \$38M annually



Sales Tax

Pros

- **100%** of add on money stays local, in Corona.
- **20%** Savings to residents via non-resident spending.
- **8.75%** in line with many local cities.
- **More discretionary** than property tax.
- **Capacity** can raise sufficient revenue with 1 cent tax.

Cons

- **Market impacted:** variation in consumer spending makes it subject to highs and lows.

Q & A
since our last
meeting...



Potential Revenue Allocation



Economic Recovery \$___
Public Safety \$___
Restoring Service Cuts \$___
Proactive Debt Retirement \$___
Homelessness \$___
Infrastructure Investments \$___
Parks & Recreation \$___
Community Building \$___

Total \$30M

Conclusions

- We didn't create these problems
- We can solve these problems
- A local revenue measure would help address priorities the community has identified as important, including:
 - ☐ **Keep our taxpayer dollars local**
 - ☐ **Improve our 911 emergency response, which is slower than national standards**
 - ☐ **Ensure properly resourced fire/police protection and paramedic services**
 - ☐ **Address our homeless problem and clean up our business districts.**
 - ☐ **Assist Corona's economic recovery efforts**
 - ☐ **Update aging fire equipment and facilities**
 - ☐ **Keep public areas safe and clean**
 - ☐ **And get serious about our long-term financial future**




A large crowd of people is gathered on a grassy lawn, sitting and standing, looking towards a city skyline in the distance. The scene is captured at sunset, with warm, golden light illuminating the sky and the silhouettes of the trees and buildings. The text "It's your community" is overlaid in white, and "It's your choice." is overlaid in yellow.

It's your community
It's your choice.

QUESTIONS?



 951-736-2371

 JointheConversation@CoronaCA.gov

 www.CoronaCA.gov