



Report to City Council

TO: Mayor and City Council

FROM: Steven B. Quintanilla, City Attorney

AGENDA DATE: December 17, 2024

TITLE: EXECUTION OF ORDINANCE IMPLEMENTING MEASURE U “LOCAL MORENO VALLEY ESSENTIAL SERVICES REAUTHORIZATION MEASURE” (REPORT OF: CITY ATTORNEY)

TITLE SUMMARY: Execution of Ordinance Implementing Measure U “Local Moreno Valley Essential Services Reauthorization Measure”

Recommendation(s)

That the City Council:

1. Authorize the Mayor to sign the Ordinance implementing Measure U, titled “Local Moreno Valley Essential Services Reauthorization Measure” passed and adopted by the People (Voters) of the City of Moreno Valley at the Consolidated General Municipal Election held on November 5, 2024.

DISCUSSION

The City Council placed Measure U, a proposed a one-cent (1¢) transaction and use (sales) tax, on the November 5, 2024, Consolidated General Municipal Election ballot. Measure U was titled “Local Moreno Valley Essential Services Reauthorization Measure.” Measure U was passed and adopted by the People (voters) of the City of Moreno Valley at the Consolidated General Municipal Election held on November 5, 2024. Measure U.

Measure U asked the following question:

Moreno Valley Essential Services Reauthorization Measure: To maintain critical Moreno Valley services, including 911 response times, robbery/burglary prevention, neighborhood police patrols/fire service levels; address

homelessness; repair streets/potholes; keep public areas safe/clean; help retain businesses; and for general government use, shall the measure establishing a locally-controlled 1¢ transaction and use (sales) tax, first enacted by local voters in 2021, generating approximately \$30,000,000 annually until ended by voters, with audits/spending disclosure, be adopted?

The Riverside County Registrar of Voters canvassed the returns of the November 5, 2024, Consolidated General Municipal Election on November 5, 2024, and the Moreno Valley City Council at a special meeting held on December 10, 2024, certified the results of the election that included the following determinations: (a) the whole number of votes cast in the City of Moreno Valley was 58,696 votes; (b) Measure U appeared on the ballot; (c) the number of votes given at each precinct for and against Measure U; and (d) the total number of votes for Measure U amounting to 43,551, and the total number of votes against Measure U amounting to 15,145. Measure U, under the circumstances, only needed to be approved by a simple majority of the voters.

The Ordinance to implement Measure U, which was approved by the voters, was included in the Registrar of Voter's "Voter Information Guide" (Voters Pamphlet), rather than requiring voters to submit requests to review the proposed Ordinance. Upon its approval by the voters, the Ordinance became a binding Ordinance of the City of Moreno Valley and is considered adopted upon the date that the vote was declared by the City Council, with the Ordinance taking official effect 10 days after that date, albeit the operative date of the subject tax will not occur until April 1, 2025, as mandated under applicable state law.

Highlights of the Measure U Ordinance include the following:

- **Anticipated Revenue**. Estimated to produce approximately \$30 million per year, which may be used to fund general municipal services, and which shall remain in effect unless subsequently repealed by the voters.
- **Local Use of Proceeds**. May be used for any local general municipal purpose including, but not limited to, maintaining 9-1-1 emergency response times, robbery/burglary prevention, and neighborhood police patrols/fire engine service levels; addressing homelessness and traffic issues; repairing potholes/streets; keeping public areas safe/clean; helping retain local businesses; and maintaining senior services and youth/afterschool programs – all until ended by voters, and subject to independent financial audits, and public review.
- **Annual Independent Audits**. Financial records, accounting practices and internal controls related to the collection, deposit and expenditure of the revenue produced by the one percent transactions and use tax shall be examined by means of an annual audit conducted by an independent auditor whose services shall be retained by the City through a contract for services as an independent contractor and which shall be made available to the public for review.

ALTERNATIVES

1. Authorize the Mayor to execute the Ordinance implementing Measure U, as approved by the voters, since state law provides that the execution of an ordinance approved by the voters is a ministerial act. (Staff recommends this alternative.)
2. Do not authorize the Mayor to execute the Ordinance implementing Measure U, as approved by the voters, which may expose the City to a Writ of Mandate proceeding to compel the execution of the Ordinance. (Staff does not recommend this alternative.)

FISCAL IMPACT

The one cent (1¢) sales tax will provide an estimated \$30,000,000 of locally controlled revenues to the General Fund which may be used for any local general municipal purpose including, but not limited to, maintaining 9-1-1 emergency response times, robbery/burglary prevention, and neighborhood police patrols/fire engine service levels; addressing homelessness and traffic issues; repairing potholes/streets; keeping public areas safe/clean; helping retain local businesses; and maintaining senior services and youth/afterschool programs – all until ended by voters, and subject to independent financial audits, and public review.

PREPARATION OF STAFF REPORT

Prepared By:
Steven B. Quintanilla
City Attorney

Approved By:
Brian Mohan
Assistant City Manager

Report Approval Details

Document Title:	STAFFREPORT_CA_RE_ORDINANCE_FOR_ESSENTIAL_SERVICES_REAUTHORIZATION_MEASURE_[12.11.24]_[SBQ].docx
Attachments:	- FINAL TAX MEASURE - ORDINANCE [08.01.24] [SBQ] (1).pdf
Final Approval Date:	Dec 12, 2024

This report and all of its attachments were approved and signed as outlined below:

Mike Lee

Patty Rodriguez