

MEASURE SG



Maintain. Invest. Protect.

San Gabriel's City Council recognizes a pressing need to maintain and enhance public safety services and to invest in the City's infrastructure. To address these needs, the City Council has voted to place a 0.75% sales tax measure on the March 2020 ballot. The measure is anticipated to raise \$3 million per year for the City's General Fund, allowing the City to continue to provide vital services to its residents.

The measure would allow the City to invest local tax dollars to revitalize heavily used public spaces, including streets, community centers and parks.



Q. How much would Measure SG raise per year?

- A. If approved by San Gabriel voters, the 0.75% sales tax will generate approximately \$3 million per year that will go directly to the City's General Fund. The City's General Fund is used to pay for the City's general operations, including police and fire services, street improvements, recreation and after school programs.

Q. How will Measure SG funds be spent?

- A. While the funds may be used for any municipal purpose, the City Council has expressed its desire to prioritize spending of Measure SG funds on:



Public safety, including police patrol, response, investigation, apprehension, emergency 9-1-1 response, fire prevention and suppression services, paramedic services and ambulance services



Public infrastructure, including street improvement and maintenance, sidewalks, alleys, parks, open space and improved storm water/storm drain systems

Measure SG will generate approximately \$3 million per year for San Gabriel

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Q. Why is there a need for a sales tax measure now?

- A. The County of Los Angeles currently has a sales tax cap of 10.25%. The current sales tax rate in San Gabriel is 9.5%, with only 1% of this rate falling under local control. The remaining 8.5% goes to the State, County and regional agencies for use by those agencies.

The remaining sales tax below the cap will be apportioned based on which government entity first adopts a tax measure. If the City adopts Measure SG before the County of Los Angeles, the additional \$3 million in revenue will be transferred to the City's General Fund rather than to the County. The San Gabriel City Council – rather than the County – will decide how to spend these funds during their public budgeting process with input from San Gabriel residents and businesses.

Q. Who will control the revenue from Measure SG?

- A. The City Council will decide how to spend these funds during its annual open budget process, with feedback received from San Gabriel residents and businesses.

Q. How would the sales tax measure impact the average San Gabriel?

- A. This 0.75% increase translates to approximately 75¢ for every \$100 spent. Here are two other examples:



A trip to a local store for \$50 worth of household goods would increase from \$54.75 to \$55.13



A \$3.50 cup of coffee would increase from \$3.83 to \$3.86

Thousands of visitors come to San Gabriel on a daily basis to experience our local businesses for shopping and dining. The City anticipates that San Gabriel's strong tourism market will be a significant source of Measure SG's funding.

Q. What items will be charged a sales tax?

- A. If approved, Measure SG will not apply to groceries, rent, mortgages or utilities. Instead, Measure SG will apply to common items such as clothing, restaurant meals, toys, non-prescription drugs and most tangible products.

Q. Will an increase in sales tax in San Gabriel cause visitors to shop in neighboring cities?

- A. Previous studies completed by other agencies have not detected a significant long-term change in buying trends following a local sales tax measure. In addition, Arcadia, Glendora and Pasadena have already passed sales tax measures on their ballots and Alhambra and Duarte are considering sales tax measures for their March 2020 ballots. With many of our neighboring cities having passed or planning to present a similar tax measure, it is not likely that the City will experience a loss of shoppers.

Should their measures pass, we will continue to be equal with our neighboring cities.