



Joseph Tessari  
Mayor

April 26, 2017

Clint Lorimore  
Mayor Pro Tem

Brandon Plott  
Council Member

Todd Rigby  
Council Member

Adam Rush  
Council Member

Michele Nissen  
City Manager

Honorable Senator Richard Roth  
California State Senate  
State Capitol Building, Room 4034  
Sacramento, CA 95814  
VIA FAX: (916) 651-4931

**RE: SB 130 (Roth) Local Government Finance: Property Tax Revenue  
Allocations: Vehicle License Fee Adjustments – NOTICE OF SUPPORT**

Dear Senator Roth:

I am corresponding personally with you today on behalf of the City of Eastvale to show our support for your new Senate Bill 130 (SB 130) which restores funding stability to four recently incorporated cities – Eastvale, Wildomar, Menifee, and Jurupa Valley, who have suffered severe financial hardship since the state swept all remaining shares of the city vehicle license fee (VLF) revenues. We know you are keenly aware of all the issues surrounding the passage of SB 89 and the harm it has caused the City of Eastvale. We truly appreciate your continued efforts and desire to mitigate the negative impacts of SB 89 through the passage of your proposed SB ~~37~~ 130.

We wish to again summarize the historical impact and relevance for the City of Eastvale. In 2011, through approval of SB 89, the State swept away an essential ongoing revenue source dedicated to four newly incorporated cities, Eastvale, Jurupa Valley, Menifee, and Wildomar. The re-directed revenue funded law enforcement grants as part of California's public safety realignment. This was an opportunistic funding shift, but we truly believe this resulted in unintended and disastrous consequence for the four new cities in Riverside County.

The newly incorporated cities were given no opportunity to testify as to SB 89's impacts. After having gone through a statutorily-required, multi-year process to become cities – including a comprehensive fiscal analysis identifying sources of municipal funding in compliance with Cortese-Hertzberg-Knox – the four cities were suddenly and gravely damaged fiscally by the passage of SB 89.

To date, this represents a total VLF loss of \$19,165,900 for the City of Eastvale alone. We are seeking redress of the injustice of SB 89 – purposeful or inadvertent – through passage of SB 130 with Administration support. There are 482 cities in the State of California, but due to the passage of SB 89, 478 of those cities enjoy an annual revenue stream to their General Funds at \$50.00 per capita, while four cities continue to be unfairly deprived. Public safety staffing levels have suffered in the City of Eastvale as a consequence of the change in law. While Eastvale's population has grown from 48,000



residents at incorporation to over 66,000 residents today, our officer-to-resident ratio remains below the standard of 1 to 1,000. Our law enforcement-to-resident ratio is currently .46 deputies for every 1,000 residents which is substantially below the county and statewide ratios. This situation will be further compounded by increasing contract rates (estimated 8% increase) for police and fire services respectively.

SB 130 resolves this problem for the four cities with a statutory formula that provides cities that incorporated between 2004 and 2012 with share of property tax to offset the amount of vehicle license fee revenue they would have received. In future years, the amount will be adjusted according to the same rules applied to other cities. In short, these cities will be treated equally with all other cities.

While we sincerely appreciate the passage of SB 107, the County of Riverside chose to inequitably distribute funds to only three of the four new cities while leaving Eastvale at an extreme financial disadvantage. To date, we have lost over \$19 million dollars in MVLFF revenue. That loss translates into our struggle to fund and sustain funding for our public safety personnel.

On behalf of my colleague officials and residents of the City of Eastvale, we want to express our support for SB 130. We truly appreciate your sense of fairness and belief in equitable treatment for all of our residents. I thank you in advance for your time and for championing this cause.

Please feel free to contact me at (951) 361-0900 if I may be of further assistance or to clarify any points of this correspondence.

Sincerely,

Joe Tessari  
Mayor  
City of Eastvale

CC: The Honorable Richard Roth  
Chair and Members, Senate Governance and Finance Committee  
Assemblywoman Sabrina Cervantes  
Erin Sasse, Regional Public Affairs Manager, Riverside County  
Meg Desmond, League of California Cities