

Menlo Park Fire District



Property Tax Revenue Analysis

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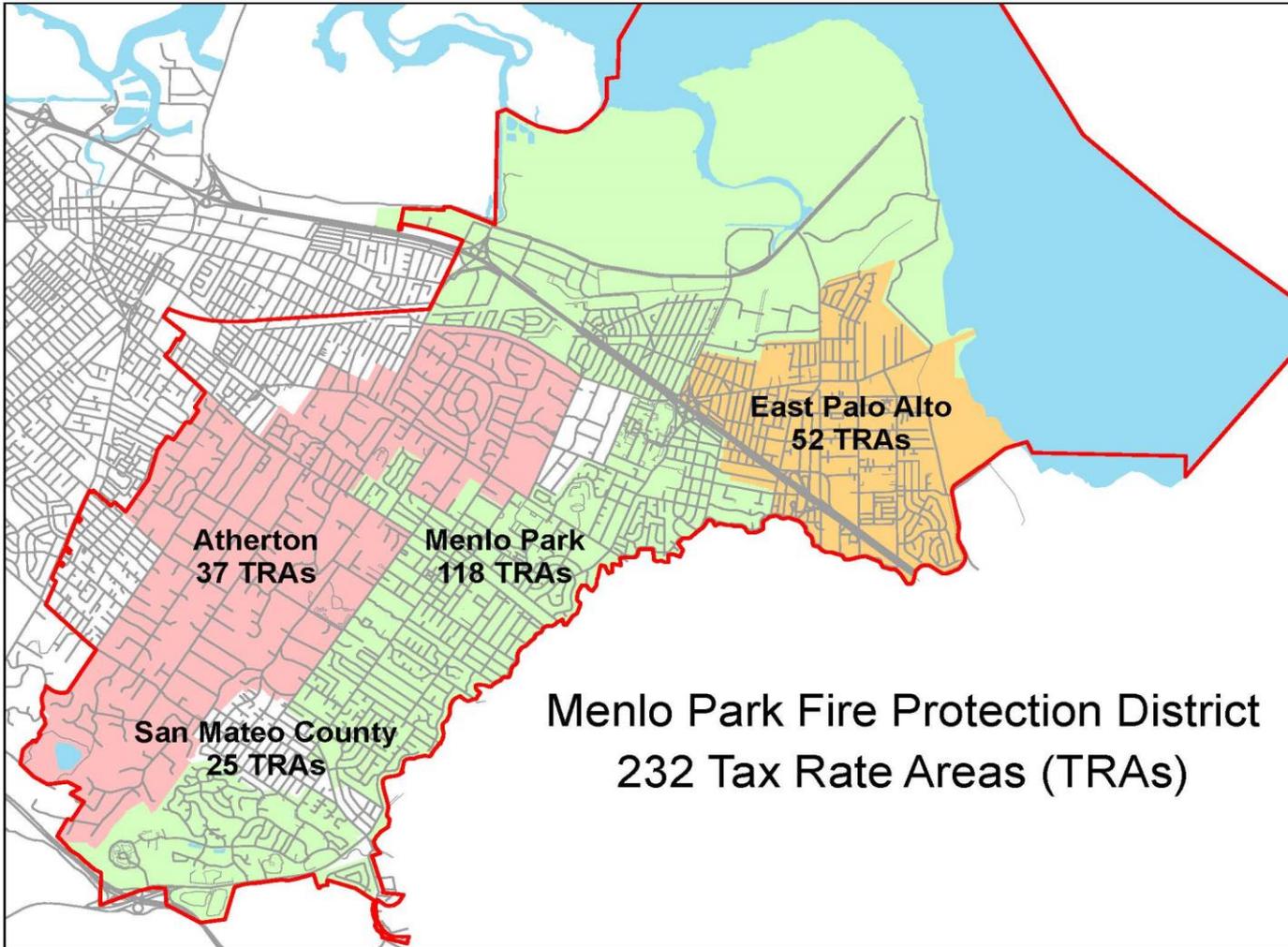


Background – What are we trying to Solve?

- Establish a clear understanding of the apportionment distribution under Assembly Bill 8 (AB 8) created in response to Proposition 13 passed by the voters in 1978
- What is a Tax Rate Area (TRA), how many do we have, how do they differ and what is our actual weighted percentage in relationship to AB 8 and Proposition 13 ?
- What are the actual Fiscal Impact Analysis (FIA) methods used to estimate the impact of a development on costs and property tax revenues to the Fire District ?

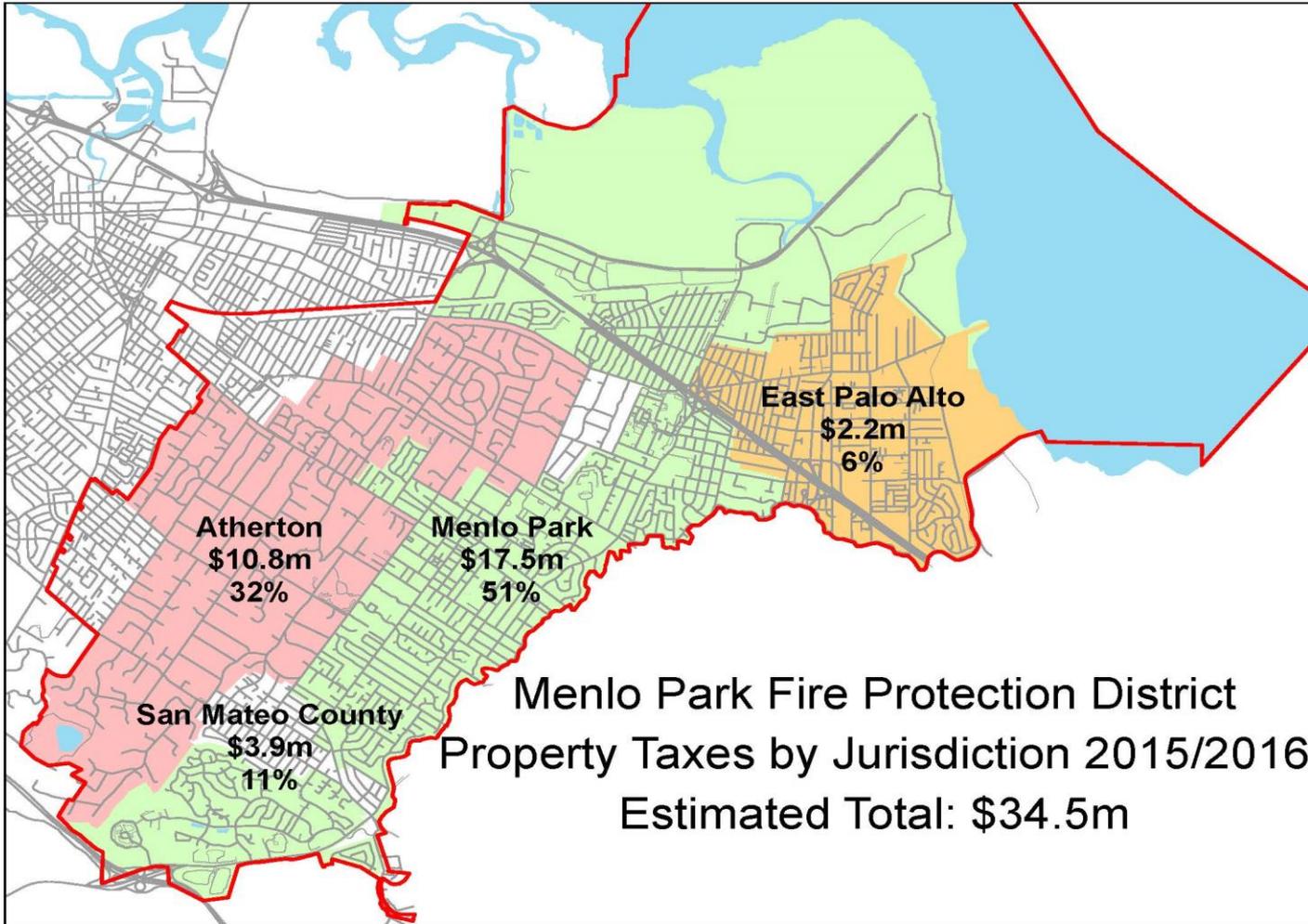


AB 8 – Tax Rate Areas (TRA)





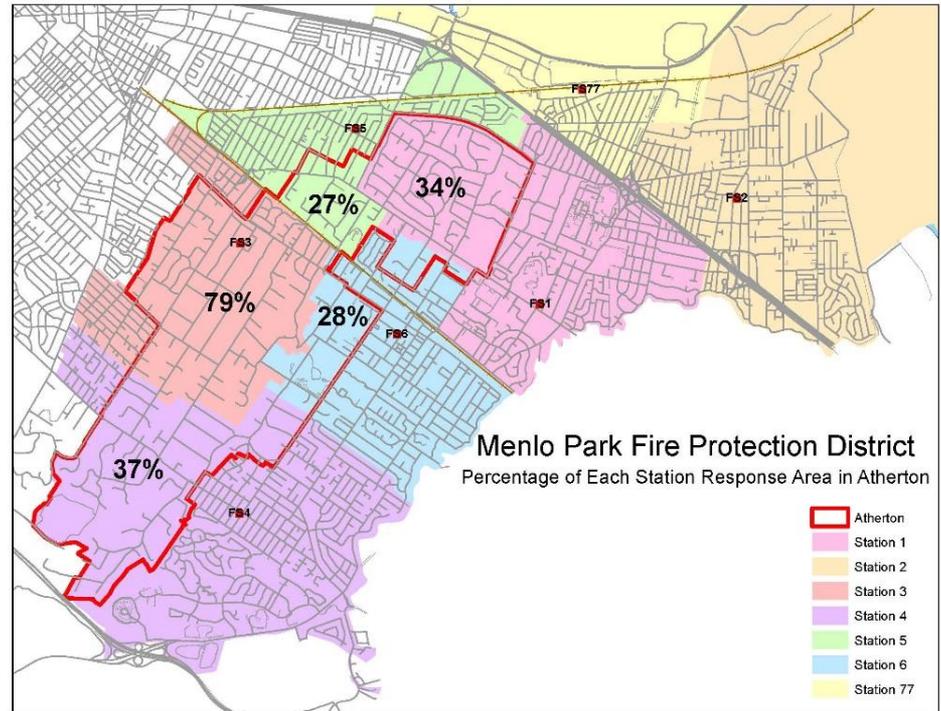
AB 8 – Apportionment Distribution





AB 8 – Apportionment Misinformation

- The District’s Property Tax Rate apportionment is 16.01% of the 1% of Assed value and ranges from 12% – 17% before ERAF – This is not totally accurate!
- Actually – The weighted average tax rate is 12.13% after ERAF
- Or over 90% of budget revenues
- Or \$1m in AV = \$1,213 in revenues





Examples – Menlo Park Information – M2

- Facebook East Campus
TRA 8080 (MP)\$284,000 (MS)\$136,000
Rate 0.05166% (Post ERAF)
- Facebook West Campus
TRA 8081 (MP)\$272,428 (MS)\$157,729
Rate 0.1167% (Post ERAF)
- Housing Element (MP)\$510,145 (MS)\$106,595
- Menlo Gateway (MP)\$227,000 (MS)\$271,650
- General Plan M-2 Available (MP)\$455,000 (MS) ???



Examples – Prior Revenue Issues

- Sobrato Office Complex - Menlo Park M-2 (Commonwealth) \$84,243
When it was Hueblin then sold to Diagio then dirt
Rate 0.1168 Prior Revenue \$54,000 – Now \$26,000 (5 years)
- Sobrato Office Complex - East Palo Alto \$70,651
Rate 0.09% Prior Revenue \$8,100 - Now \$4,200 (3 years)
- Office M-2 on Hamilton Court – Menlo Park
Rate 0.1167 Prior Revenue \$46,950
- Rosewood Hotel – Menlo Park
Rate 0.135 Prior Revenue \$108,771



What do we know now.....?

What does the data tell us....?





Potential Next Steps

- **Monitor new construction projects**
- **Update budget projections – 2016/2017**
- **Impact Fees – Highlight the need and logic**



Questions



Historical Photo