



**NEWS RELEASE**  
**City of Chico**  
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**FOR IMMEDIATE RELEASE:** February 27, 2023.

**\*\*\*MEDIA ALERT\*\*\***

## **City sets its sights on Public Safety and Infrastructure Improvements with 1 percent tax increase starting April 1, 2023**

**(Chico, CA – February 27, 2023)** Measure H, a ballot measure on the November 8, 2022 General Election ballot for Chico voters, passed with 52 percent of the vote and as result, the City of Chico will begin collection of an additional 1 percent sales tax starting April 1, 2022. The City estimates this Measure will raise approximately \$24 million per year in new local revenue and points to public safety and infrastructure as top priorities.

“I am grateful for the community’s support of Measure H,” said Mayor Andrew Coolidge. “The City Council understands that our community has many needs, and we look forward to being able to proactively address those needs.”

Currently, the state and local sales tax rate in Chico is 7.25 cents per dollar, of which the city receives 0.95 percent. With the adoption of Measure H, the tax rate in Chico increases to 8.25 percent, adding one cent to the price of an item that costs one dollar. Purchasers of goods, including visitors, in the city will be subject to the sales tax.

“We are focused on spending the dollars in ways that improves public infrastructure and public safety. The citizens of Chico need to feel safe and to improve maintenance of our parks, open spaces, and roads. Communities around us have already taken this step; now it’s our turn,” said Mayor Andrew Coolidge.

Measure H will help to cover the actual costs of running and maintaining the city and preparing for the future. City Council and staff affirm those costs continue to escalate while budgets remain stagnant and unable to support the community’s needs.

The additional funds will be allocated by the City Council during the regular annual budget hearings in May and June of 2023. Some of the concepts for utilizing the funds generated through Measure H are focused on public safety and infrastructure and may include:

- Maintenance and reconstruction of roads and sidewalks.
- Maintenance of parks, open spaces, trees and vegetation management.
- Maintain neighborhood police patrols, protect 911 emergency response times, preserve the number of on-duty firefighters and police officers, and enhance emergency and disaster preparedness.
- Repair and maintain storm drains.

These general transactions and use tax of 1 percent would be imposed upon retailers' gross receipts from the retail sale of most tangible personal property sold within the City.

“This measure specifically supports the Chico community, and the dollars stay here locally.” said Vice Mayor, Kasey Reynolds. “Groceries, rent, and prescription medications will not be taxed. Chico visitors will pay their fair share, so residents won’t shoulder the entire cost. The State cannot take this funding, all Measure H funds will be locally controlled in Chico.”

The California Department of Tax and Fee Administration (CDTFA) will take on the main effort of ensuring all retailers are notified and collecting the proper tax. CDTFA has notified the City that they will email retailers, send letters if they don’t have an email address on file, and also post special notices on our CDTFA website in March.

While tax collection starts in April, the City will not begin to receive the additional funds until July, 2023.

For more information contact:

City Manager, Mark Sorensen, 530-896-7200, [Mark.sorensen@chicoca.gov](mailto:Mark.sorensen@chicoca.gov)

Administrative Services Director, Barbara Martin, 530-879-7300, [Barbara.martin@chicoca.gov](mailto:Barbara.martin@chicoca.gov)

*Located in Butte County, California, Chico is the cultural and economic center of the northern Sacramento Valley and the largest city north of Sacramento. Known as a college town, the home of California State University, Chico and for Bidwell Park, one of the largest urban parks in the world. For more information, visit [www.chico.ca.us](http://www.chico.ca.us).*

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## City Council Agenda Report

Meeting Date: 03/07/23

TO: City Council

FROM: Leigh Ann Sutton, Director of Public Works - Engineering (879-6901)

RE: Supplemental Appropriation/Budget Modification No. 2023-PWE-008

### REPORT IN BRIEF:

The enclosed Supplemental Appropriation transfers \$4 million from Fund 005 Local Sales Tax 1% (Measure H) to new Capital Project No. 50575 – 2023 Pavement Improvements, for 2023 surface treatments funded by Measure H. This Supplemental Appropriation also transfers \$515,000 from Project 50498 - Lower Park Road Rehab to new Capital Project 50576 - Upper Park Road Treatment for surface treatments funded by TDA (LTF).

The scope of work for CIP 50575 2023 Pavement Improvements (Measure H) includes:

Slurry sealing and applying pavement striping and markings at the following locations:

1. Amber Grove neighborhood from Denali Drive to Eaton Road
2. East Lassen Avenue from Esplanade to Floral Avenue
3. E. East Avenue from Cohasset Road to Manzanita Avenue

Grinding and overlaying 3" paving and applying pavement striping and markings to:

4. El Paso Way from East Lassen Avenue to El Varano Way

The scope of work included in CIP 50575 was chosen based on readiness for construction and the need to preserve the road in good condition. These locations already have existing sanitary sewer and storm drain improvements; therefore, this project requires minimal design. These locations have already been crack-sealed and repaired by Public Works O&M staff. Slurry sealing these roads will allow the paving to remain in good condition for the next 7 to 10 years. The anticipated schedule is for construction to occur this summer 2023.

### The scope of work for CIP 50576 Upper Park Road Treatment (TDA LTF) includes:

Cape sealing and applying new pavement striping and markings at the following locations:

1. Upper Park Road from Wildwood Avenue roundabout to Bidwell Park Parking Area E

The scope of work included in CIP 50576 was also chosen based on readiness for construction and the need to preserve the road in good condition. This project requires minimal design and is ready for construction. Cape sealing Upper Park Road will allow the road to remain in good condition for the next 7 to 10 years. The anticipated schedule is for construction to occur this summer 2023.

### Recommendation:

The Public Works Director - Engineering recommends approval of Supplemental Appropriation/Budget Modification No. **2023-PWE-008**. (Attachment A).

**FISCAL IMPACT:**

No impact as this work is being funded by Measure H. Fund 005 has been established as a designation for the local sales tax 1% funding (Measure H).

Prepared by:

Recommended and Approved by:

\_\_\_\_\_  
Leigh Ann Sutton, Public Works Director-Engineering

\_\_\_\_\_  
Mark Sorensen, City Manager

**DISTRIBUTION:**

City Clerk (3)

**ATTACHMENTS:**

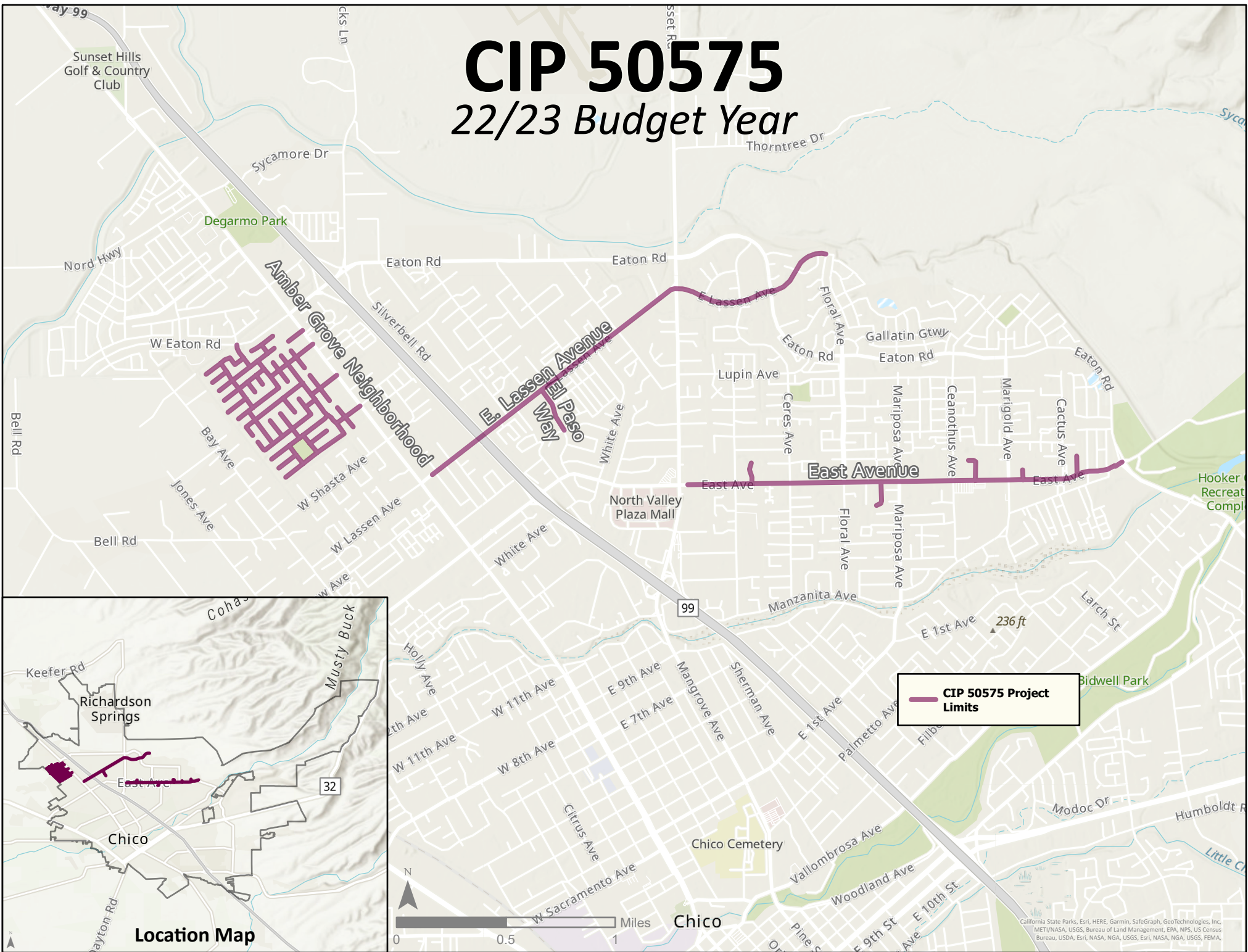
Attachment A – Budget Transfer/Supplemental Appropriation/Budget Modification No. 2023-PWE-008

Attachment B – Plat for CIP Project 50575 2023 Pavement Improvements

Attachment C – Plat for CIP Project 50576 Upper Park Road Treatment

# CIP 50575

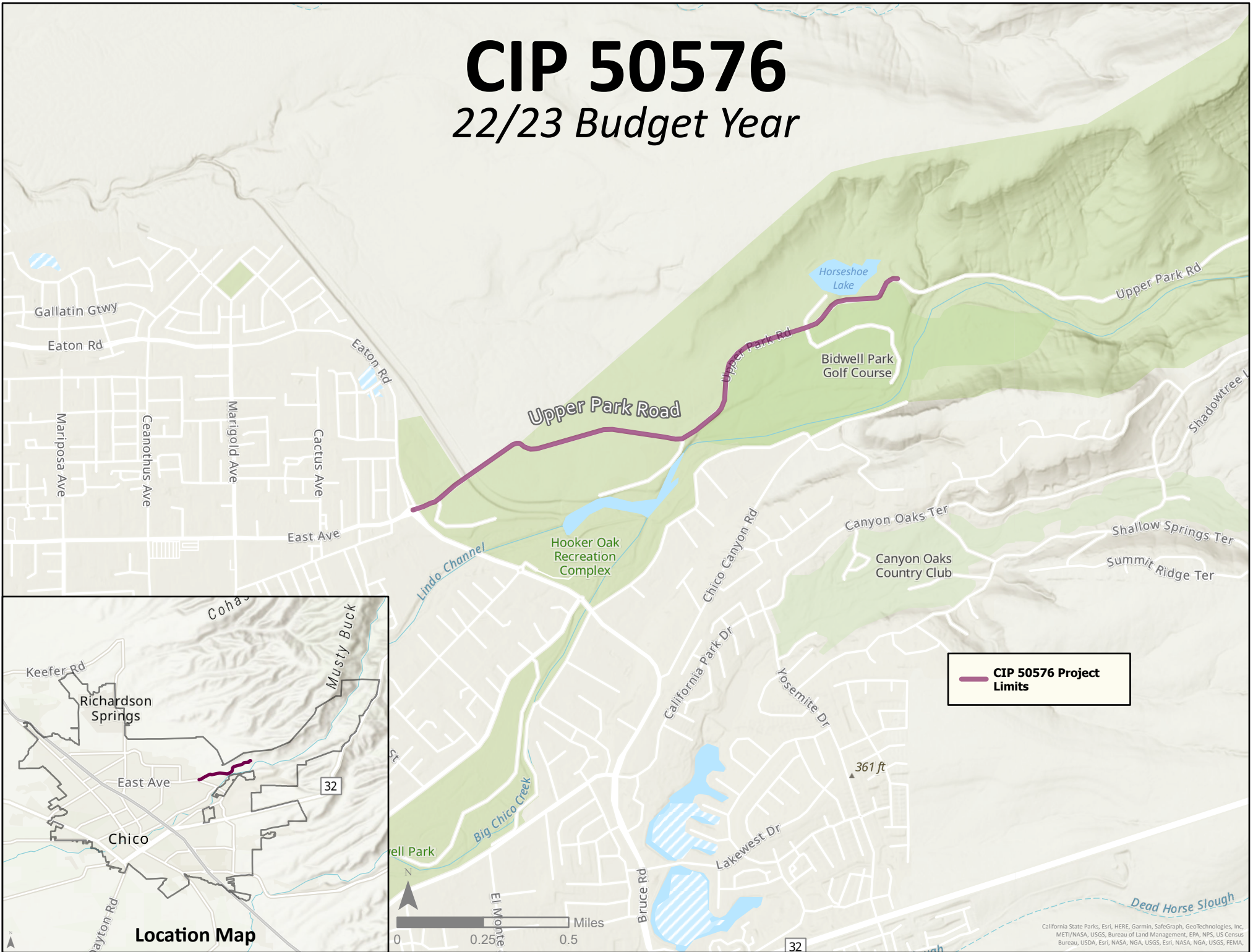
## 22/23 Budget Year



California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, Esri, NASA, NGA, USGS, Esri, NASA, NGA, USGS, FEMA,

# CIP 50576

## 22/23 Budget Year



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