

## MEASURE M

### IMPARTIAL ANALYSIS BY CITY ATTORNEY

**City of Menifee**  
**An Initiative Measure to Repeal the One Percent (1%)**  
**Retail Transactions and Use Tax Imposed by the**  
**“Menifee Public Safety/Traffic Congestion**  
**Relief/Vital City Services Measure”**

“Measure M,” places before the voters of Menifee the question whether to repeal a prior initiative measure which was adopted by the voters in 2016. The prior measure, designated “Measure DD,” imposed 1% (one cent per dollar) transactions and use tax within the City of Menifee. Measure M was placed on the ballot by a petition signed by the requisite number of voters of the City of Menifee.

Before the voters adopted Measure DD in 2016, the tax on retail sales was 7.75%. The City received 1%, and the remaining 6.75% went to the State, the County of Riverside, and the Riverside County Transportation Commission. Measure DD increased the tax rate from 7.75% to 8.75%, with the full amount of the increase (1%) deposited into the City’s general fund. The tax is imposed on all retail sales in the City (with certain limited exceptions), regardless of whether the sale is to a resident or non-resident.

Because Measure DD was classified as a “general tax,” the tax proceeds may be used for any valid municipal government purpose. But the City’s expressed intent in placing Measure DD before the voters was that the proceeds be used to reduce traffic congestion; improve and repair local roadways; maintain local police, fire protection, paramedic services, and 9-1-1 emergency medical response times; prevent cuts to senior, disabled, and youth programs; and provide other general services.

With guidance from a City Council-appointed Oversight Committee, the City has spent the \$33 million in Measure DD funds it has received since January 2017 to support an additional medic truck and personnel for Fire Station No. 7; transition the Fire Department to municipal staffing levels; purchase a replacement \$1 million ladder truck; implement numerous infrastructure, road safety and capital improvement program projects; and establish the Menifee Police Department.

Measure M would repeal Measure DD, thereby changing the retail sales tax rate in Menifee from 8.75% to 7.75% and cutting the City’s share of the sales tax in half – from 2% to 1%. Forecasted revenues to the City would be reduced by more than \$11 million per year. The City Council would be responsible for making the budget cuts necessary to absorb the \$11 million per year reduction in revenues.

A “Yes” vote is a vote to repeal the tax. A “No” vote is a vote to reject the repeal measure, and to retain the tax. Measure M will be approved if it receives a simple majority of “Yes” votes.

Dated: August 17, 2020

  
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Jeffrey Melching, City Attorney

The above statement is an impartial analysis of Measure DD. If you desire a copy of the ordinance or measure, please call the elections official's office at (951) 672-6777 and a copy will be mailed, emailed, or otherwise provided at no cost to you.