

I. CALL TO ORDER: 5:03 p.m.

II. ROLL CALL:

Present: Darryl Nind, Greg Stratton, Lee Kennedy
Absent: Dean Kunicki, Richard Rogero
Staff: Jody Kershberg, Administrative Services Director;
Carolyn Johnson, Budget Officer

III. PUBLIC STATEMENTS:

Ms. Teresa Jordan read a letter she wrote to the Committee that outlined her concerns regarding the potential elimination of the passport service at City Hall as well as a potential increase in the Landscape Zone tax. Ms. Jordan pointed out some discrepancies in the June 5, 2017, staff report to City Council on the issue of the FY2017-18 assessments for Landscape District No. 1.

Mr. Vince Bancroft, Detective Supervisor at LAPD - the department's subject matter expert on marijuana, gave an overview to the Committee on his experience with regulation and enforcement of the marijuana industry. Mr. Bancroft indicated that the cost of regulation and enforcement takes up most of the revenue that comes in from this industry. It's a cash only industry, which means that it can't be easily audited and it's unlikely that a City would receive the true amount of expected tax dollars. Mr. Bancroft indicated that revenues from marijuana sales often times go toward educating the youth, as an increase in usage by high schoolers typically occurs in areas where sales are allowed. He stated that grow houses are typically tied to organized crime and gangs, and there tends to be a dramatic increase in burglaries once grow houses come into an area. Complaints from residents about the smell of the crops are common and hard to mitigate. In California, violations by the marijuana industry are a misdemeanor and therefore penalties are ineffective and often ignored. In Colorado, Oregon and Washington, the violations are a felony, making enforcement more effective.

Mrs. Kennedy spoke against allowing grow houses in Simi Valley. Mrs. Kennedy indicated that she sees grow houses out by Chino Valley, and they are brightly lit up at night, and the smell is strong and travels a long distance.

IV. REVIEW AND APPROVAL OF MINUTES

Committee Member Nind moved, and Committee Member Kennedy seconded, the approval of the minutes from the February 27, 2018 meeting. The motion passed 3-0.

V. ECONOMIC IMPACTS OF TOURISM

The Committee discussed some of the limitations of tourism dollars such as the jobs created from tourism are mostly low paying. Short term vacation rental houses can begin to infiltrate residential neighborhoods and cause problems for the residents. There may also be rezoning requirements for particular areas if development of new tourism venues were to be considered.

VI. REVIEW OF THE COMMITTEE'S RECOMMENDATIONS TO CITY COUNCIL

The Committee reviewed the City Manager's memo dated March 7, 2018.

a) AUDIT THE TRANSIENT OCCUPANCY TAX AND BUSINESS TAX PAYMENTS

The Committee agreed that they will make a recommendation to City Council to perform audit of both the Transient Occupancy Tax and Business Tax revenues.

i. POSSIBLE INCREASE TO THE TRANSIENT OCCUPANCY TAX

The Committee discussed that many other cities charge a higher tax and they are charging that tax on higher room rates. Committee member Nind stated that he has spoken to representatives of the Posada Royale and the Grand Vista and they do not anticipate any negative repercussions from a potential increase in the tax. The Committee agreed that they will make a recommendation to City Council of an increase to the Transient Occupancy Tax.

b) ELIMINATE THE PASSPORT FUNCTION AT CITY HALL

Committee member Kennedy stated that he would like to see some information on the City offering the TSA PrePass service along with passports. The Committee agreed to recommend to City Council that this service should either be profitable or discontinued.

c) INCREASE THE LANDSCAPE ZONE TAX OR ELIMINATE THE SERVICE

The Committee agreed to recommend to City Council the potential changes to the Landscape Zones as indicated in the March 7, 2018, Memo to the Committee from the City Manager.

d) CONTINUE TO COMPARE RATES FOR WORKERS COMP & LIABILITY INSURANCE

The Committee agreed that they will make a recommendation to City Council on Workers Compensation and Liability Insurance, as indicated in the March 7, 2018, Memo to the Committee from the City Manager.

e) EVALUATE MARIJUANA REVENUES

The Committee agreed that their recommendation to City Council regarding the marijuana industry should be split between the grow houses, which can be difficult to manage, and the retail sales. The City Council would need to direct staff do further research on both proposals.

f) OTHER RECOMMENDATIONS

The Committee felt fees, particularly related to Planning, should eventually get back to the 80% level of recovery and that there may be some staffing efficiencies that could be looked into.

Committee Member Stratton indicated that there should be a review to find out if Police Officers can be funded by the Transit fund, since policing the busses is part of their job. Ms. Kershberg commented that increasing expenditures in Transit amplifies the agency's ongoing difficulty in meeting mandated farebox recovery ratios. Mr. Stratton suggested that perhaps fares should be increased.

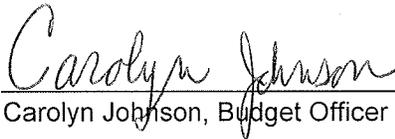
Committee Member Nind pointed out that the Committee should report to City Council on the upcoming electronic timecard system and that after the system goes live, there will be a review of the Police Department's time cards in the new system along with a reevaluation of efficiencies and redundancies.

VII. ITEMS FOR NEXT MEETING

The Committee requested an updated draft of the City Council Recommendations with the recommendation on the passport service moved toward the end of the list.

VIII. ADJOURN

The meeting adjourned at 6:32 p.m. The next meeting is scheduled for Tuesday, March 13, 2018, at 5:00 p.m. at the Simi Valley Public Library Conference Room.



Carolyn Johnson, Budget Officer