



Agenda Report

Fullerton City Council

MEETING DATE: NOVEMBER 18, 2025

TO: CITY COUNCIL

SUBMITTED BY: EDDIE MANFRO, INTERIM CITY MANAGER

PREPARED BY: DAISY PEREZ, DEPUTY CITY MANAGER

SUBJECT: FORMATION OF AD HOC COMMITTEE TO ASSIST WITH
DEVELOPMENT OF SALES TAX MEASURE OPTIONS

SUMMARY

At the May 20, 2025 meeting, City Council directed staff to prepare a half-cent special sales tax measure for infrastructure and a half-cent special sales tax measure for public safety. To support this effort, staff recommends forming an Ad Hoc Committee of two Council Members to provide input and feedback on ballot measure development, fiscal analysis, and community engagement.

PROPOSED MOTION

Form an Ad Hoc Committee comprised of two City Council Members to work with staff on the development and evaluation of proposed special sales tax measures for infrastructure and public safety, including review of ballot options and related fiscal analyses.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Direct staff to continue developing sales tax measure materials without an Ad Hoc Committee.
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Fiscal and Organizational Stability
- Public Safety
- Infrastructure and City Assets.

FISCAL IMPACT

The formation of the Ad Hoc Committee will have no direct fiscal impact. Any future fiscal implications will depend on Council direction regarding the structure of the proposed sales tax measures.

BACKGROUND AND DISCUSSION

At the May 13, 2025 Budget Study Session, City Council reviewed the Fiscal Sustainability Ad Hoc Committee's recommendations to address the City's long-term financial outlook. Following that discussion, Council directed staff to prepare potential "Add-On" Sales Tax measure options, which were presented at the May 20, 2025 City Council meeting.

After review and discussion, City Council unanimously directed staff to prepare two special sales tax measures—a half-cent dedicated to infrastructure and a half-cent dedicated to public safety—for potential placement on a future ballot. Given the complexity of developing a new revenue measure—including legal, financial, and community engagement considerations—staff recommends establishing an Ad Hoc Committee composed of two City Council Members to:

- Review and provide feedback on proposed ballot measure language and fiscal analysis.
- Offer policy-level input on public outreach and community engagement strategies.
- Evaluate timelines, communication plans, and coordination with the City's legal and financial consultants.
- Ensure alignment of proposed measures with City Council priorities and fiscal sustainability goals.

The Ad Hoc Committee would not have decision-making authority but would provide feedback and direction to staff during the process. In accordance with the Brown Act, the committee would consist of two Council Members serving temporarily and solely for the evaluation and policy review of sales tax measure development. The committee would disband upon completion of the process or placement of measures on the ballot.