# Santa Fe Springs

BUSNESS

Official Publication of the Santa Fe Springs Chamber of Commerce

#### **CALENDAR**

**APRIL 4 / Wednesday** 

**BUSINESS CARD EXCHANGE** 7:30-9:30 AM / hosted by Café N' Stuff and Santa Fe Springs Library 11700 E Telegraph Rd, Santa Fe Springs SCHOLARSHIP COMMITTEE

**APRIL 5 / Thursday** 

**FUTURE BUSINESS LEADERS** 9-10 AM / SFS Chamber Office 12016 E Telegraph Rd, #100, SFS

3-4:30 PM / SFS Chamber Office

12016 E Telegraph Rd, #100, SFS

**APRIL 11 / Wednesday** 

CHAMBER EXECUTIVE COMMITTEE 12 NOON-1 PM / SFS Chamber Office 12016 E Telegraph Rd, #100, SFS

#### APRIL 12 / Thursday

CHAMBER BOARD OF DIRECTORS 11:30 AM-1:15 PM / Candlewood Country Club, 14000 Telegraph Rd, Whittier

'AFTER 5' MULTICHAMBER MIXER 5 PM / Crowne Plaza Hotel at Commerce Casino, 6121 Telegraph Rd, Commerce

SFS CITY COUNCIL 6 PM / SFS City Council Chambers 11710 E Telegraph Rd, Santa Fe Springs

**APRIL 13 / Friday** 

RCA LEGISLATIVE FORUM 8-9 AM / Southern California Edison 9901 Geary Ave, Santa Fe Springs

APRIL 16 / Monday

47th ANNUAL GOLF TOURNAMENT 8:30 AM registration / 10 AM shotgun start 4 PM dinner / Hacienda Golf Club, 718 East Rd, La Habra Heights

APRIL 18 / Wednesday

SCHOLARSHIP COMMITTEE 8:30-10:30 AM / SFS Chamber Office www.sfschamber.com

# Knabe to Address 'State of the County' April 25



County Supervisor Don Knabe

Supervisor Don Knabe will address the state of Los Angeles County and the Fourth District at a luncheon at Town Center Hall in Santa Fe Springs on Wednesday, April 25, at 11:30 a.m. The event is hosted by the Santa Fe Springs Chamber of Commerce and sponsored by Southern California Gas Company.

As the new county supervisor in the Santa Fe Springs area, Supervisor Knabe will speak about the ongoing challenges of the global economic crisis and the impact of the state budget on Los Angeles County.

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With the county's caseloads for programs and services at an all-time high, he will talk about how the public and private sectors must join together to put people back to work.

Supervisor Knabe will be joined by Santa Fe Springs City Manager, Thaddeus McCormack, who will share the most current information on the state of the city.

The cost to attend is \$25 per person. You may register online for this event at sfschamber.com. For more information, contact Christy Lindsay at (562) 944-1616 or Lindsay@sfschamber.com.

### City Adjusts Utility Users Tax

By City Manager **Thaddeus McCormack** 

Due to the extraordinary and historic fiscal crisis created by the state's decision to eliminate redevelopment, the city has taken action to adjust the Utility User's Tax (UUT) from the current "phase-in" rate of three-and one-half percent (3.5%) to its voterapproved maximum authority of five percent (5%).

This action is necessary to help offset the \$13.4 million of revenue that is lost through the elimination of redevelopment.

Setting the UUT at five percent will provide the city with an additional \$1.5 million of revenue, which will be dedicated to fund ongoing public infrastructure and other capital improvement projects. The adjusted five percent UUT rate will go into effect beginning July 1.

The city's action to adjust the IIIIT

is one of several austerity measures taken to make up for the significant loss in revenue that redevelopment's elimination has wrought.

Other actions include cuts to programs and services, employee layoffs, and pension reform measures. Each component in and of itself won't come close to curing our \$13.4 problem, but collectively they provide a solid and balanced foundation for the city's fiscal future.

The city council also took action to provide a two percent (2%) rate reduction for businesses exercising the single-pay option for the annual UUT cap amount of \$20,000 for each utility.

The reduced annual cap amount of \$19,600 for businesses exercising the single-pay option goes into effect beginning July 1.

Call City Hall at (562) 868-0511, ext. 7355 with any questions, including the single-pay option available



**Hacienda Golf Club** Monday, April 16, 2012

**Gold Sponsors** 



# Update on City of Santa Fe Springs Financial Situation

Through previous updates, we have kept the community informed of the city's historic fiscal challenge due to the state's harsh and foolhardy action to eliminate redevelopment agencies this past February 1. The impact of the state's short-sighted action on Santa Fe Springs will be substantial; even more so than other larger neighboring cities.

For Santa Fe Springs, which was the 20th largest redevelopment agency in the state, redevelopment was a \$32 million annual funding source that allowed the city to turn vacant, underutilized properties into productive, job-producing, and tax revenue-generating uses. Redevelopment also served as a catalyst for private investment to breathe life into areas burdened with deteriorated buildings, environmental contamination, and aging infrastructure that would otherwise lay vacant and non-productive.

In short, when we think of the story of Santa Fe Springs—its amazing transformation from oil industry-related land uses to the beautiful and vibrant community of parks and tree-lined pedestrian corridors—a main character (if not the protagonist) would have to be redevelopment.

Rather than wallow in the massive wake that redevelopment's elimination has created, city officials have been working diligently on dealing with the greatest financial crisis the city has ever faced. In essence, the city council has been tasked with rebuilding a Santa Fe Springs without redevelopment.

In so doing, the city council has looked at the needs and priorities of the com-

### **BEWARE of Fraudulent Inspectors!**

Last year, the City of Merced prosecuted two individuals and a fire protection company for posing as firefighters performing fire inspections at their local businesses. The subjects would enter the business suggesting they represented the fire department and stating they were going to perform the "quarterly fire inspection." After these fraudulent inspections, businesses would receive an invoice for various services that were allegedly performed. This was then followed by "aggressive and professional collection efforts."

#### Fire Protection Business and Professional Requirements

- They must introduce themselves and identify the company they're from.
- They must tell you what they intend to do and what the estimated costs will be. (DO NOT ever pay in cash! Invoicing and recordkeeping are important for your business and legal avenues.)
- They must leave any parts that they have replaced and charged you for. They must leave you with a signed invoice.
- They must have a current City of Santa Fe Springs business license for the company they represent and California State Fire Marshal picture identification.

Remember! You can always refuse service and request a Santa Fe Springs

munity, which include public safety and the well-being of seniors and our youth, and made adjustments accordingly. It is important to note that, as devastating as the state's decision to take \$13.4 million of funding from the city was, it had no bearing whatsoever on the needs of the community.

Our needs have not changed; we simply have far fewer fiscal resources to meet those needs. As a result, the city can no longer do business as usual. If we are to successfully transform ourselves, we will need to retool city government for greater efficiency and a more streamlined organization, to maintain as many services as possible and the jobs that support those services.

In response to this fiscal crisis, the council adopted a plan on February 16, 2012 intended to realize significant savings for the current fiscal year and lay the groundwork for a balanced budget for fiscal year 2012-2013 to make up the \$13.4 million that were lost and annually went to the city's operating budget.

Portions of the approved plan have already gone into effect, including the elimination of approximately 30 city positions. This will result in a 20-percent reduction in non-safety labor force, which is in addition to the previous 20-percent reduction in labor that occurred through budget cuts enacted in 2010.

As difficult as this process is, the state's actions left us no choice. In order to minimize the number of positions eliminated through layoffs, the city also approved an early retirement incentive, which approximately 10 employees have taken. Through a negotiation process with the city's labor groups, the city will also seek greater employee contributions to employee benefits and retirements.

It is important to emphasize that the abovementioned cuts, as significant as they are, will be implemented in a way that minimizes the overall impact on city services. The budget adjustment actions will still allow the city to meet the overall needs of the community and not leave the organization so diminished and depleted that it can only perform minimal functions.

Notwithstanding the budget cuts and elimination of positions, the city will still do a wide variety of things, and do those to the highest quality, as our residents and business deserve. However, it will require the city to do many things differently. We ask that you please bear with us as we transition to a leaner, but still responsive, organization.

We encourage the community to continue to support each other, as it has done through many trying times in the past, so that we may prevail and continue to progress together and keep Santa Fe Springs the great place to live, work, and play that we have all come to know and love.

—Santa Fe Springs City Manager Thaddeus McCormack

WHAT ARE YOU WAITING FOR? JOIN THE