City of Long Beach Budget MythBusters Often Heard in the Community

Why did we build the F&M Bank Amphitheater during a deficit?

Even in a deficit, many infrastructure projects move forward because they're funded by dedicated sources. Funded by Tidelands, it's a restricted source and is a revenue generating asset designed to grow revenues both in Tidelands and induce growth in General Fund revenues.

Why do we build bike lanes instead of funding police and fire?

The City's bike lanes are built using restricted funds that can only be spent on transportation and mobility projects, and cannot be used for other purposes.

Why did we add a new green cart and switch out the purple carts?

Because state law requires us to reduce food waste and standardize recycling: green carts capture organics, and blue carts align with a consistent statewide system. This is funded through the Refuse Fund, not the General Fund.

Why do we continue to build infrastructure projects?

Even in a deficit, many infrastructure projects move forward because they're funded by dedicated sources, not just the General Fund.

Why can't we use Refuse, Port or Airport money?

Refuse funds are legally restricted to refuse and recycling uses, Port funds are legally restricted for Port-related purposes, and Airport funds are legally restricted for aviation uses. All of these funds cannot support general City services because of these funding restrictions.

Last updated on 8.7.26

CITY OF LONG BEACH

City of Long Beach Budget MythBusters Often Heard in the Community

Why do we continue other programs like supporting business grants, or arts, or other things?

Because these programs are often paid for with outside funding or restricted dollars that can't be used to solve a budget deficit or are one-time investments.

Is the deficit due to overspending?

The deficit isn't caused by overspending; it reflects a sharp turndown in revenue growth and the ongoing increase in the costs of providing core city services.

Wasn't there a surplus? Where did that money go?

No ongoing surplus existed, only temporary, one-time funds. Ongoing costs require ongoing revenue.

Is the current deficit the worst it has ever been?

No, during the Great Recession the City had year after year of major reductions. This is 1-2 years of projected deficits.

Doesn't Long Beach have the highest sales tax in the nation?

No—in fact, only 34 of the 88 cities in the County have a lower sales tax rate than Long Beach. A few that are higher include: Lancaster, Palmdale, Azusa, Glendora, Irwindale, and South El Monte.

Why aren't there efforts to grow revenue?

Efforts to grow revenue are underway: programs like Space Beach and Grow Long Beach are designed to attract new development, investment, and economic activity.

Last updated on 8.7.26

CITY OF LONG BEACH