



City of Alameda Ballot Measure Feasibility

Survey Conducted December 9-14, 2015

Fairbank, Maslin, Maullin, Metz & Associates – FM3

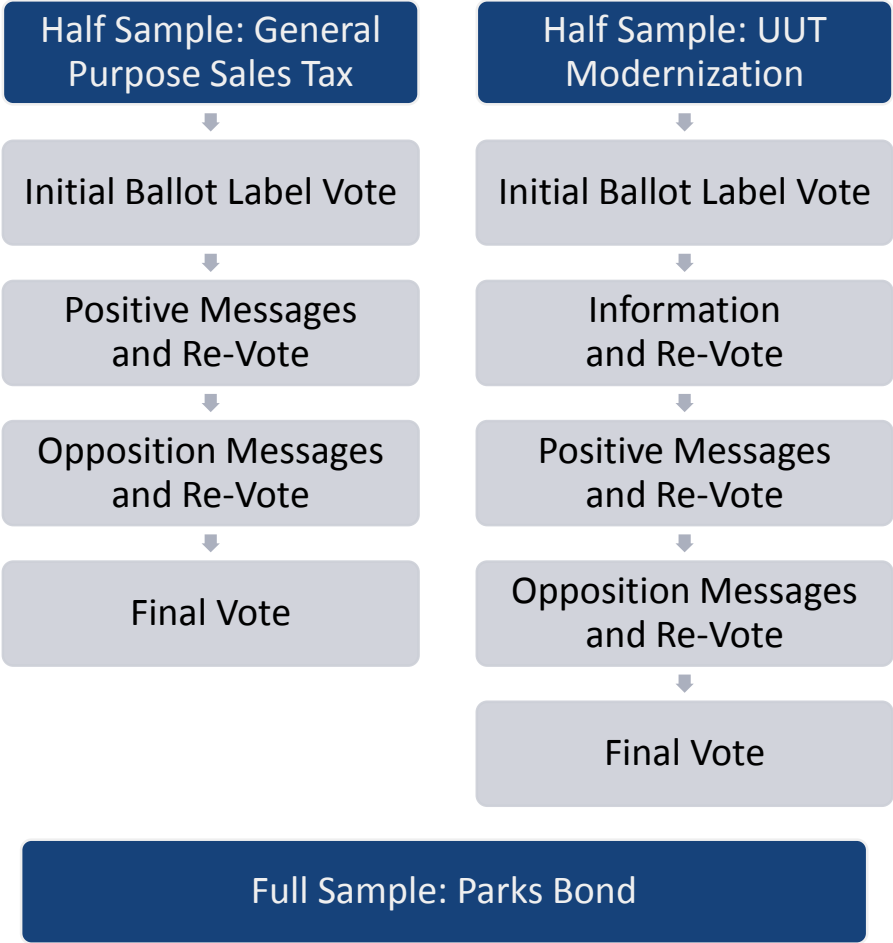
PUBLIC OPINION RESEARCH & STRATEGY

Methodology

- ❖ 600 telephone interviews with likely November 2016 voters via landline and cell phones
- ❖ Conducted December 9 – 14, 2015
- ❖ Margin of sampling error +/-4.0% at the 95% confidence interval
- ❖ Due to rounding, some percentages do not add up to 100
- ❖ Selected comparisons to June 2008 survey



Survey Approach



- ❖ Half of respondents heard a potential general-purpose sales tax throughout the survey, with custom messages
- ❖ The other half heard a utility users tax modernization measure
- ❖ The margin of error for each half-sample is +/-5.7%
- ❖ All respondents heard one question about a potential parks bond measure

Key Findings

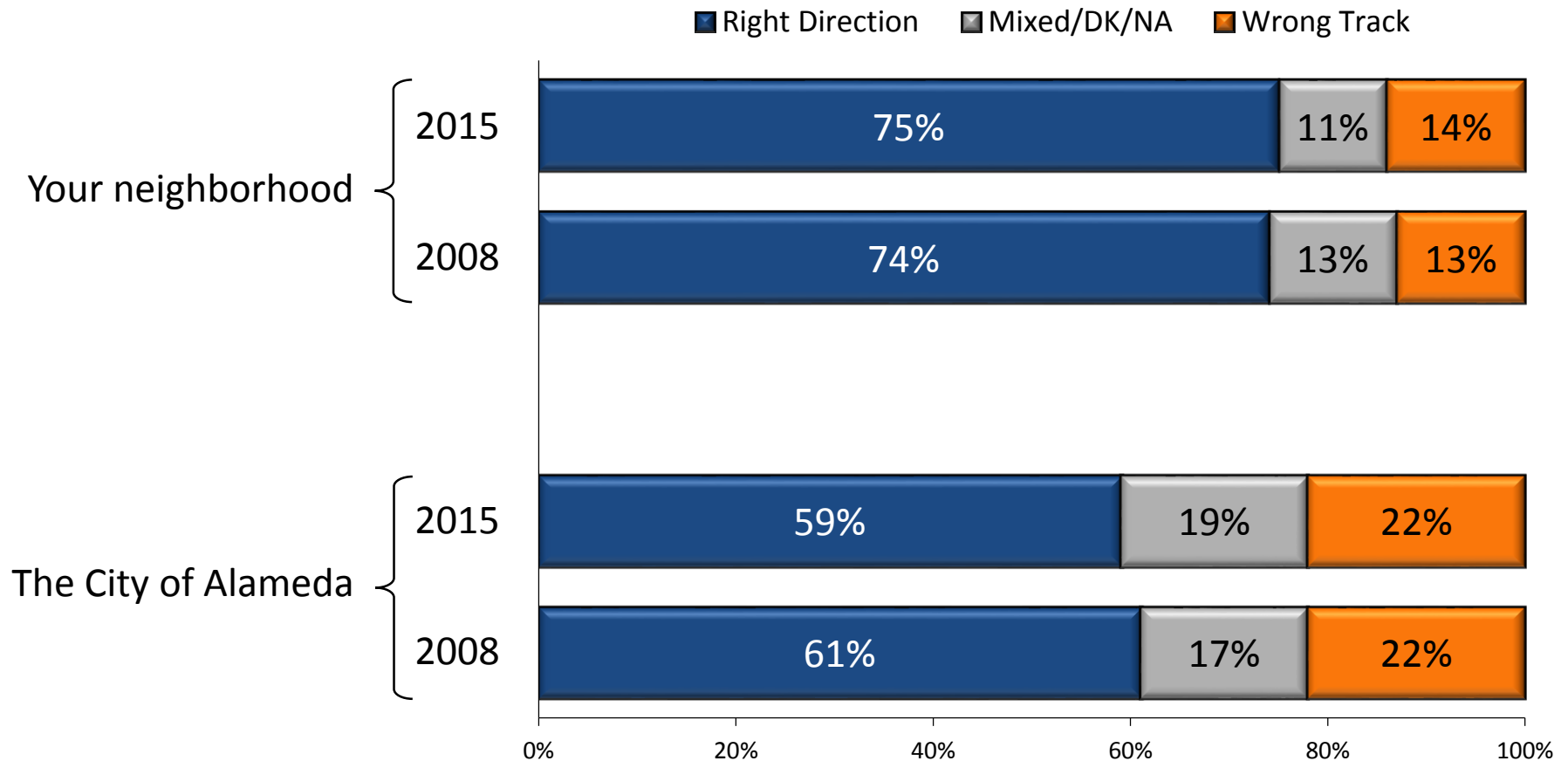
- The drought and cost of housing are voters' top concerns. Since last surveyed in 2008, Alameda voters have become less worried about the economy and crime, and more worried about housing costs and traffic.
- Voters are largely satisfied with City services, with the exception of street maintenance.
- A general-purpose sales tax measure begins with support safely above the majority-vote threshold (63% "yes").
- A UUT modernization measure starts with 52% "yes" and a significant share undecided (23%); an informational statement about UUT measure brings support to 68%.
- An exchange of pro/con arguments ends with the measures earning about-equal shares of the "yes" vote – 61% for a sales tax and 64% for UUT modernization.
- A parcel tax measure funding parks falls short of the two-thirds threshold – 49% "yes" and 41% "no."



Voter Mood and Community Concerns

Voters are optimistic about the City, and more so about their neighborhoods.

Would you say that things in _____ are generally headed in the right direction, or do you feel that things are pretty seriously off on the wrong track?



The drought and the cost of housing are top concerns by far.

Ext. Ser. Prob. Very Ser. Prob. Smwt. Ser. Prob. Not Too Ser. Prob. DK/NA

Ext./
Very
Ser.

Current drought conditions in California



72%

The cost of housing



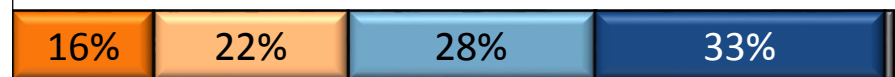
69%

Traffic and congestion on local streets and roads



47%

Too much growth and development



38%

A lack of parking in commercial districts



24%

Waste and inefficiency in local government



18%

The amount people pay in City taxes



15%

A lack of parks and open space



11%

Gangs and youth violence



10%

Crime



9%

The condition of the local economy

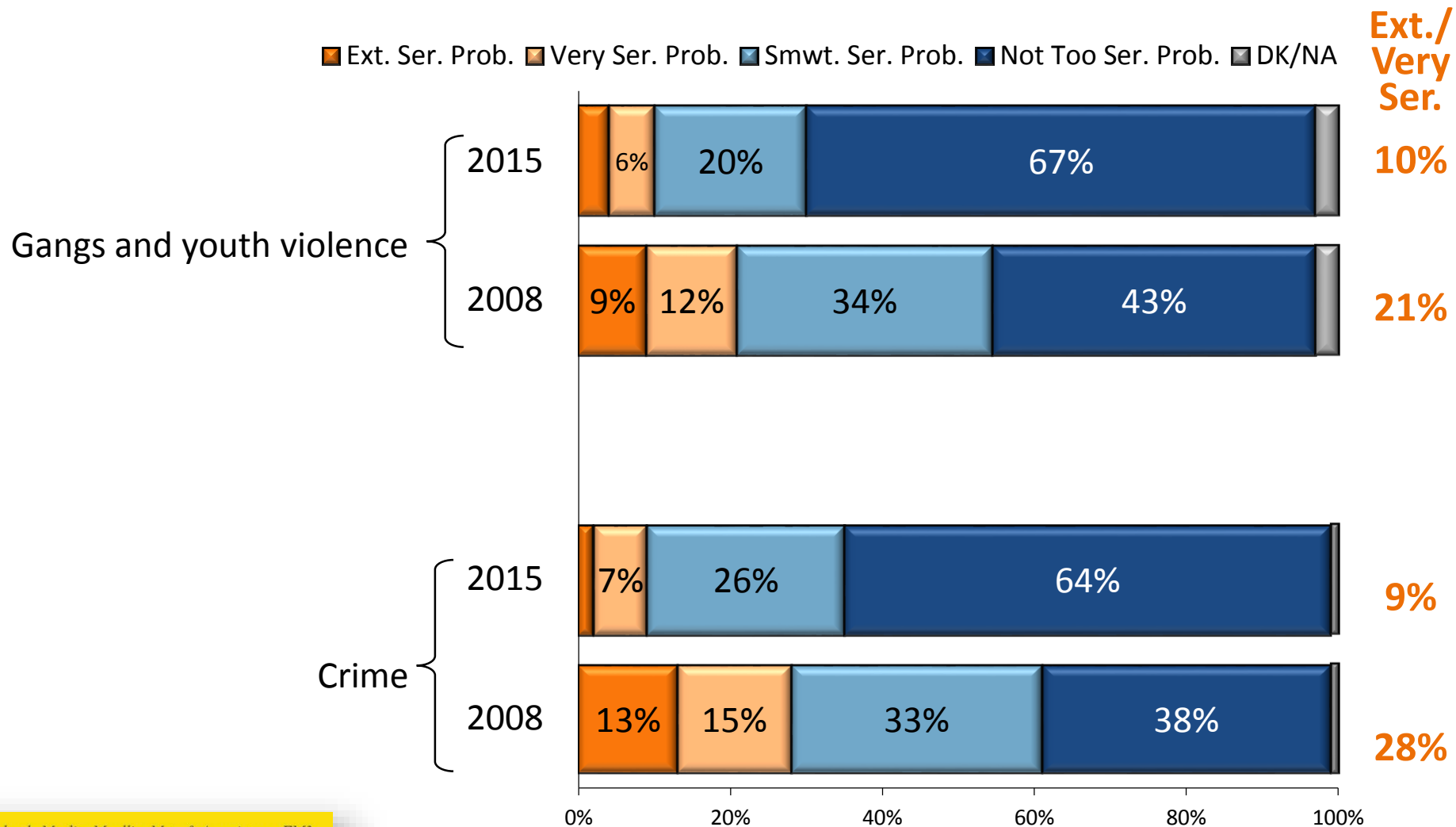


8%

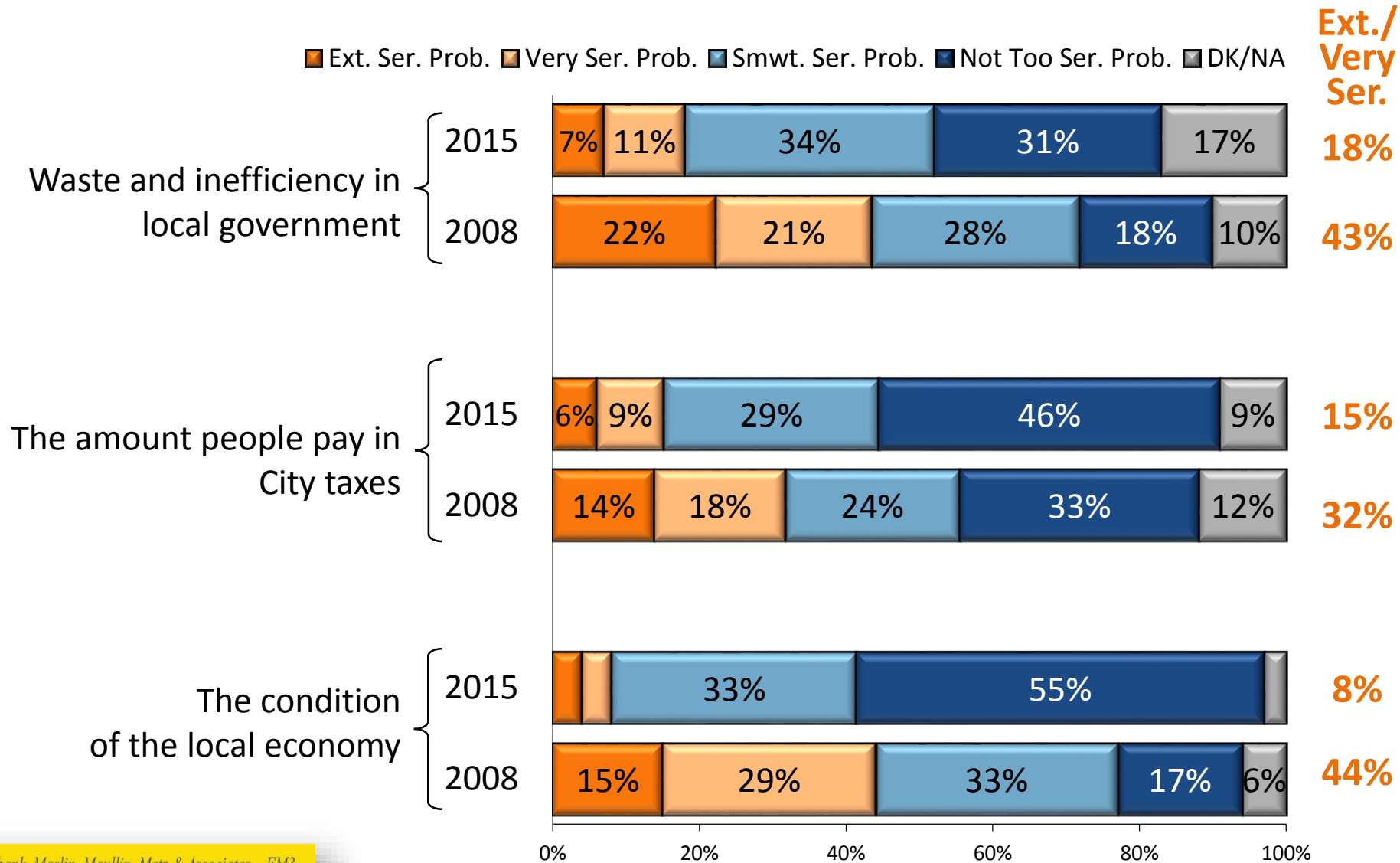
0% 20% 40% 60% 80% 100%

Q8. (Split Sample) I'd like to read you some problems facing the City of Alameda that other people have mentioned. Please tell me whether you think it is an extremely serious problem, a very serious problem, somewhat serious problem, or a not too serious problem in Alameda.

Crime and gangs are seen as much less serious problems than seven years ago.



Government waste, taxes and the economy have receded as perceived problems.

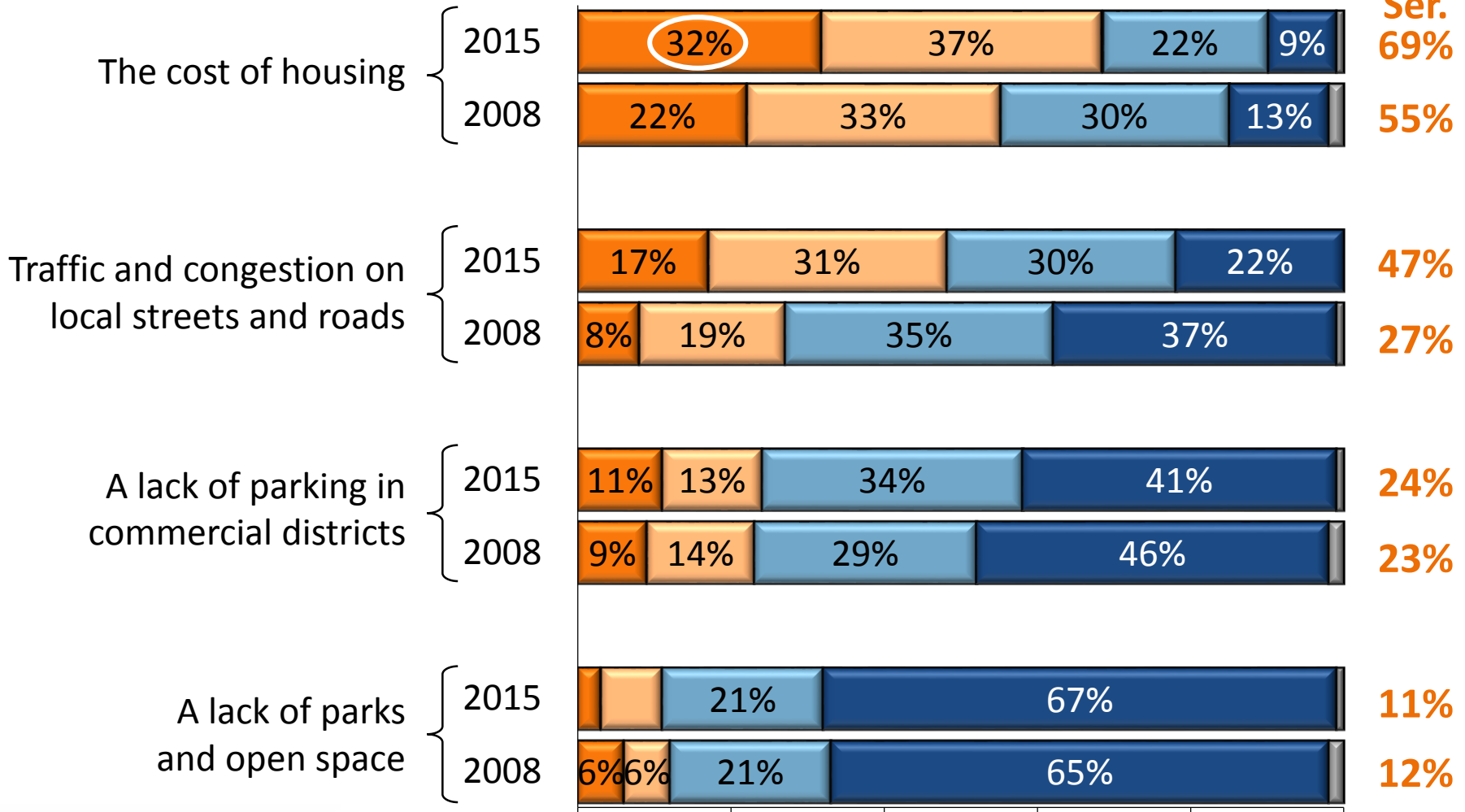


Compared to 2008, traffic and the cost of housing have become Alamedans' biggest concerns.

* These questions were used to inform the City's Performance Measure effort.

Ext. Ser. Prob. Very Ser. Prob. Smwt. Ser. Prob. Not Too Ser. Prob. DK/NA

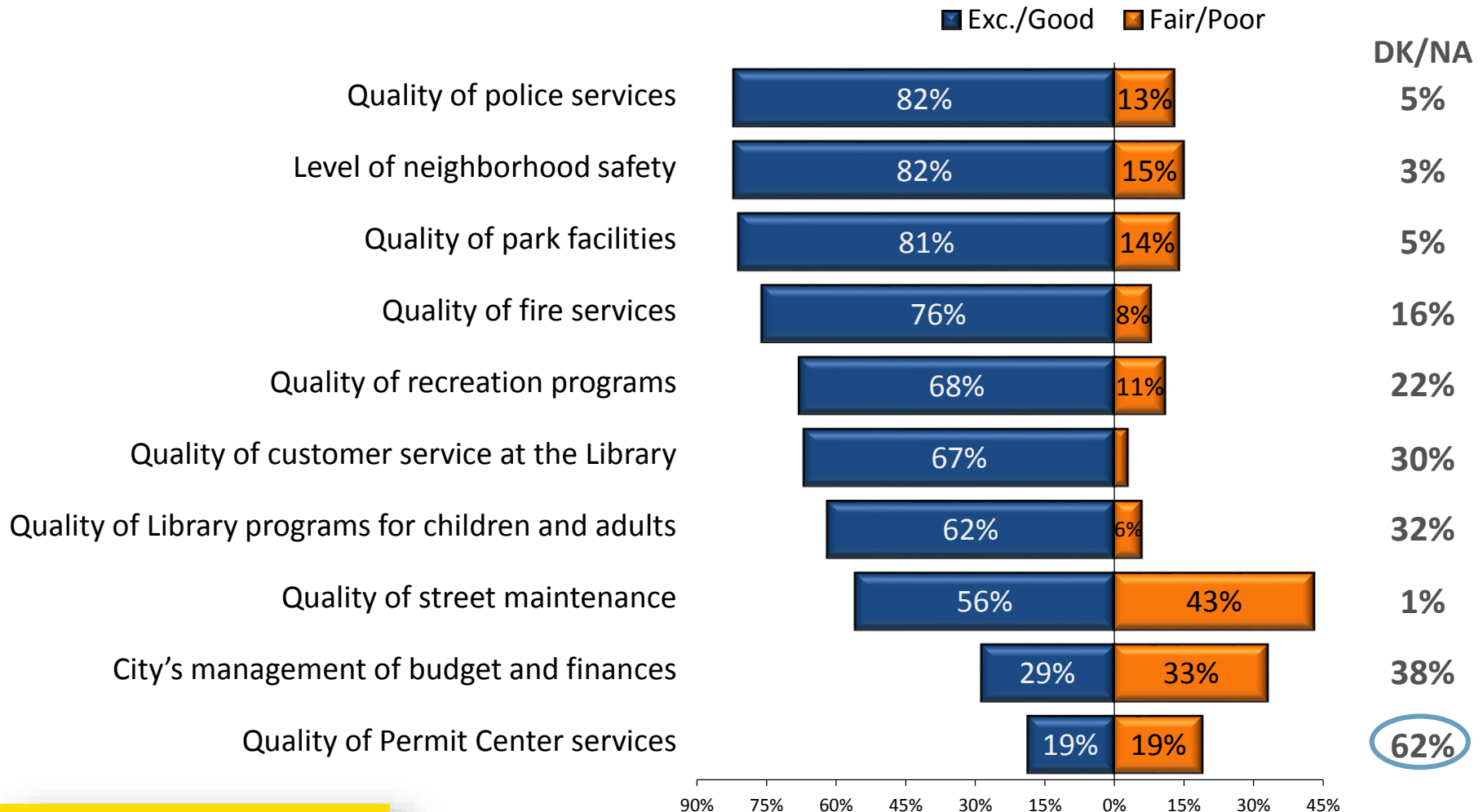
Ext./
Very
Ser.
69%



Q8 a, b, d, g. I'd like to read you some problems facing the City of Alameda that other people have mentioned. Please tell me whether you think it is an extremely serious problem, a very serious problem, somewhat serious problem, or a not too serious problem in Alameda. (Split Sample)

Voters are quite happy with parks and public safety services the City provides.

I am going to ask you about some specific services that the City of Alameda provides. Please tell me whether you think the City is doing an excellent, good, only fair, or poor job in providing that service.





A Potential General-Purpose Sales Tax Measure

Measure Language Tested: Half Sample

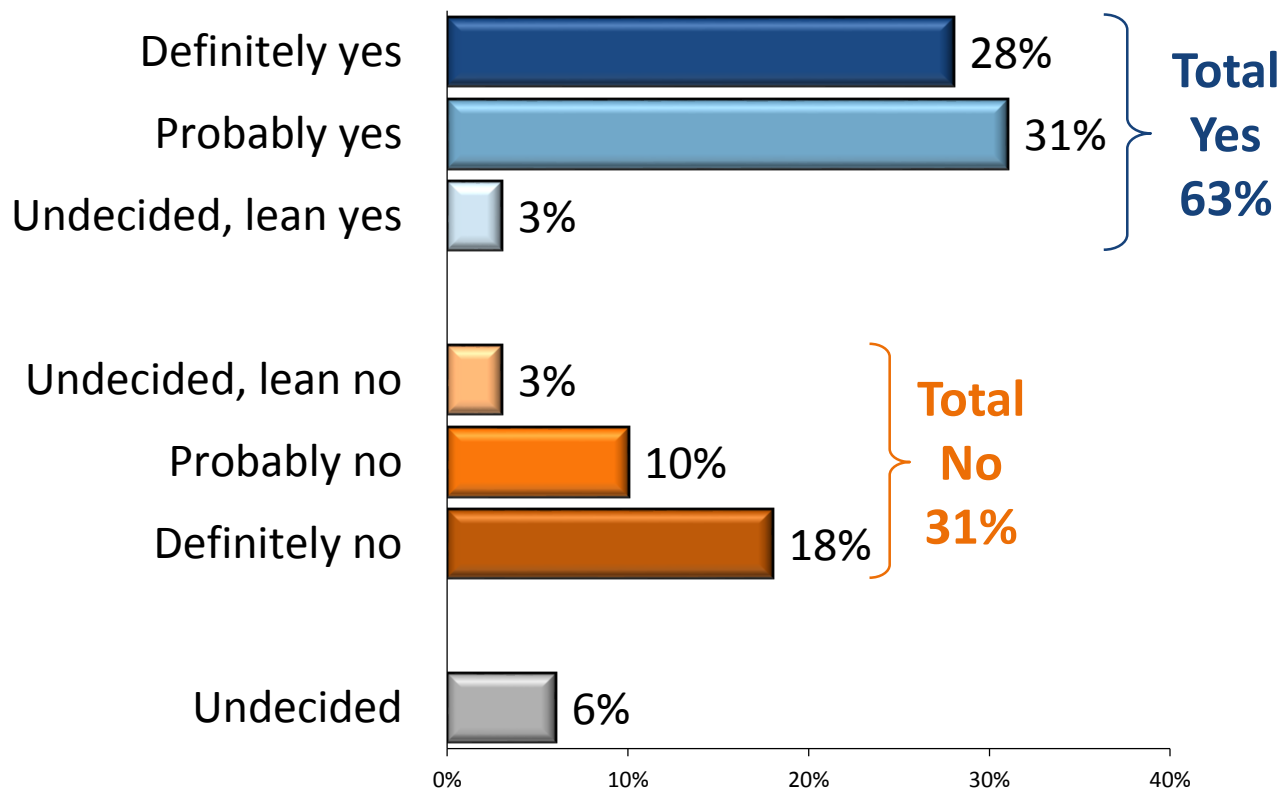
City of Alameda Essential City Services Measure. To maintain Alameda's financial stability and to fund essential City services such as:

- Police response to violent crimes, burglaries, and other safety needs;
- 911 emergency medical and fire response;
- Pothole, street and storm drain repairs;
- Neighborhood park maintenance; and
- Other City services,

Shall the City of Alameda enact a 1/2 cent sales tax for 15 years, providing about \$3.6 million annually, requiring independent audits, public review of spending, and all revenues controlled locally?

A general-purpose sales tax measure begins with support well over the majority vote threshold.

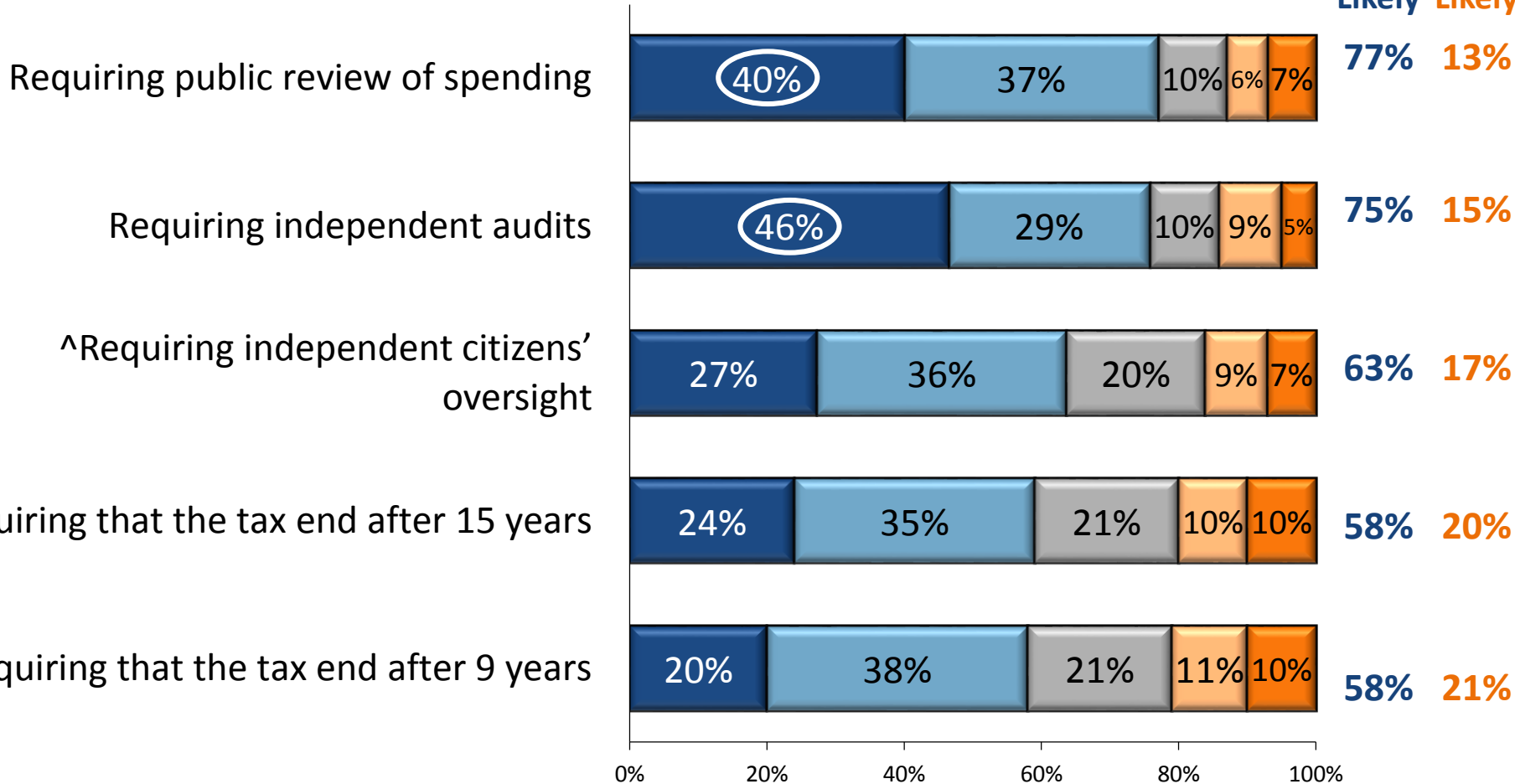
If there were an election today, do you think you would vote “yes” in favor of this measure, or “no” to oppose it?



A 9-year expiration isn't any more appealing than a 15-year sunset.

■ Much More Lkly. ■ Smwt. More Lkly. ■ No Diff./DK/NA ■ Smwt. Less Lkly. ■ Much Less Lkly.

Total More Likely
Total Less Likely



Q4 (Split Sample C). ^Not part of Split Sample. I am going to read a list of provisions that may be included in this ballot measure. Please tell me whether you would be more likely or less likely to support this ballot measure if that provision were included. I'd like to ask about your general impressions of some different kinds of organizations that are active in public life. Please tell me whether your impression of that organization is generally favorable or unfavorable.



A Potential UUT Modernization Measure

Measure Language Tested: Half Sample

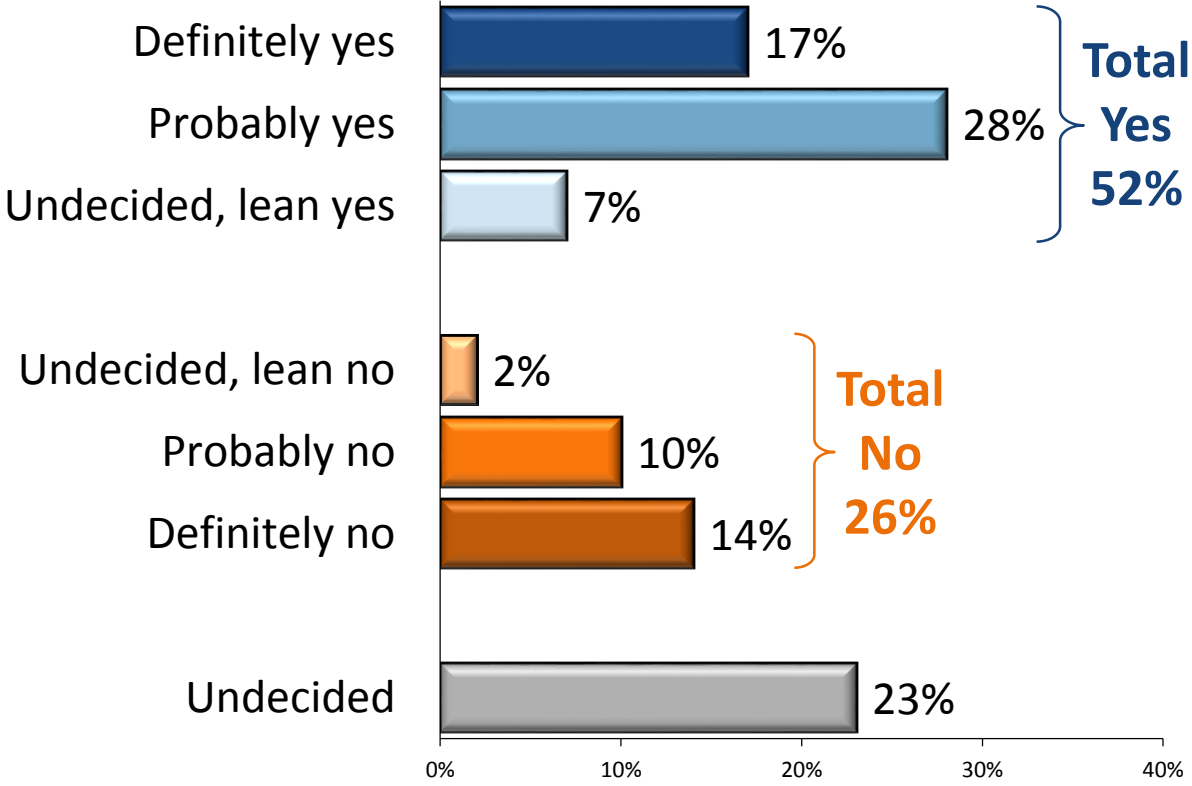
City of Alameda Utility Users Tax Modernization and Essential City Services Protection Measure. To maintain financial stability without increasing tax rates and fund City services such as:

- Police protection;
- 911 emergency/fire response;
- Pothole/street/storm drain repairs;
- Neighborhood park maintenance; and
- Other City services,

Shall the City of Alameda modernize its existing utility users tax to treat taxpayers equally regardless of communications technology used, with senior/low-income exemptions, independent audits, public spending review, and locally controlled revenues?

The UUT measure starts with nearly one-quarter undecided.

If there were an election today, do you think you would vote “yes” in favor of this measure, or “no” to oppose it?



Voters heard a short explanation of the UUT modernization measure.

Now let me tell you more about this ballot measure. Alameda's utility users tax was originally passed by voters in 1995 and currently applies to electricity, natural gas and cable television services, and to telephone calls made on landlines and cell phones.

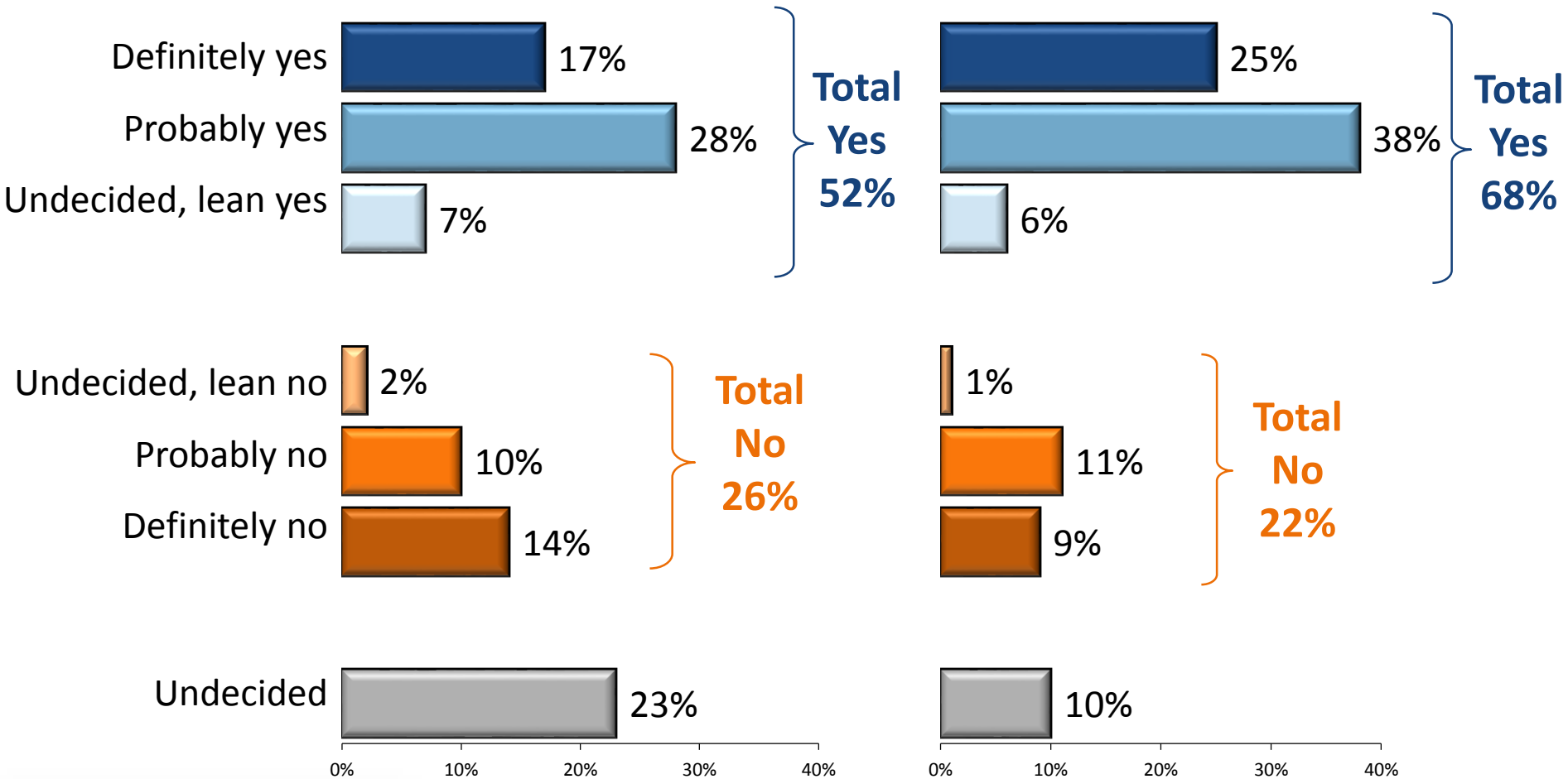
However, newer telecommunication technologies – such as broadband wireless service and voice over IP – are not covered by the existing utility users tax. Additionally, some telecommunications providers apply the tax and some don't.

This measure would not increase tax rates, but would modernize the City's utility users tax to ensure that all residents are treated equally regardless of what types of telecommunications services they use now, and in the future.

After a short explanation, support grows to 68%, though it is fairly soft.

Initial Vote

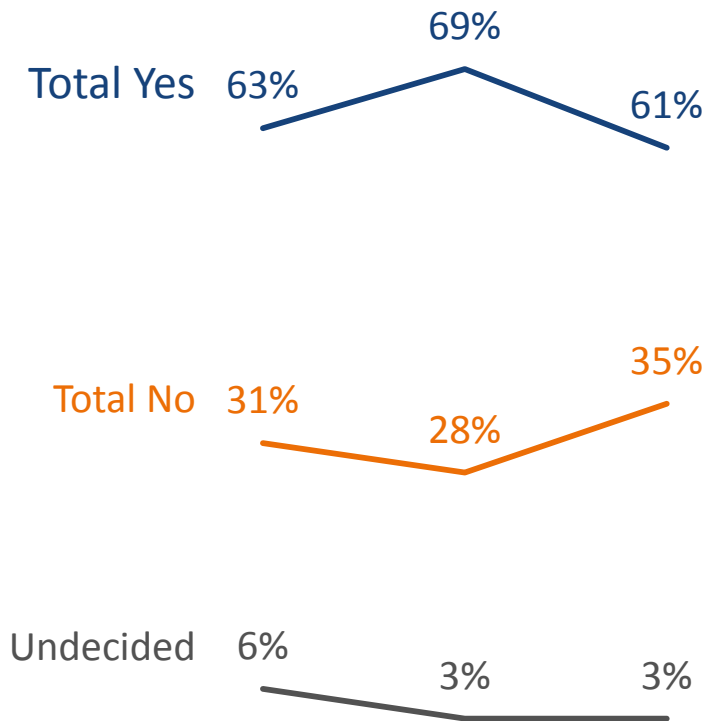
After Info



Vote Progression

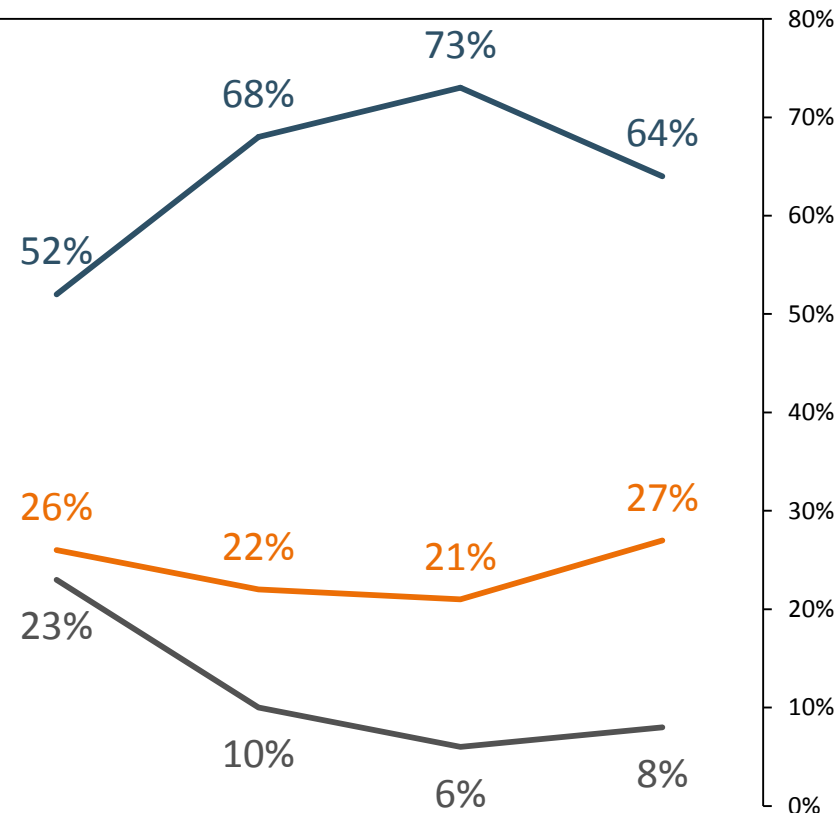
Sales Tax Measure

Initial Vote After Positive Messages After Negative Messages



UUT Measure

Initial Vote After Additional Information After Positive Messages After Negative Messages



Positive Messages Test in Survey

- Help fund park maintenance
- Modernizes the UUT – everyone treated the same (UUT only)
- Help fund storm drain improvements
- UUT does not increase tax rates (UUT only)
- Only raises sales tax five pennies on a \$10 purchases (Sales tax only)
- Help fund street maintenance
- City has declining revenue on the existing UUT (UUT only)
- Help maintain Alameda's quality of life
- Help keep Alameda a safe place
- Help City prepare for a disaster
- Subject to fiscal accountability
- Help the City prepare for the next recession

Positive messages were developed with information materials considered.

Negative Measures Tested in Survey

- Isn't needed with City budget surplus
- Recent Alameda sales tax measure rejected (Sales Tax only)
- Pays only for pensions
- Measure is a trick (UUT only)
- Funds won't trickle down to areas that need it, like parks and libraries
- Can't afford to raise taxes with high housing costs
- City should just cut spending
- Will lead to out-of-control growth

Negative messages were developed with anticipated opposition concepts.



Testing a Parks Funding Measure

Measure Language Tested

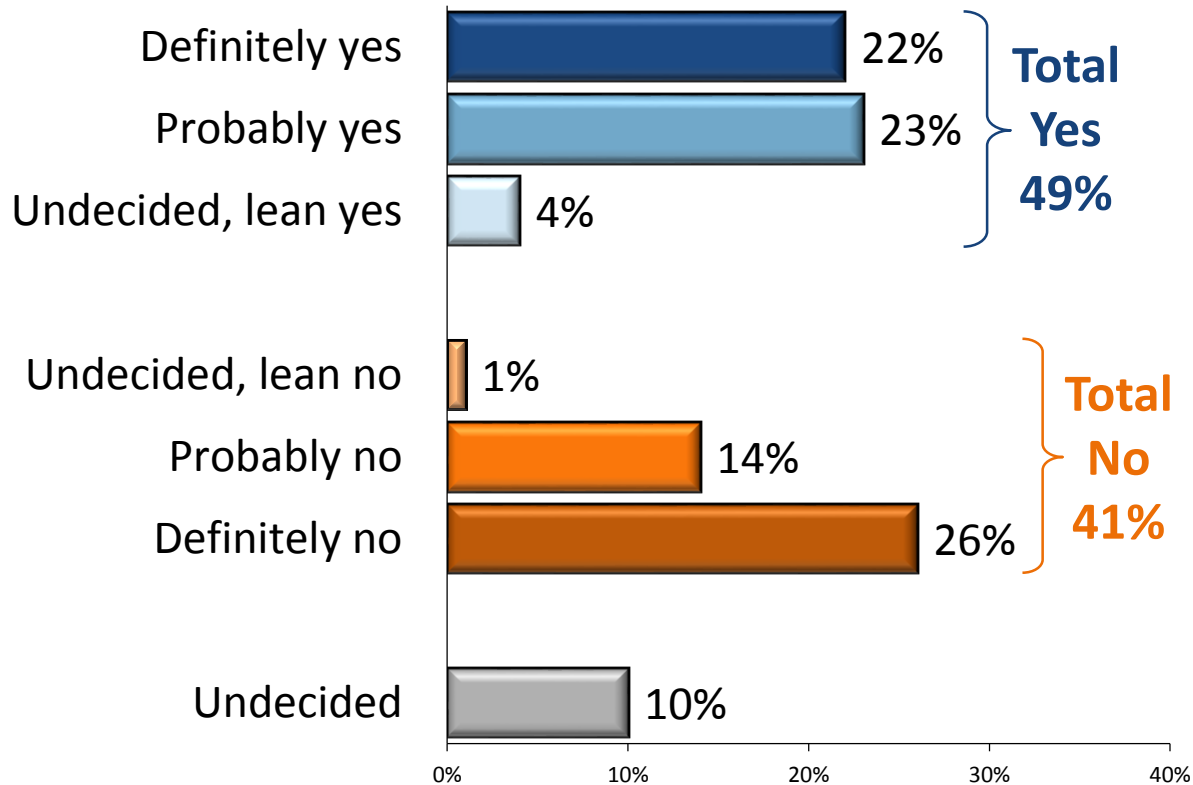
City of Alameda Park Improvement Measure. To maintain community and neighborhood parks throughout Alameda by:

- Repairing aging/deteriorating playgrounds, athletic fields and recreation facilities;
- Repairing/providing clean restrooms;
- Improving park pathways/safety lighting;
- Opening and maintaining new parks, like the Jean Sweeney Open Space Park;
- Ensuring parks are well-maintained and available to the entire community, including youth and seniors,

Shall the City of Alameda establish a \$25 per parcel tax, providing about \$500,000 annually, requiring independent audit and public review of spending?

A park improvement measure falls far short of two-thirds support needed.

If there were an election today, do you think you would vote “yes” in favor of this measure, or “no” to oppose it?



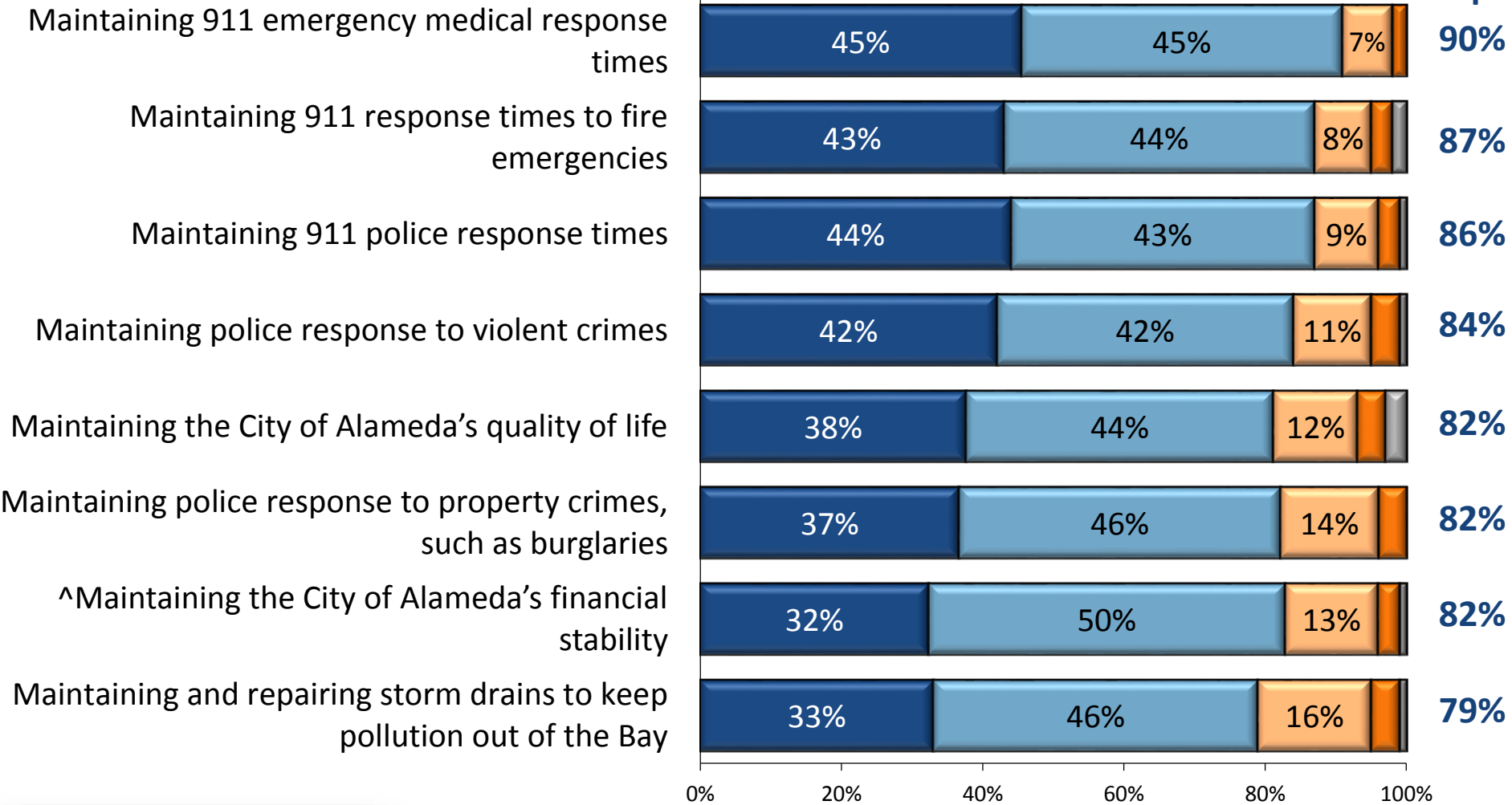


Spending Priorities

More than three-quarters called public safety and Bay pollution their top priorities.

■ Ext. Impt. ■ Very Impt. ■ Smwt. Impt. ■ Not Too Impt. ■ DK/NA

Ext./
Very
Impt.

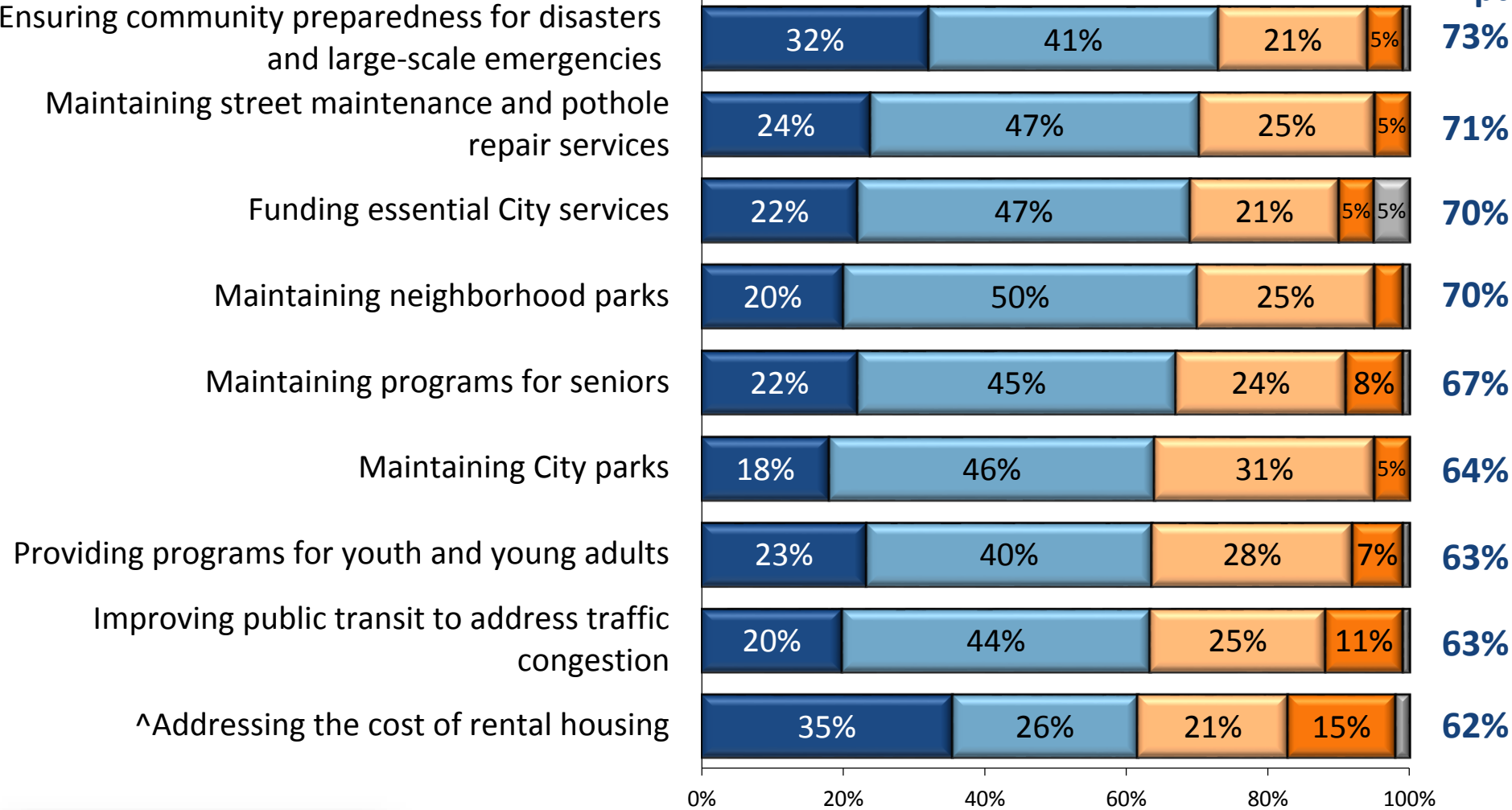


Q10 a, c, d, e, p, s, t, y. I am going to read you a list of ways in which funds generated by this measure could be spent. Please tell me how important each item is to you personally: extremely important, very important, somewhat important, or not too important. ^Not part of Split Sample

At least three in five see street repair, traffic, parks, and housing as very important.

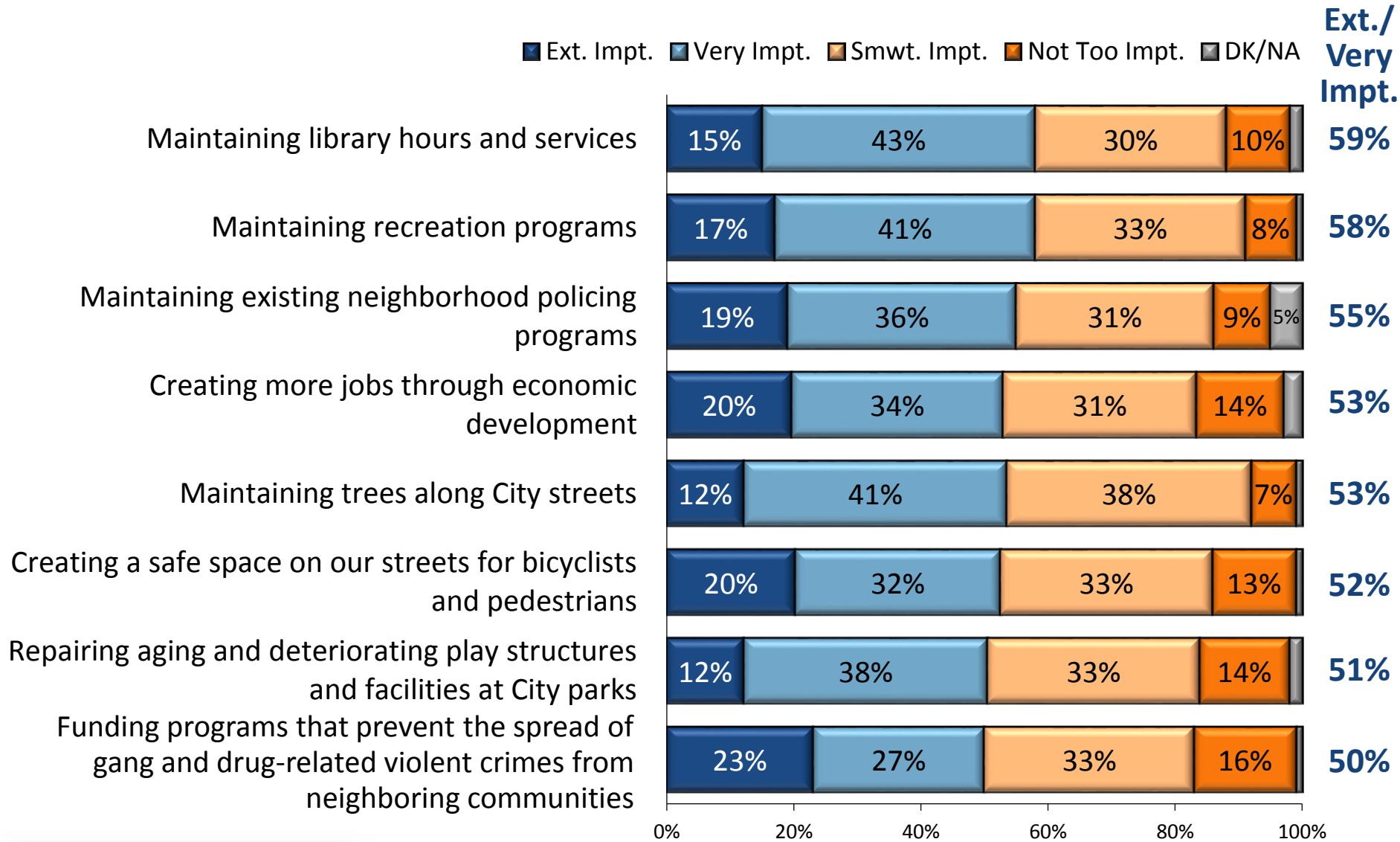
■ Ext. Impt. ■ Very Impt. ■ Smwt. Impt. ■ Not Too Impt. ■ DK/NA

Ext./
Very
Impt.



Q10 b, f, g, j, o, r, u, v, cc. I am going to read you a list of ways in which funds generated by this measure could be spent. Please tell me how important each item is to you personally: extremely important, very important, somewhat important, or not too important. ^Not part of Split Sample

A variety of other City services appeal to at least half.



Q10 l, m, n, q, w, z, aa, bb. I am going to read you a list of ways in which funds generated by this measure could be spent. Please tell me how important each item is to you personally: extremely important, very important, somewhat important, or not too important. Split Sample

Other lower spending priorities.

■ Ext. Impt. ■ Very Impt. ■ Smwt. Impt. ■ Not Too Impt. ■ DK/NA

**Ext./
Very
Impt.**
46%

Improving bicycle safety

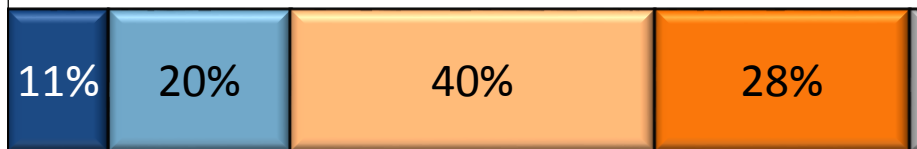


Attracting businesses to Alameda



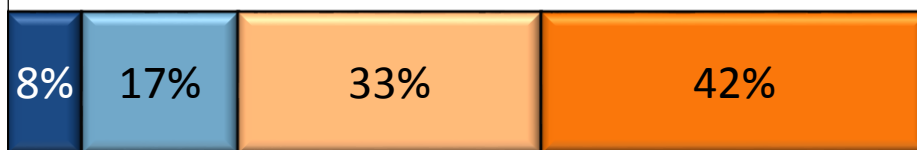
42%

Expanding graffiti removal services



30%

Increasing the number of bicycle lanes



25%

Re-opening City Hall on Fridays



13%

0% 20% 40% 60% 80% 100%



Survey Conclusions

Survey Conclusions

- Both the utility users tax and sales tax measures appear viable, though a UUT will require more public education.
- While voters are more likely to see the cost of housing and the drought as problems for the City than crime and gangs, they prioritize measure spending to be on public safety items such as emergency preparedness and 911 response times.
- Voters also find arguments about general infrastructure repairs and maintenance, as well as the relative size of the taxes, compelling.
- A parks parcel tax to repair and improve existing parks and to open new parks does not appear viable at this time.

Sales Tax vs. UUT Ballot Measure

- The Sales Tax measure appears viable (61%) and requires less voter education.
- However, Alameda has reached its statutory cap of 9.5%, and requires State Legislation authorization to increase it.
- Raising this cap in time for a November 2016 election requires a 2/3 vote by the Legislature as an urgency bill. It is highly unlikely to pass in the current political climate.
- Legislation could still be pursued with a simple 50% majority vote, not an urgency bill, and has a longer timeframe. The City could then consider a sales tax for 2018 or 2020 ballot.
- A sales tax measure would raise \$3.5 million for the General Fund.

Sales Tax vs. UUT Ballot Measure

- A Utility Users Tax (UUT) measure also appears viable (64%) but requires significant public education.
- The UUT measure will raise \$1.6 million for the City's General Fund.

Recommendation

- Pursue the UUT in November 2016.
- Pursue state legislation related to increasing the Transaction and Use Tax to allow the sales tax measure option for future ballots.

Next Steps

- 1) Staff to begin the formal community engagement and public education process to include:
 - 2 – 3 informational mailers to all residents in spring and summer
 - Speaking with Alameda organizations
 - Online surveys
 - Social media and website
 - Cost is up to \$65,000

- 2) Council Update – May 2016
 - Report on work done to date, such as stakeholder education, developing informational materials, and community engagement.
 - Review draft resolution of ballot measure language.
 - Discuss next steps.

- 3) Council approval of final ballot measure language – June 2016