## Capitola City Council Agenda Report

Meeting: November 21, 2023

From: City Manager Department

**Subject:** Voter Polling Contract



<u>Recommended Action</u>: Authorize the City Manager to execute a Professional Services Agreement with EMC Research in an amount not to exceed \$25,000 to conduct Capitola polling on potential revenue measures to be placed on the 2024 General Election ballot.

<u>Background</u>: In 2021, the City Council decided against proposing a revenue measure for the 2022 General Election ballot and directed staff to research and provide information about the viability of such measures in conjunction with the 2024 General Election. The adopted FY 2023-24 Budget Goals and allocated funding to poll Capitola voters to determine the viability of potential tax revenue measures before the 2024 General Election.

On November 7, 2023, the Capitola Finance Advisory Committee discussed polling potential revenue ballot measures for the 2024 General Election. The committee recommends polling an extension of Measure F and a General Obligation Bond, to assess how each type of tax measure would be received by voters.

Measure F, a quarter-cent sales tax, was originally adopted in 2004 with an expiration date of December 31, 2010. In 2008, the Measure was extended through 2017 with 66% voter approval. In 2016 it was again extended through 2027 with 81% voter approval. Extending this sales tax measure would not increase current taxes for the public and would maintain \$1 million of General Fund revenue beyond 2027.

A General Obligation (G.O.) Bond increases property tax for a defined amount of time; revenue from this type of bond is usually used to fund projects that serve the community, such as upgrading or building new public resources (like police stations, municipal service buildings, and community centers), or maintaining parks and open space.

Polling would help determine if Capitola voters are likely to approve extending Measure F and would help assess if voters would be more likely to approve a G.O. bond dependent on certain factors, such as the tax amount (for example \$50 per every \$100,000 assessed value), length, and use of the revenue generated.

<u>Discussion</u>: In October, City staff solicited and received three proposals for polling services. Staff recommends entering into an agreement with EMC Research. EMC Research was selected because of its proposed project timeline, cost, and positive references from neighboring jurisdictions. EMC Research will telephone, email, and conduct online surveying to collect data from 200 Capitola voters to see how a ballot measure may be received. 200 survey responses is an estimate based on the amount of registered Capitola voters (approximately 6,900). Based on the project timeline, staff intends to present results to the City Council in the spring. The deadline to place a measure on the November 2024 ballot is August 9, 2024.

<u>Fiscal Impact</u>: The FY 2023-24 Budget has allocated \$25,000 for voter polling research. Therefore, sufficient funds are available.

## Attachments:

1. Voter Polling Proposal

Report Prepared By: Chloé Woodmansee, Assistant to the City Manager

Reviewed By: Julia Gautho, City Clerk; Samantha Zutler, City Attorney; Jim Malberg, Finance Director

Approved By: Jamie Goldstein, City Manager