

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Hugh Riley, Assistant City Manager 

BY: Jennifer Mellon, Administrative Services Manager 

DATE: September 20, 2013 (CC Meeting of 10/2/13)

SUBJECT: Consider Recommended Survey Approach for the City of Moorpark Voter Opinion Survey and Nominate and Appoint Two (2) City Councilmembers to Participate on the Ad-Hoc Committee for the Voter Opinion Survey

BACKGROUND

On July 12, 2013, the City entered into an Agreement with True North Research, Inc. to design and conduct a statistically reliable survey of Moorpark voters to profile community priorities as they relate to the services, programs, and facilities provided by the city, as well as gauge voters' willingness to fund said services and facilities through a local revenue measure. True North Research shall use their expertise to provide the City with recommended survey strategy that will assess the feasibility of placing a revenue measure on a upcoming ballot and , if feasible, determine how best to package a measure for success by aligning it with the community's priorities, sensitivities, and expressed needs.

DISCUSSION

Survey Methodology

True North Research has provided the City with their recommended methodology for conducting the survey after analyzing the various needs conveyed by city staff and having discussions with the City assessment consultant. One of the challenges facing this study is that the City of Moorpark has a reasonably small likely voter population, many of whom will be challenging to reach if relying solely on telephone data collection.

Given the small size of the community and the desire to maximize the response to the survey, True North Research has proposed a mixed-method design that utilizes a combination of mail-based and telephone recruitment with online and telephone-based data collection methods. Voters will be recruited to participate in the survey using a combination of mailed letters sent to likely voter households and targeted telephone calls.

The letters will include a unique password for each voter to ensure that only Moorpark voters are able to take the survey and limit the number of completed interviews per voter to one. Voters who do not respond to the mailed invitation to participate in the survey online will receive follow-up telephone calls to participate in the survey via telephone.

The recommended mixed-method approach to recruitment and data collection will maximize the sample size possible for this study and produce a more reliable estimate of community support for a revenue measure than using telephone-only data collection methods. Although the final sample size will depend on the response rate to the mailed letters and telephone calls, the consultant guarantees a minimum 400 completed interviews. If the response rate is higher than the conservative estimate and more interviews are completed, there will be no additional cost to the City. By allowing the targeted population the flexibility of completing an online survey at their convenience has been shown to greatly improve responses.

Recommended Approach

Research has consistently shown that interviewing the same respondent about several different types of funding mechanisms produces confusion and artificially low levels of support for whichever options are tested second (or third). To obtain *statistically reliable* estimates of support for a potential revenue measure, a voter should be provided with a single measure representing one type of financing mechanism (e.g., bond, sales tax or assessment). If multiple financing mechanisms must be tested, a split-sample approach should be used whereby half of the sample receives one type of measure (e.g., sales tax) and the other half receives a second type of measure (e.g., assessment). This generally requires a larger sample size and higher costs; however, it is necessary to ensure statistically reliable results for both scenarios.

Based on prior discussions between the City Council and staff, it was conveyed to True North Research that the City wishes to gather information for three possible types of measures—a local sales tax, a business license tax, and a Prop 218 benefit assessment. Upon further review of these options with City staff and discussions with the City's assessment consultant (SCI Consulting Group), True North Research is recommending that the City focus the survey on the local sales tax option for the following reasons.

The primary consideration is the City's need relative to the revenue-generating potential of each financing mechanism. A 1/4 cent local sales tax is expected to generate \$800,000 annually, whereas a 1/2 sales tax would generate approximately twice that amount. By comparison, to raise \$800,000 annually a benefit assessment would require a fee of approximately \$60 per single-family equivalent (SFE). The challenge is that the fee amount needed to raise \$800,000 through a benefit assessment is very likely well above

what the community would be willing to support given that the benefit assessment will be narrowly focused on parks and recreation. The reality is that a fee increase of \$20 to \$30 is what a community may support given the patterns of support that True North Research and SCl Consulting have witnessed in similar communities for similar measures. At a \$20 increase, the revenue generated by a successful assessment would be fairly low (\$267,000 annually). Also, any new assessment would require an Engineers Analysis and Report to justify the fee methodology, which will take time and require an additional expense.

From the consultant's perspective, the option of instituting a business tax license to generate the necessary revenue would be difficult. The proposed tax for different types and sizes of businesses has not been evaluated and thus there are not specific tax amounts that could be tested. In addition, since this has not been analyzed it is currently uncertain whether the amount of revenue for such a tax would be similar to a 1/4 cent sales tax.

The sales tax options, by comparison to an assessment, will generate a much larger revenue stream and can also fund a range of services which can align to match voter priorities. Moreover, provided that it is positioned as a general tax, the sales tax option provides the City and City Council with much more flexibility regarding how the money can be used over time. A general sales tax also has the advantage of requiring just a simple majority for passage, not the two-thirds supermajority required of special taxes. Additionally, the strategy for establishing a sales tax measure is to include a limit on the new tax of no more than seven years.

For the survey, True North Research proposes to test both 1/4 and 1/2 cent sales tax options and devote the entire sample to these options so they capture highly reliable results with a small margin of error. If approved, True North Research will immediately draft up a sample survey to be reviewed by staff and a Council Subcommittee.

FISCAL IMPACT

There is no fiscal impact.

STAFF RECOMMENDATION

1. Approve the recommended survey approach for the City of Moorpark voter opinion survey.
2. Nominate and appoint two (2) City Councilmembers to participate on the ad-hoc committee for the Voter Opinion Survey.