

STAFF REPORT
COUNCIL MEETING DATE:
May 14, 2012

ITEMS FOR COUNCIL CONSIDERATION:

Results of a Community Survey on Carpinteria City Services and a hotel bed tax (Transient Occupancy Tax) rate increase ballot measure.

Department: Administration:



City Manager



Administrative Services Director



City Clerk

ACTION ITEM: NON-ACTION ITEM:

STAFF RECOMMENDATION:

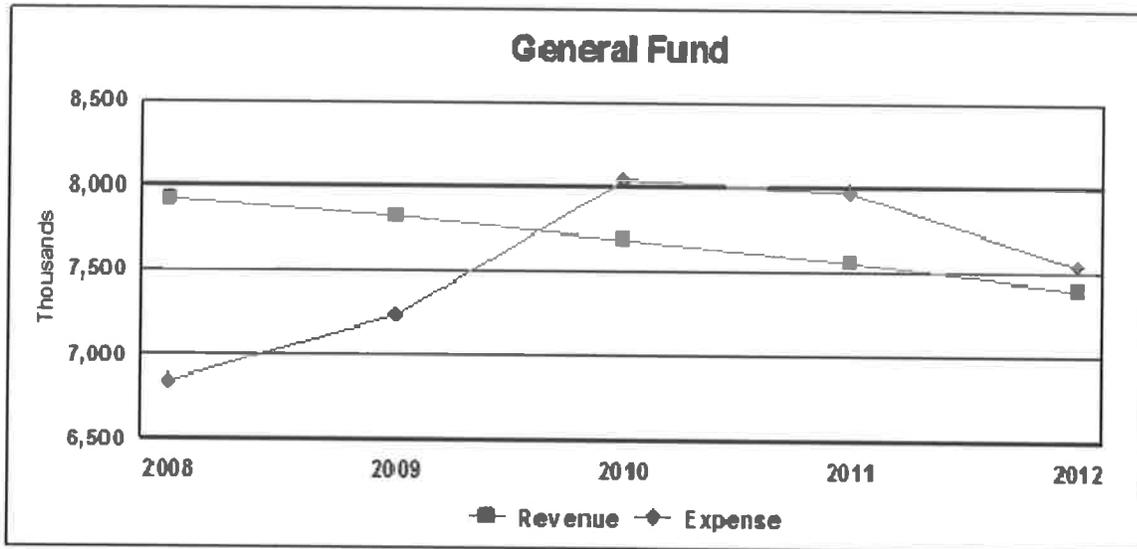
Receive the Community Survey Report and direct staff to prepare for City Council consideration at its next regular meeting all necessary actions related to requesting voter consideration of an increase in the City's Transient Occupancy Tax as a part of the November 2012 General Election.

Sample Motion: I move to direct staff to prepare the requisite Resolutions and other matters for City Council consideration related to requesting voter consideration of an increase in the City's Transient Occupancy Tax rate to 12% as a part of the November 2012 General Election.

I. BACKGROUND:

At its regular meeting of September 12, 2011, the City Council received a report on Revenue Measure Options and made three related decisions in response to the City's projection (see chart below) that expenses would continue to outpace revenues unless service level cuts were made as necessary to align expenses with revenues into the future. (1) The City Council determined that seeking additional tax revenue that could mitigate further service level cuts should be explored. (2) The City Council determined that it would be essential, should the Council determine to proceed with a revenue

measure, to engage the community in a discussion about City services, the City's fiscal condition and issues, and the basis for the requested hotel bed tax rate change. (3) The City Council directed staff to have a professional survey conducted in order to gather community input regarding City services, service priorities, and the prospect of a transient occupancy tax increase from 10% to 12%.



On February 13, 2012, the City Council authorized hiring Fairbank, Maslin, Maullin, Metz & Associates (FM3) for public polling services. From March 11-18, FM3 conducted a telephone survey of likely Carpinteria voters participating in the November 2012 General Election. **Attachment 1** to this Staff Report is the written report from FM3 concerning the survey results. John Fairbank of FM3 will present the survey results at the May 14, 2012 City Council meeting.

The Transient Occupancy Tax (TOT) is the technical name for the tax imposed on occupants of hotel/motel rooms. It is also commonly known as a hotel bed tax and for the purposes of this report the more common term will be used from this point forward. Transient Occupancy Tax or TOT is used throughout the FM3 survey report. Cities are allowed by law to impose the tax on persons staying 30 days or less in a hotel, inn, motel or other lodging facility. Rates are set at the discretion of the city and are typically a percentage of the room rental rate. The City's hotel bed tax regulations can be found at Chapter 3.20, Uniform Transient Occupancy Tax, of the Carpinteria Municipal Code.

The purpose of this agenda matter is to allow the City Council to consider the community survey results and determine if proceeding with a ballot measure that requests voters to consider the question of a hotel bed tax rate increase is appropriate at this time. This report also serves to provide the City Council and public with information about City finances and services in support of consideration of a hotel bed tax rate increase.

A. Community Survey Purpose and Conclusion.

The purpose of the survey was two-fold: to gauge satisfaction with City services and identify unmet service needs, and to gauge voter support for a possible hotel bed tax rate increase ballot measure. The FM3 report on the survey results states that "voters are generally satisfied with the direction of Carpinteria, the job

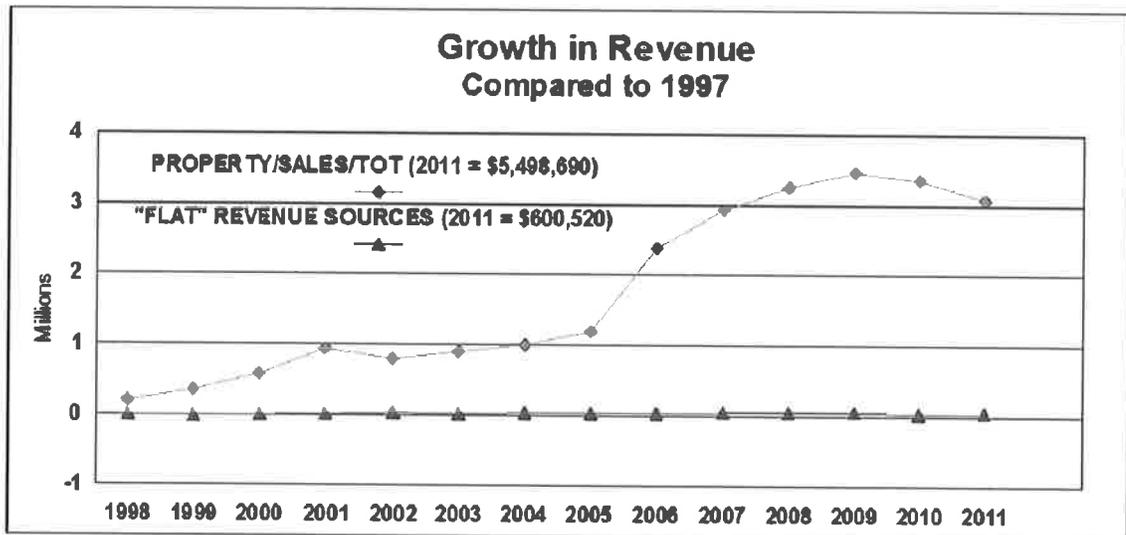
being done by City officials and provision of City services. In addition, a solid majority—six in ten voters (62%)—support raising the City’s TOT from ten to twelve percent to help protect city services from further cuts.”

B. Why is there a need for more revenue?

As discussed at prior City Council meetings, although generally healthy, the City’s financial condition includes several factors that are undermining its ability to continue to deliver the quality and quantity of services that the Carpinteria community needs and expects. These factors include revenue sources that are flat (and therefore do not keep up with inflationary pressures on the cost side), ongoing state takeaways of local revenues, and, cultural and technical changes that the tax system has not kept pace with. These are reviewed in detail below.

- 1. Flat Revenue Sources.** Certain City revenues discussed below do not grow either because the legislation enacting the tax or charge precludes or limits the potential for increases, or the formula that determines the allocation of the revenue to the City is based on factors that do not result in growth in the allocation amount. Staff reviewed current year revenues from the Park Maintenance tax, Right-of-Way Assessment charges, Utilities Franchise fees, COPS grant revenue, and the City’s Vehicle License Fee allocation, and determined that these significant revenues (just over \$600,000 annually) have, and will continue to, lose value each year because of their inability to grow sufficiently to keep up with inflation.

The chart below compares the annual growth of these flat revenue sources as a group to property, sales and hotel bed tax revenue growth, also grouped, over the same period of time.



- **Parks Maintenance Tax:** The Park Maintenance tax was set in 1985 and reconfirmed by voters in 1997. It collects approximately \$36 per residential parcel annually. The tax is flat with no annual or inflationary increase. As such, Fund revenue has grown very little since the tax was first established 27 years ago. In 1997 annual Fund revenue was \$142,000

and this revenue was sufficient to pay for routine annual park maintenance in the City.

The amount of park space, and the per acre cost to maintain it has increased substantially since 1997. Park maintenance costs today exceed \$300,000 annually. In order to pay for the cost of park maintenance, other Funds and revenues must supplement the Park Maintenance Fund including current year projections of: General Fund (\$114,383); Tidelands Trust Fund (\$10,000 used for maintenance of the Salt Marsh Park, City Beach, Tar Pits Park); State Beach Day Use Parking charges (\$25,000 used for maintenance of Linden Field); Bluffs Endowment proceeds (\$20,000 used for maintenance of the Bluffs Nature Park); Street Lighting Fund (\$15,838) and park user fees (\$10,000).

- **Street Right-of-Way Assessment.** Used for the maintenance of public rights-of-way, this assessment district pays for repairs and improvements to curbs, gutters, sidewalks, and other improvements and maintenance activities in public street rights-of-way. Revenue comes from a parcel based assessment. Similar to the Park Maintenance Fund, the assessment formula does not account for inflation and revenues to the Fund have changed little since it was created in 1986.

Current year revenues are expected to be approximately \$195,000. Annual Fund expenses exceed \$300,000. At one time, the Right-of-Way Assessment Fund was sufficient to address a significant portion of annual City street maintenance costs as well as minor capital projects. This Fund is now a relatively small contributor to the City's overall street right-of-way maintenance costs. Fund revenues were historically supplemented by Gas Tax. Other Funds that contribute to right-of-way maintenance are the General Fund (\$97,105), Measure A Fund and Local Transportation Fund. Gas Tax revenues are also essentially flat. As such, the Street Right-of-Way Assessment revenues, including subsidies as described, are sufficient only for contributing to day to day operations and routine maintenance.

- **Utilities Franchise Fees:** Franchise fees are paid to the City by cable television operators, solid waste haulers, and electric and gas utilities. Franchise fees are paid to the City as "rent" or "toll" for the use of public streets and rights-of-way for the conduct of the private business, and are based on formulas established in agreements with franchisees. City Waste Hauling and Cable Franchise fees are renewed every five to ten years and are based on formulas that track customer rates and therefore, generally, keep pace with inflation.

Gas and electric utilities franchises were established shortly after City incorporation, have a perpetual term, and are based on formulas that rely more on the amount of infrastructure located in the City rather than customer rates. Because the City of Carpinteria is not expanding, new electric or gas lines are rarely constructed and the related franchise revenues change little (even declining based on other factors in the

franchise fee formula). Current year revenue for gas and electric franchise fees is \$154,877, and revenues in 1997 were \$104,568; an average annual increase of just 3.4%.

- **COPS Law Enforcement Services Grant:** This State grant revenue supports local law enforcement services. The allocation is based on population and small cities like Carpinteria receive the minimum allocation of \$100,000 annually. COPS was one of a few programs enacted by voters and the State Legislature in the early to mid-1990's to partially mitigate the State's taking of significant local property tax revenue through the 1992 establishment of the Education Revenue Augmentation Fund (ERAF). The City of Carpinteria began receiving COPS grant revenue in 1996, when annual revenue was sufficient to pay for one full time Community Resource Deputy position. However, the grant amount has not increased since 1996 and in some years has even been cut by the State. Currently, the annual COPS grant allocation offsets less than half the cost of the Community Resource Deputy position.
- **Vehicle License Fee (VLF):** California cities receive an allocation of the State VLF based on population. Prior to 2006, the VLF was a significant revenue source for California cities, including Carpinteria. VLF revenue was approximately \$1.2 million in 2005. As a part of State budget maneuvers in 2004 aimed at giving the State more flexibility in spending, it acted to eliminate most city VLF revenue and replaced it with a commensurate amount of property tax revenue. Since 2006, the remaining portion of City VLF revenue has declined. In 2006 VLF revenue was just over \$98,000 and in 2011 it was \$50,588. Although no longer a major revenue source for the City, the decline is symptomatic of nearly all State revenues, which are either at risk or decline over time.
- **Recreation Services:** The Recreation Services Fund was created in 1996/97. This Fund includes operating costs related to providing recreational facilities and programs at the Community Pool, the Beach, Veteran's Memorial Building, and at various parks. Fund revenue comes from user fees. Carpinteria Municipal Code Chapter 3.34 establishes targets for cost recovery of various Leisure and Cultural Services programs, including most of the services funded from the Recreational Service Fund. The cost recovery rates range from 0% to 100% for various recreation programming provided by the City.

The Community Pool represents the greatest single facility operating cost and the established rate of cost recovery is 50% for public swimming. Revenue from all user charges for the pool is estimated to be just under 50% of pool operating costs. The Recreational Services Fund is projected to require supplemental General Fund revenues of \$114,024 in the current budget year.

2. **State Takeaways of City Revenues.** Certain City revenues are vulnerable to being diverted by the State. The City estimates that various State "takeaways" cost the City hundreds of thousands of dollars annually

and further diversion of local revenues is expected in the future. As the State continues to struggle with its budget all local revenues that the State has control over are subject to being reduced or eliminated, either temporarily or permanently.

- **Education Revenue Augmentation Fund (ERAF):** Prior to voter approval of Proposition 1A in 2004, local property tax revenues were subject to extraordinary control by the State. The State used this control on a number of occasions to take local property tax revenue from cities. The most significant instance was the establishment of the ERAF, which began in 1991-92. The shift of local property tax from cities, counties and special districts to the State general fund relived the State's obligation for funding schools statewide.

Since its establishment, the City of Carpinteria has lost over \$4.3 million to ERAF¹, more than \$265,000 annually. This is the net loss based on revenues from two programs established by voters and the State to mitigate revenue losses from ERAF: Proposition 172 Public Safety Sales Tax and the COPS grant program. The City receives less than \$150,000 annually from Proposition 172 sales tax and the COPS grant (see more on the COPS grant in the prior section of this Report).

- **Property Tax Administrative Fee (PTAF):** State law allows counties to charge an administrative fee for handling local property tax revenues. Currently, the City of Carpinteria and several other Santa Barbara County cities have disputed how much Santa Barbara County is charging cities, including Carpinteria, for handling property tax. The dispute arises out of the State's exchange of VLF revenue for property tax, which has contributed to an exponential increase in the PTAF the County charges the City of Carpinteria and other agencies that receive property tax revenue. The County is charging cities for the handling of the VLF/property tax exchange revenue. Some cities (including Carpinteria) believe that State law does not allow a property tax administrative fee to be applied to this part of the property tax because the revenue is actually in-lieu VLF revenue. None of the State agencies responsible for interpreting the law have chosen to clarify the matter and therefore some cities, including the City of Santa Maria in Santa Barbara County, are suing their respective counties.

In 2006 the County charged the City a \$17,269 PTAF. The fee has increased significantly to approximately \$67,072 in 2011, an increase of over 250%. City property tax revenue during this same period of time increased 2.1%

- **Gas Tax Allocations:** The City's Gas Tax Fund historically received revenue through allocations from the State excise tax on motor vehicle or aircraft fuel sales and from the State gasoline sales tax. The State excise tax is collected per gallon on fuel sales. The gasoline sales tax is charged

¹ California Local Government Finance Almanac, www.CaliforniaCityFinance.com

as a percentage of the price of gasoline. Cities receive allocations on a per capita basis. The City's total Gas Tax revenue was \$317,854 in 2011 and is estimated at \$325,379 in 2012.

Over the last ten years in California the price of gasoline has increased significantly while the volume of gas sold has declined². For the City's Gas Tax Fund this resulted in a decrease in the portion of revenue allocated from the excise tax and an increase in the portion of revenue allocated from gas sales tax. Overall, Gas Tax Fund revenue through 2010 grew.

In 2010, the state eliminated sales tax on gasoline and made a corresponding increase in the excise tax. The State's 2010 gas tax swap resulted in no change in the cost of gasoline for the consumer and cities were, for the time being, made whole by the corresponding increase in the excise tax. However, the allocation of gasoline sales tax revenue to cities has strong constitutional protections that do not exist for the excise tax and therefore this local revenue source is now more vulnerable to future State takeaways. Also, the excise tax rate must be adjusted annually by the State to ensure that the amount of revenues collected equals the commensurate loss of the sales tax on gasoline; however, it is not clear that the State is required to make these annual adjustments. If such adjustments to the excise tax are not made, cities stand to lose revenue.

Based on the record of the State taking local revenues in order to address State budget concerns, e.g., property tax, and manipulating revenues for political purposes at the expense of cities, such as the vehicle license fee, it is almost certain that in the future the City's Gas Tax allocation will be reduced or eliminated.

- 3. Internet Sales/e-Commerce.** State tax law has not kept up with changes in the way sales are conducted, in particular, the growth of sales conducted over the internet. Sales of products and services made over the internet have resulted in lost revenue for cities when taxes are either unpaid or underpaid. In a 2010 report³, the State Board of Equalization estimated annual statewide revenue losses of \$1.145 billion for remittance in fiscal year 2010-11. The report goes on to state that "Of the total, \$795 million are owed by consumers and \$350 million were unpaid by businesses. "These revenues are spread among approximately 13.1 million households and 3.4 million businesses. Unpaid sales and use tax liabilities in 2010-11 average \$61 per year for each California household and \$102 per year for each California business." These statewide losses include sales tax revenues that would have been allocated to California cities, including Carpinteria. Last year California passed AB 155 (Charles, Calderon and Skinner), which attempts to address the e-commerce tax issue; however, because the law has many contingencies relating to possible federal legislation that could address the same issue, the law is currently not effective.

² U.S. Energy Information Administration, www.eia.gov.

³ Electronic Commerce and Mail Order Sales, State Board of Equalization, <http://boe.ca.gov/legdiv/pdf/e-commerce-11-10.pdf>.

Another issue for Carpinteria and other cities is the growth in the use of online booking services such as Hotels.com, Expedia.com and Travelocity.com, to conduct hotel reservations. These services result in less hotel bed tax coming to cities. Nationwide, a 2005 study⁴ found that nearly 20% of hotel rooms were booked online and that number was expected to grow. Locally, the Holiday Inn Express reports that last year 10.33% of its bookings were made through Third Party Intermediaries (TPI's), the industry term for online booking services.

Third party online booking services purchase rooms from hotels and resell those rooms to customers at a higher rate. The customer pays the hotel bed tax on the higher rate paid to the booking service but the booking service remits to the hotel an amount based on the discount room rate that it paid and this is the amount remitted by hotels to the city. The result is that less tax is remitted to the city by the hotel when online booking services are used to book a room than when not. For example, if a customer makes a reservation either online or by telephone directly with the hotel for the same room at the same price, the city would receive a larger bed tax amount. Although the City of Carpinteria has not estimated losses from third party online booking services operating through local hotels, it is certain that the City loses annual bed tax revenue due to this practice.

In 2009, several online hotel booking agencies petitioned for a writ of mandate to overturn a ruling by the City of Anaheim's Hearing Officer that the agencies are subject to the City's Transient Occupancy Tax. The Hearing Officer found that the agencies owed the City over \$21 million in bed taxes to the City. The trial court ruled that the bed tax base is the amount actually received by the hotel, rather than the amount paid by the lodger/guest, and granted the writ of mandate to overturn the Hearing Officer's decision. The City has appealed this ruling.⁵ The parties have submitted their briefs, but the date for oral arguments has yet to be set.⁶

C. What has the City done in response to these financial problems?

In response to the combination of the chronic negative influences of flat revenue sources, state takeaways, and e-commerce identified above, as well as the acute revenue declines in property, sales and hotel bed tax revenue related to the recession, the City has taken a number of actions in order to reduce spending and improve revenues. Actions taken over the last 18 months to reduce expenses have included cuts in law enforcement services, i.e., the elimination of three law enforcement positions for most of 2011, reducing hours at City Hall and the Community Pool, reducing park, trail, and open space maintenance, and cutting employee compensation.

⁴ "Internet Travel Companies – Taxing the Middleman", by John A. Swain, State Tax Notes, February 14, 2005, and "Collection of Transient Occupancy Taxes from On-Line Booking Services", Local Government Finance Almanac, August 2007.

⁵ In Re Coordinated Proceeding Special Title (Rule 1550(b)) Transient Occupancy Tax Cases City of Anaheim, et al. v. Priceline.com, Inc., No. B230457 (Ct.App.2d).

⁶ Santa Monica has also appealed a trial court ruling against it on the same issue.

Revenues have been improved through an update to City fees including those charged for planning, building, recreation, and recycling services, implementation of a bed tax enforcement program aimed at insuring that all rental properties are registered and remit bed tax when due, and economic development and promotion efforts that have included fee reductions for new development and business promotion through First Friday events.

The City has also used reserves and fund transfers in order shore up the budget during the recession. Over \$1 million of City reserves have been used over the past four years to balance the General Fund operating budget. Fund transfers have been increasingly relied upon both to subsidize service related Funds with balances insufficient to pay expenses and to ensure that all Funds permitted and capable of paying for certain services do so, thereby limiting costs to the General Fund. The table below lists the General Fund subsidies necessary in the current fiscal year.

Fund	Subsidy
Traffic Safety	\$17,076
Park Development	32,149
Park Maintenance	114,383
Right of Way	97,105
Recreation Services	114,024

The need for the General Fund to subsidize these other Funds is a symptom of the revenue issues identified earlier in this Report and serves to limit the ability of the City's General Fund to address basic operating costs.

The issues of flat revenue sources, State takeaways and internet sales in conjunction with ongoing service needs and expectations, including those driven by visitors to Carpinteria, and independent of the current economic recession related revenue issues, are expected to pose a growing challenge to the City's ability to deliver appropriate services to the community.

D. Why a hotel bed tax rate increase?

The City Council has considered changes in other revenues sources, including the business license tax, the Park Maintenance parcel tax, and the Street Right-of-Way Assessment District but rejected them in favor of exploring an increase in the hotel bed tax rate. The City Council determined that a strong nexus exists between the demand in services placed on the community by visitors and the need for additional revenue to adequately meet needs and expectations for local services. This includes services directly related to visitors such as law enforcement and street and park maintenance, as well indirect services such as library services and youth recreation and education programs and services, which are necessary to meet the needs of employees and their families, including those in the tourism/hospitality industry.

Historically, voters in cities throughout California have favorably considered increases to hotel bed tax rates over other taxes. From 2002-2009, 60 out of 92 (65%) of new, increased or expanded hotel bed tax (general tax) measures were

passed by voters and in the November 2011 election all five such measures put before voters in California cities were approved. In the last Presidential election year of 2008, seven of 12 hotel bed tax measures passed (see **Attachment 2** for more historical election information).

E. Why is a Hotel Bed Tax rate increase needed now?

In the decade prior to the recession, unprecedented growth in real estate property tax revenue allowed the City to continue to meet service delivery expenses as well as save money, despite the underlying chronic issues cited above. In the post-recession era, the City does not expect another run-up in real estate property tax revenue growth, or any significant changes in its major revenue sources of property, sales or hotel bed taxes. As such, City staff feels it is critical and timely to address the issue of erosion of these other important revenue sources and has recommended that the City Council seek additional revenue. Staff made its recommendation for pursuing additional revenue in the context of an Economic Recovery Plan first introduced through the Budget Committee as a part of the 2009-10 budget process. The Economic Recovery Plan includes a variety of expense reductions and revenue enhancements for the near, mid and long-term. The City Council endorsed the approach described in the Plan, which includes pursuit of an increase in the hotel bed tax rate.

F. Recommended Actions:

Based on the survey results and prior City Council direction, staff is recommending that the City Council take the following actions:

- Direct staff to place on the next City Council agenda the requisite Resolutions relating to presenting the question of increasing the City's hotel bed tax rate to voters as a part of the November 2012 general election.
- In association with this effort, direct staff to prepare material and presentations to be used for informing the public about the purpose and need for the Measure.
- Use the survey results concerning City services to assist in developing work program and spending priorities.

II. DISCUSSION:

A. Survey Outcomes: Several key outcomes can be found in the survey results reported by the City's consultant, FM3 (see attached report dated May 14): The City is meeting the service needs and expectations of the community; there is an understanding that additional revenue is necessary in order for the City to maintain the level of services needed and expected; and, a hotel bed tax rate increase is favored as a means to raise revenue in order to ensure that the City is able to continue to meet these service demands.

1. **Hotel Bed Tax:** Support for an increase in the hotel bed tax from 10% to 12% was gauged from both initial reactions and responses to the following question after survey participants were provided information about City services:

To help offset cuts to city services such as law enforcement protection, traffic safety, street and pothole repair, parks, recreation, youth and senior programs and other City services, shall the City of Carpinteria raise the Transient Occupancy Tax, or hotel bed tax, from ten to twelve percent, paid only by hotel guests on their room rates—not by local taxpayers—continuing annual independent audits, local oversight, and all funds reserved exclusively for Carpinteria?

The survey indicates that voters initially support the idea of a bed tax rate increase by over 60% and favor the idea by over 70% after hearing positive statements about the purpose and need of the rate increase. The survey responses also suggest that voter support increases with an understanding that the hotel bed tax is paid only by hotel visitors and that it is a strictly local revenue source that cannot be taken by the State.

Finally, the significant increase in support after hearing positive statements about the purpose and need for the rate increase suggests that providing the public with information about City services and the purpose and need for the hotel bed tax rate increase, should the City Council approve the matter for voter consideration, will be critical.

- 2. City Services:** Survey participants were given several opportunities to provide opinions about City services. The survey indicates that from a policy and leadership standpoint, voters are generally satisfied with the City's direction (57% responded that the City is going in the right direction), including type and quality of services. This positive result is in contrast to negative opinions about government in general (54% of survey respondents believe the State is heading in the wrong direction). Further, 61% of respondents said the City is doing an excellent or good job in taking care of the needs of local residents. Most (54%) think the City is doing an excellent or good job managing the City's budget and finances but less than half (42%) believe that the City is doing a good job planning for the future in an era of reduced revenues.

In response to an open ended question about the most serious issue facing residents of Carpinteria that they would like to see the City do something about, there was no single strong response, suggesting that the City is addressing local issues important to residents. The highest responses were 12% for education/public schools and 9% for business development/the economy. These relatively low responses to two very important issues, suggests that most residents understand that the City has little control over schools and school funding and the recession related impacts on the local economy.

When provided specific options for identifying possible problems for Carpinteria, the condition of the local economy and the impact of State budget cuts on funding for Carpinteria City services were identified most frequently as either Extremely or Very Serious problems; 48% and 45% respectively.

Respondents were also asked questions aimed at gauging satisfaction with specific City services. Park, open space, street, sidewalk and tree maintenance received high marks, as did law enforcement, public shuttle and street sweeping services. The largest “dissatisfied” response (36%) was for the City’s business attraction efforts.

The survey results concerning City services are important now and for future planning as they both validate the work of the City in planning, managing and delivering local government services to the community, and provide a guide for where service level improvement and the related investment of public resources could occur.

Among the conclusions that can be drawn from the survey results is that there is community support for cooperative and collaborative approaches to providing local government services.

The City works cooperatively with other agencies, non-profit organizations and local volunteer groups as a part of delivering local services. For example, the City supports the Carpinteria Branch Library and works with the School District to develop and maintain facilities, including the Community Pool, and these facilities are available for both school and public use.

The City works with volunteers, local business owners/operators and the Chamber of Commerce to provide business and visitor services through the HOST program and Downtown Visitors kiosk, First Friday, holiday parades and other community events, and through participation in the Tourism Business Improvement District, which provides regional and local funding for visitor promotion. The City also provides financial support to numerous youth recreation and after school education programs through its Community Services program.

The results of the survey indicate that the community highly values library, public education and other youth and family services. The City has an opportunity to continue and expand its efforts to deliver projects, programs and services to Carpinteria residents, by focusing on improvement and growth in its cooperative relationships with volunteer and non-profit organizations, local business owners/operators and the Chamber of Commerce, and other public agencies that provide community services. These opportunities are discussed in more detail below.

- B. Purpose and Benefit of a Hotel Bed Tax Rate Increase:** Adequate revenue is essential to the delivery of appropriate services to the community. The survey results illustrate that the community appreciates and expects the level and quality of services being delivered. The survey also indicates the importance of developing services cooperatively with other agencies in order to address specific service needs in areas such as tourism promotion, public library services, student and youth services, and public health and safety. A hotel bed tax rate change from 10% to 12% is projected to increase annual hotel bed tax revenue approximately \$250,000 and would help support services that the survey indicates the community needs and expects, in particular the following services.

1. **Tourism Promotion/Economic Vitality:** The City supports the local economy and promotes visitorship through development of public improvements and their maintenance, and through providing specific visitor services. City parks, beaches, trails, open space, streets and facilities, are important parts of the character of Carpinteria and help to define it as an attractive, safe, active, small beach town.

Specifically, certain improvements and community features serve as attractions individually and as a part of a natural coastal environment. The City Beach, Salt Marsh Park, Bluffs Nature Preserve, Tar Pits Park, Tomol Interpretive Play area, and the Carpinteria Coastal Vista Trail, are attractions that bring visitors to Carpinteria. Importantly, most of these features were developed and are maintained through cooperation with private property owners, local volunteers, non-profits, service clubs, and other government and non-governmental agencies. The cultivation and health of these cooperative relationships are critical to the preservation of coastal resources and amenities that add value to Carpinteria and support tourism.

The City also promotes tourism through its participation in the regional Tourism Business Improvement District (TBID). The District raises revenues from hotel visitors in southern Santa Barbara County. TBID revenue is used for advertising and other promotion of the Santa Barbara south coast nationally and internationally, and for Carpinteria specific promotion. The Chamber of Commerce receives \$25,000 annually as the TBID designee for local promotion.

The City also cooperates with the Chamber of Commerce in other local business matters such as holding meetings with groups of business owners affected by City regulations or concerning a specific issue. The City Manager is a Chamber of Commerce Board member ex officio, facilitating cooperation between the City and the Board on matters of mutual interest.

The City Business Improvement Area Advisory Board and Carpinteria First Committee work on special events in order to promote Carpinteria and family friendly activities that attract both locals and visitors and can boost the local economy. Staff provides support to these City Council-appointed groups.

The City also sponsors and supports with services a variety of community events including the Avocado Festival and Orchard to Ocean Fun Run. These community fundraising events are run by local non-profit organizations. The City assists with these events as an indirect means of supporting local service organizations such as the Boys & Girls Club and Girls Inc., etc.

The City assists new and existing businesses including providing a liaison to assist businesses in resolving issues and complying with local regulations, e.g., signage, parking, etc., assisting with relocation and/or expansion needs. The City also assists building owners/real estate agents by maintaining a database of buildings and sites in the community available for businesses.

Finally, City representatives participate on regional economic development committees and attend applicable business functions, which include attendance at South Coast Business Forum meetings, Carpinteria Valley Chamber of Commerce functions and the UCSB Economic Forecast Project event, in order to understand and be responsive to issues influencing the Carpinteria economy, and to communicate clearly about these issues with decision-makers and the public.

2. **Community Services Support Program:** The City also directly supports the Boys & Girls Club, Girls Inc., and seven other community service organizations through its Community Services Support program. Estimated program funding for the 2012-13 fiscal year is approximately \$90,000.

The City has also been a funding partner in the operation of the Carpinteria Branch library. The library is a part of the County Branch Library system. The City contributed \$27,000 over the last two years in order to maintain library hours and is expected to contribute \$27,000 in the 2012-13 year. The City also partners with the Carpinteria Friends of the Library to support the library. The City provides subsidized lease retail space for the operation of the Friends of the Library used bookstore and this arrangement has allowed for significantly improved revenues from the store. Through its partnership with the City, the Friends of the Library have helped to expand the Library, maintain a student homework center, provide funds for current technology, increase library hours by reopening on Mondays, and develop plans for the Library's future.

3. **Youth Education and Recreation Programs:** The City and Carpinteria Unified School District routinely partner on projects and services that support youth education and recreation. The Community Pool, built on School District property through a community fundraising effort and operated by the City, provides an affordable venue for the District's elementary school water safety/swimming program and high school swim and water polo team programs. The City and District cooperated on a grant that allowed the Middle School Athletic facilities to be rebuilt including new basketball and tennis courts, track and athletic fields.

The City and District recently were awarded a CalGRIP grant that will bring over \$245,000 in revenue to the District to continue important student counseling and mentoring services. The City and District also cooperatively provide crossing-guard services at the two local elementary schools. Finally, the City also raises revenue through the annual triathlon in order to provide recreation program scholarships for local low income students that wish to participate in City run recreation programs.

4. **Law Enforcement Services:** The City contracts with the Santa Barbara County Sheriff's Department for law enforcement services. The annual contract cost exceeds \$3 million and due to fiscal constraints, the City cut positions in the current year budget and additional cuts are being proposed for the coming fiscal year. These cuts reduce law enforcement service levels for the community by reducing the number of deputies available, eliminating

office hours, requiring the public to travel to the main Sheriff's station for services, taking deputies out of the field to handle matters previously handled by the Administrative Sergeant, and centralizing certain supervisory services offsite.

III. LEGAL ISSUES:

As the legislative body of the City of Carpinteria, the City Council has the authority to adopt local legislation and to place questions before the City's electorate for consideration. Should the City Council determine to place the question of a hotel bed tax rate increase before voters, the actions listed below are required. Staff recommends that the matter be considered on the City Council's next regular agenda, May 29, 2012. The vote on the Resolution Calling the Election and placing the measure on the Ballot, is required by State law to be approved by a 2/3 majority vote, i.e., four of the five Council members (GC 53724(b), Proposition 62).

- Resolution Calling Election and placing measure on Ballot (Measure language to be included in Resolution)
- Resolution Consolidating the City election with the County election
- Resolution Adopting Regulations for Candidates Statements
- Resolution Providing for the Filing of Arguments and Directing City Attorney to Prepare an Impartial Analysis of Measure
- Resolution Providing for the Filing of Rebuttal Arguments
- Consideration of forming a City Council ad hoc committee to write the ballot argument in favor of the hotel bed tax rate increase measure.

If the City Council approves moving forward with the ballot measure, the period for filing direct arguments with the City Clerk would be from July 16-25. Staff anticipates that the City Council could consider approving a Draft Ballot Argument in Favor for submittal to the City Clerk at either its June 25 or July 9 regular meeting.

IV. FINANCIAL ISSUES:

Potential fiscal effects on the City include staff time and legal costs associated with the preparation of a ballot measure and preparing and delivering information to the public about the measure. Additionally, if passed by voters the measure is expected to bring additional revenue to the City.

Hotel bed tax revenue in the 2011 fiscal year was \$1,306,033, an improvement of \$43,599 over the prior year but a 10% decline from the City's 2007 high of just over \$1.45 million. The City's per capita hotel bed tax revenue at just over \$90, ranks fifth out of eight cities in Santa Barbara County behind Solvang, Buellton, Goleta, and Santa Barbara. As reported at a prior City Council meeting, the City of Santa Barbara hotel bed tax has been 12% since 2000 and the Goleta City Council is in the process of considering whether or not to place the question of an increase in the hotel bed tax rate before its electorate.

If the City of Carpinteria hotel bed tax rate was 12%, approximately \$260,000 in additional hotel bed tax revenue would have been collected from visitors in 2011. Below is a table that illustrates 10 and 12 percent hotel bed tax, i.e. Transient Occupancy Tax rates on a standardized room rate in Carpinteria.

	Current Transient Occupancy Tax (TOT) rate 10%	12% TOT rate
ROOM RATE	\$100	\$100
TOT	\$10	\$12
TBID ASSESSMENT FEE*	\$1.10	\$1.10
TOTAL	\$111.10	\$113.10

*The TBID assessment fee is added to the room rate; therefore it includes an additional .10 of TOT that is paid to the City.

V. ATTACHMENTS:

1. FM3 Community Survey Report, May 14, 2012
2. Summary Reports and Analyses of Elections - California Local Ballot Measures, March 15, 2010 and November 8, 2011 election (excerpts), California Local Government Finance Almanac, www.californiacityfinance.com

Attachment 1

*Fairbank,
Maslin,
Maullin,
Metz &
Associates*

FM3

*Public Opinion Research
& Strategy*

May 14, 2012

TO: Dave Durlinger

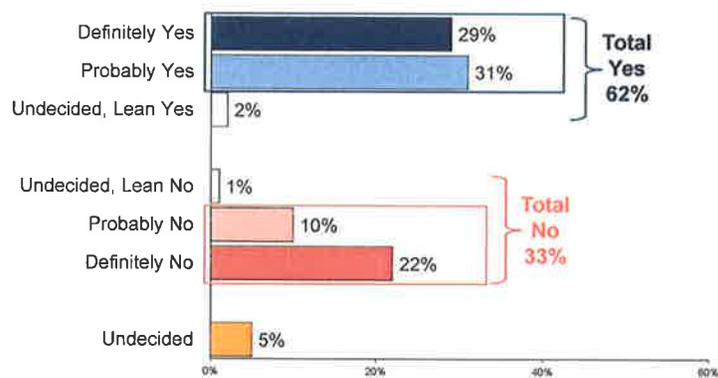
FROM: John Fairbank and Nicole Willcoxon
Fairbank, Maslin, Maullin, Metz & Associates

RE: City of Carpinteria Voter Survey Summary Report

Executive Summary

Fairbank, Maslin, Maullin, Metz and Associates (FM3) recently completed a survey¹ of 300 likely November voters in the City of Carpinteria to evaluate resident satisfaction with City services and assess support for a potential Transient Occupancy Tax (TOT) Measure. The survey results show that **voters are generally satisfied with the direction of Carpinteria, the job being done by City officials and provision of City services. In addition, a solid majority—six in ten voters (62%)—support raising the City's TOT from ten to twelve percent to help protect city services from further cuts.**

**Figure 1
Initial Support for Raising the Carpinteria Transient Occupancy Tax**



¹ From March 11-18, 2012 FM3 conducted a survey of City of Carpinteria likely November 2012 General Election voters. Margin of error for the full sample is +/- 5.6% and is higher for subgroups. Due to rounding, totals may not add to 100 percent.

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Santa Monica, CA 90404
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Measure Priorities

Voters were asked about their priorities for the measure's funds if the TOT increase were to pass. Accountability is of top concern: ensuring funds are reserved exclusively for Carpinteria, citizen's oversight and independent annual audits are of highest importance for voters. When asked about specific services, the following are considered extremely or very important:

- Expanding the City library and maintaining its operating hours (65%)
- Repairing streets, potholes, curbs and gutters (61%)
- Ensuring sidewalks and trails are safe and walkable (59%)
- Restoring law enforcement officer positions eliminated due to budget cuts (55%)
- Improving youth recreation services (53%)
- Promoting tourism to Carpinteria (51%)
- Maintaining and improving parks (51%)
- Hiring a Sheriff's Deputy to focus on youth programs such as gang and crime prevention (51%)

Services such as extending community pool hours, improving trash collection, improving beach amenities and providing counseling and mediation services are of lowest importance for Carpinteria voters.

Perception of Local Problems

When asked about issues that might be considered problems for Carpinteria residents, half (48%) call the condition of the local economy an extremely or very serious problem. Fewer (45%) say the impact of state budget cuts on funding for City services is an extremely/very serious problem. On all other issues, majorities say the issue is not too serious or not a problem. Asked an open-ended question about the most serious issue facing residents *that they would like to see City government do something about*, most (12%) say education/schools, followed by business development/economy (9%); 28 percent do not know.

Other key findings from the survey include:

- ✓ **Voters are generally satisfied with the City's direction and service provision.** A majority (57%) say Carpinteria is going in the right direction while far fewer (27%) say California is going in the right direction. Six in ten (61%) rate City officials' job in providing services as excellent or good. A majority say officials are doing an excellent/good job in managing the City's budget and finances. Voters express high satisfaction with all City services tested in the poll.
- ✓ **Voters overwhelmingly support City promotion of tourism.** Three-fourths say it boosts the local economy and helps pay for services; 18 percent say the City should not promote tourism.
- ✓ **Respondents are much less supportive of alternatives to a TOT increase to generate City funds.** Fifty-four percent strongly or somewhat support changing the business license tax from a flat rate to a tax based on gross receipts. Less than a majority (48%) support raising the business license tax, the park maintenance parcel tax (45%) or the Right-of-Way parcel tax (39%).
- ✓ **The Coastal View News and City newsletters are the most useful news sources about City government.** Nine in ten (88%) get information from the *Coastal View News* and find it useful; a majority (54%) say the same about City newsletters. About four in ten find the *Santa Barbara News-Press*, community meetings with City officials and the Government Access cable channel useful. Sixty-four percent do not use the City website and 86 percent do not use social media.

The remainder of this report is divided into several sections; the first will provide a brief overview of the demographic profile of respondents in the Carpinteria voter survey. The balance of the report will address key differences in voter opinion on perceived “problems” in Carpinteria, job ratings of City officials, provision of City services, the TOT Measure’s viability and priorities for measure funds. Finally, this report will analyze use of news sources across demographic groups.

Brief Demographic Profile of Respondents in the City of Carpinteria Voter Survey

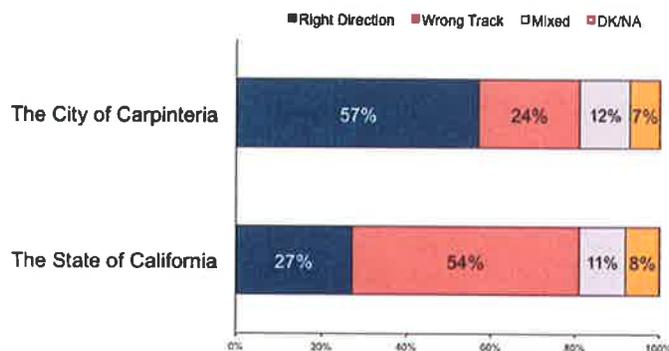
In the survey of 300 Carpinteria voters, 47 percent are Democrats, 33 percent are Republicans and 20 percent are Independents or members of another party. Women make up 56 percent of respondents and men comprise 44 percent; the women are more likely to be Democrats than men—52 percent versus 41 percent, respectively. Three-fourths of respondents are homeowners compared to a quarter who are renters. While half of homeowners are Democrats, and 31 percent are Republicans, renters are more divided in their party affiliation (39% Democrats, 37% Republicans). About half of voters (53%) did not graduate college, and about half did (47%).

There is also somewhat of a difference in party affiliation across education groups, with 42 percent of non-college graduates registered as Democrats compared to 52 percent of college graduates. Seven in 10 residents are white, one in five are non-white (18 percent are Latino), and five percent were interviewed in Spanish; Latinos (51%) are slightly more likely to be Democrats than white voters (46%). Adults under 50 years old comprise 30 percent of the sample, while adults 50 and older make up 68 percent of the sample. Younger voters are less likely to be Democrats than older voters (42% versus 50%, respectively), but are twice as likely to be registered as an Independent or with another party (30% versus 15%, respectively).

Overall Direction of the City of Carpinteria

Voters in the City of Carpinteria have a relatively positive view of the direction of their City. Nearly three in five (57%) say the City is heading in the right direction, with 24 percent saying it is off on the wrong track; 12 percent hold a mixed view and seven percent do not know. The trend reverses when voters are asked about the direction of the state as a whole: 27 percent say California is heading in the right direction, 54 percent think the state is on the wrong track, 11 percent say the direction is mixed and eight percent do not know enough to form an opinion.

Figure 2
Direction of Carpinteria and California



Some key differences about the direction of the City exist across demographic groups nonetheless. Seventy-three percent of those 18 to 29, and two-thirds of those 30 to 39 years say Carpinteria is headed in the right direction, compared to about half of residents 40 to 49 (48%), 50 to 64 (54%) and 65 to 74 (51%); 64 percent of residents 75 and older say the City is heading in the right direction. Latinos (63%) hold a slightly better view of the City's direction than white voters (55%). Men and women hold similar views on the direction of Carpinteria, with 57 percent each saying it is heading in the right direction.

A minority across all demographic groups believe California is heading in the right direction. FM3 finds that while it is typical for residents of smaller towns to hold a more positive view of their own City over the state as a whole, Carpinteria residents are on the higher end of perceiving their City heading in the right direction.

Issues Facing Carpinteria and Perception of Local Problems

Residents were asked an open-ended question about what they thought was the most serious issue facing residents of Carpinteria that they *would like to see City government do something about*. Most say education/public schools (12%), followed by business development/the economy (9%) and cost of living (5%). Fewer than five percent give another response, and 28 percent are unsure. **Table 1** below shows the percentage of respondents naming a specific issue they think is the most serious facing City residents. In comparison to FM3 data from other cities, the low percentage naming any one issue is rare. That there is not overwhelming agreement on the seriousness of a single issue reflects the general *satisfaction* with services found in the survey.

Table 1
Most Serious Issue Facing Carpinteria

Problem Mentioned	Percentage (All Voters)
Education/public schools	12%
Business development/economy	9%
Cost of living	5%
Air pollution/smog	4%
Housing costs/affordable housing	4%
Traffic congestion	4%
Government waste and inefficiency	3%
Growth and development	3%
Illegal immigration	3%
Jobs/unemployment	3%
Water supplies	3%
City Council	2%
Crime	2%
Increased development	2%
Street/road maintenance	2%
Blight/Code enforcement	1%
Drugs	1%
Lack of open space	1%
Lack of recreational activities	1%
Parking/lack of parking	1%
Public safety response	1%
Recycling pick-up	1%
Aging/outdated utilities/infrastructure	1%
Youth issues	1%
Don't Know/NA	28%
OTHER (SPECIFY BELOW)	2%

Voters were asked in a separate question about some issues that might be problems for residents of Carpinteria. Overall, the condition of the local economy was of greatest concern, with 48 percent calling it “very” or “extremely” serious. The impact of state budget cuts on funding for Carpinteria City services was the next most serious problem, with 45 percent calling very or extremely serious. As shown in **Table 2** below, solid majorities nonetheless think the amount they pay in local taxes, traffic congestion, inadequate law enforcement protection, the condition of local streets and roads and a lack of maintenance of local parks are either not too serious problems or not a problem at all. The fewest—just 13 percent—say a lack of park maintenance is a very or extremely serious problem.

Table 2
Resident Perception of the Level of Problem Serious on Issues in Carpinteria

Issues Some People Say Might be Problems for Carpinteria Residents	Extremely/Very Serious Problem	Not Too Serious/Not a Problem
The condition of the local economy	48%	46%
The impact of state budget cuts on funding for Carpinteria City services	45	48
The amount you pay in local taxes	30	63
Traffic congestion on local streets	24	75
Inadequate law enforcement protection	22	74
The condition of local streets and roads	20	78
Lack of maintenance of local parks	13	80

Some nuances concerning perceptions about the seriousness of local problems are present across demographic groups. Specifically, while nearly half of white (49%) and Latino (46%) voters perceive the local economy as very or extremely serious problems, Latinos are much less concerned than whites about the impact of state budget cuts (34% to 48%, respectively). Further, Latinos are just as concerned about the amount they pay in local taxes (47% extremely or very serious) as they are about the economy; just 28 percent of white voters think the amount they pay in local taxes is a serious problem.

Women 50 years and older (52%) are somewhat more concerned about the condition of the local economy than younger women (41%), whereas the two groups are equally concerned about the impact of state budget cuts. Across age groups, men hold similar outlooks on the local economy, with about half of those under 50 and half over 50 years old calling it an extremely or very serious problem.

Job Ratings of City Officials

Respondents were asked to rate their City officials’ job in managing the City’s budget and finances; providing services and taking care of the needs of local residents; and planning for the future in an era of reduced city services. Comparative FM3 data of officials’ job ratings in other cities reveal that Carpinteria City officials receive relatively positive ratings, especially in bad economic times and in an era of low public trust in government.

City officials receive the highest rating in providing services and taking care of the needs of local residents, with six in ten (61%) saying they are doing an excellent (16%) or good (45%) job. Over half (54%) say City officials are doing an excellent (18%) or good (36%) job managing the City’s budget and finances. Fewer (42%) think City officials are doing at least a good job planning for the future in an era of reduced City revenues, although these marks are still relatively high compared to other jurisdictions.

While at least half of respondents across all demographic groups say Carpinteria officials are doing an excellent or good job in providing services, there are some nuances:

- Renters (70%) are more likely than homeowners (59%) to say City officials are doing at least a good job.
- Younger men (68%) are more likely than older men (59%) to think City officials are doing at least a good job, but women across age groups hold similar views.
- College graduates (65%) are somewhat more likely than non-college graduates (58%) to say City officials are doing at least a good job.

In terms of managing the City's budget and finances, residents with a high school education or less are more likely to think City officials are doing either just a fair or poor job (49%); majorities across other education groups say the City is doing an excellent or good job. White voters (55%) are slightly more likely than Latinos (49%) to say City officials are doing at least a good job managing the City's budget. Renters (56%), homeowners (55%), women (55%) and men (54%) hold similar views on officials' management of City finances.

As mentioned above, City officials are rated the lowest in their planning for the future in an era of reduced City revenues. Adults under 50 (49%) and Latinos (51%) are more likely to say the City is doing an excellent or good job on this issue, while men (49%), college educated residents (49%), renters (47%), adults over 50 years old (46%) and white voters (46%) are more likely to say the City is doing a fair to poor job. Women, those without a college education and homeowners are divided in their perceptions of City officials' job in planning for the future in an era of reduced City revenues.

Satisfaction with Programs and Services Provided by the City of Carpinteria

Voters were asked the extent to which they were satisfied with a number of specific programs and services currently provided by the City of Carpinteria. On each of these programs and services, majorities say they are at least somewhat satisfied with the quality of that particular program or service.

The following list shows the specific service asked about in the poll and the corresponding percentage of residents who say they are very or somewhat satisfied with that service:

- *Local park and public space maintenance (92%)*
- *Local law enforcement services (90%)*
- *Street sweeping (86%)*
- *Maintenance of trees in public spaces (86%)*
- *Public shuttle services (82%)*
- *Promotion of tourism to Carpinteria (79%)*
- *Public street and sidewalk maintenance (78%)*
- *City government access and City communication with the public (78%)*
- *Family and senior services (74%)*
- *Maintenance of public restroom facilities in local parks, downtown and at local beaches (73%)*
- *Sheriff's Deputies working closely with the community (73%)*
- *Maintenance of the local swimming pool and provision of sufficient pool operating hours (63%)*
- *Attraction of business to Carpinteria (55%)*

In assessing the satisfaction with services among younger and older voters, half or more 18 to 49 year olds are very satisfied with street sweeping (53%), public shuttle services (53%), maintenance of trees (53%) and local park maintenance (51%). At least half of residents 50 and older are very satisfied with street sweeping (51%) and local park maintenance (50%). Each group holds similar levels of satisfaction on most services and programs asked about, with the exception of tree, public street and swimming pool maintenance, as well as family and senior services. The starkest differences emerge around provision of family and senior services: while four in ten older voters are very satisfied with these services, only 22 percent of younger voters are very satisfied. Satisfaction is particularly low among the 30 to 39 (17%) and 40 to 49 (18%) age groups.

On all programs and services—with the exception of public shuttle services and promotion of business to Carpinteria—white voters express higher levels of satisfaction than Latino voters. Fifty-three percent of Latinos are very satisfied with public shuttle services, while fewer whites (47%) are very satisfied. Twenty-eight percent of Latinos are very satisfied with attraction of business to Carpinteria, as are 25 percent of whites. The largest differences between the two groups emerge in their levels of satisfaction with local park maintenance (42% of Latinos, 53% of whites), maintenance of trees (41% of Latinos, 50% of whites), maintenance of public restrooms (29% of Latinos, 40% of whites), maintenance of the public swimming pool (29% of Latinos, 37% of whites), and family and senior services (28% of Latinos, 36% of whites). **Table 3** below shows the percentage very satisfied across racial/ethnic groups.

Table 3
Satisfaction with City Services by Race/Ethnicity
(%Very Satisfied)

Programs and Services Provided by the City of Carpinteria	All Voters	Latino	White
Street sweeping	52%	48%	52%
Local park and public space maintenance	51	42	53
Public shuttle services	50	53	47
Local law enforcement services	49	46	50
Maintenance of trees in public spaces	49	41	50
Promotion of tourism to Carpinteria	42	40	43
Public street and sidewalk maintenance	40	39	39
City government access and City communication with the public	39	35	42
Maintenance of public restroom facilities in local parks, downtown and local beaches	39	29	40
Sheriff's deputies working closely with the community	38	32	39
Maintenance of the local swimming pool and provision of sufficient operating hours	36	29	37
Family and senior services	35	28	36
Attraction of business to Carpinteria	25	28	25

Overall, homeowners are less satisfied with City services than renters. The only service homeowners are clearly more satisfied with than renters is family and senior services: 39 percent of homeowners say they are very satisfied compared with just a quarter of renters. As shown in **Table 4** below, other divisions appear between homeowners and renters. Specifically, in the level of satisfaction with attraction of business to Carpinteria, promotion of tourism and public street maintenance; on each of these issues renters are at least eight points more satisfied than homeowners.

Table 4
Satisfaction with City Services by Type of Residence
(%Very Satisfied)

Programs and Services Provided by the City of Carpinteria	All Voters	Homeowners	Renters
Street sweeping	52%	51%	57%
Local park and public space maintenance	51	51	49
Public shuttle services	50	50	55
Local law enforcement services	49	48	54
Maintenance of trees in public spaces	49	48	50
Promotion of tourism to Carpinteria	42	40	48
Public street and sidewalk maintenance	40	37	48
City government access and City communication with the public	39	38	42
Maintenance of public restroom facilities in local parks, downtown and local beaches	39	39	39
Sheriff's deputies working closely with the community	38	38	37
Maintenance of the local swimming pool and provision of sufficient operating hours	36	36	38
Family and senior services	35	39	25
Attraction of business to Carpinteria	25	24	33

Men and women hold similar levels of satisfaction with services, with a few notable exceptions. **Table 5** below shows that women are somewhat more satisfied with maintenance of trees; government access and City communication with the public; promotion of tourism and attraction of business to Carpinteria.

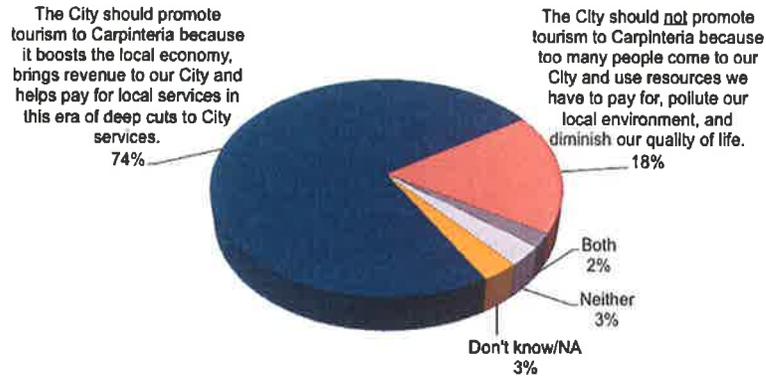
Table 5
Satisfaction with City Services by Gender
(%Very Satisfied)

Programs and Services Provided by the City of Carpinteria	All Voters	Men	Women
Street sweeping	52%	54%	51%
Local park and public space maintenance	51	50	51
Public shuttle services	50	50	50
Local law enforcement services	49	48	50
Maintenance of trees in public spaces	49	44	53
Promotion of tourism to Carpinteria	42	37	47
Public street and sidewalk maintenance	40	37	42
City government access and City communication with the public	39	34	43
Maintenance of public restroom facilities in local parks, downtown and local beaches	39	36	41
Sheriff's deputies working closely with the community	38	36	40
Maintenance of the local swimming pool and provision of sufficient operating hours	36	33	39
Family and senior services	35	35	35
Attraction of business to Carpinteria	25	21	29

Promotion of Tourism

The City was interested in understanding whether residents prefer that the City actively promotes tourism to help the local economy, or rather if residents want fewer tourists in Carpinteria because of the impact on the local environment and the stress on City services. When given a choice, voters resoundingly support City promotion of tourism: three-fourths (74%) of Carpinteria voters say the city should promote tourism, while just 18 percent say the City should not promote tourism. This includes about eight in ten voters who say state budget cuts and the condition of the local economy are serious local problems.

Figure 3
City Promotion of Tourism in Carpinteria



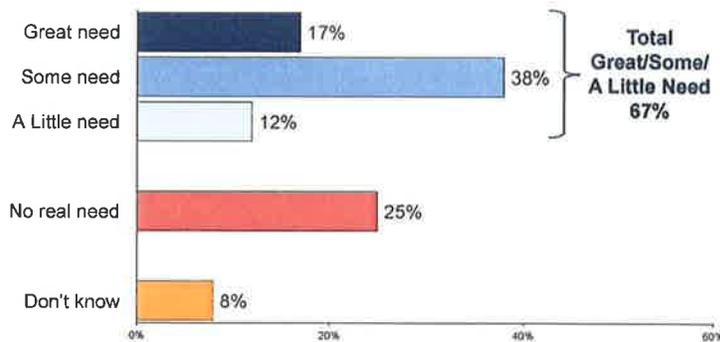
Across every demographic group, at least two-thirds of voters agree the City should promote tourism, including:

- 79% of Latinos and 73% of whites
- 79% of those with a college education or more and 69% of those who did not attend college
- 76% of Democrats, 73% of Independents and 72% of Republicans
- 75% of women and 72% of men
- 75% of adults under 50 years old and 74% of those 50 and older
- 75% of homeowners and 71% of renters

Perception of Need for Additional City Funds

The overwhelming support for tourism promotion is related to the widespread perception among residents that there is need for additional funds to provide the level of city services that Carpinteria residents need and want. Two in three residents (67%) say there is great (17%), some (38%) or a little (12%) need for additional funds to provide city services.

Figure 4
Need for Additional Funds for Carpinteria City Services



While this perception is not very intense—with a lower percentage saying there is a “great” need—it does suggest that *because* Carpinteria residents are quite satisfied with City services, they want to maintain the high quality of service provision. Residents may understand that the City has already had to make cuts to services, and therefore realize that maintaining the current level of services might require additional funds. Tourism promotion is a logical way to increase City revenues through the local taxes—i.e. increasing the Transient Occupancy Tax. Six in ten voters who favor tourism promotion also say there is some or great need for additional funds for the City to provide services compared to fewer than half (46%) of those who say the City should not promote tourism.

Across demographic groups, the sense that there is a need for additional funds is not uniform. For example, while nearly three in four Democrats (73%) and seven in ten Independents (70%) perceive a need for additional funds, fewer than six in ten Republicans (58%) say the same. Further, Latinos (75%) are more likely than white voters (65%) to think the City needs additional funds. Similarly, 75 percent of adults under 50 perceive additional funds as necessary compared to 65 percent of adults 50 and older. Other demographic groups—including men and women and homeowners and renters—hold similar views on City revenue needs.

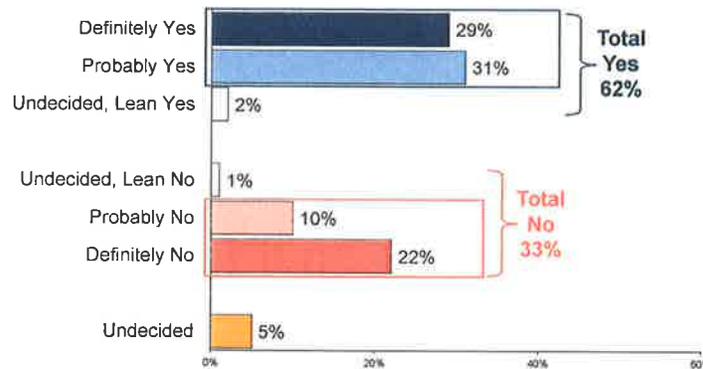
Transient Occupancy Tax

The perception of the need for additional city revenue and the overwhelming support for tourism promotion relate directly to the solid support Carpinteria voters lend to raising the Transient Occupancy tax, or hotel bed tax, from ten to twelve percent. This measure may appear on the November 2012 General Election ballot. The survey shows that a solid majority of Carpinteria voters support raising the potential TOT measure. The survey tested the following potential ballot language:

CARPINTERIA CITY SERVICES PROTECTION AND COMMUNITY SAFETY MEASURE. *To help offset cuts to city services such as law enforcement protection, traffic safety, street and pothole repair, parks, recreation, youth and senior programs and other City services, shall the City of Carpinteria raise the Transient Occupancy Tax, or hotel bed tax, from ten to twelve percent, paid only by hotel guests on their room rates—not by local taxpayers—continuing annual independent audits, local oversight, and all funds reserved exclusively for Carpinteria?*

As shown in **Figure 5** below, the Carpinteria TOT measure is viable: six in ten voters (62%) say they would definitely (29%) or probably (31%) vote ‘yes’ on the measure, with two percent saying they lean ‘yes.’ A third oppose raising the TOT. This is a strong initial position for a measure that needs 50 percent plus one to pass, and of which an aggressive opposition is not anticipated.

Figure 5
Initial Support for Raising the Carpinteria Transient Occupancy Tax



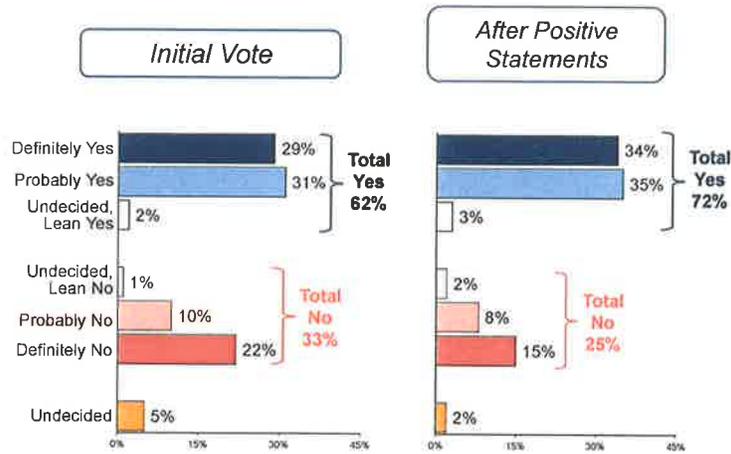
Especially given the interest in tourism promotion among residents, the willingness to raise the TOT suggests that residents may see this as an opportunity to raise additional funds for City services. Voters who perceive even *a little need* for additional City funds are more likely to support the TOT measure than those who do not perceive a need. Further, nearly three in four voters (73%) who say the effect of state budget cuts on local city services is a serious problem would vote yes on the TOT measure. And notably, two in three residents who support promotion of tourism by the City favor the TOT measure—in contrast to 55 percent of those who say the City should not promote tourism.

Majorities across key demographic groups support the potential TOT ballot measure. This includes several groups that are usually averse to tax increases such as Republicans, men, white and older voters. The list below shows the level of support across demographic groups:

- 76% of Independents, 61% of Democrats, and even 57% of Republicans
- 72% of renters and 60% of homeowners
- 73% of voters 18-49 and 59% of those 50 and older
- 67% of white and 54% of Latinos
- 65% of college graduates and 60% of non-college graduates
- 65% of women and 59% of men

After respondents hear positive information about the measure, support rises to 72 percent, including 34 percent saying they would definitely vote yes, 35 percent saying probably, and three percent leaning yes. **Figure 6** below displays the increase in measure support from the initial to the final vote tested in the poll.

Figure 6
Initial Support for Raising the Carpinteria Transient Occupancy Tax



For a strong majority of voters, each of the positive messages are very or somewhat convincing reasons to support the TOT measure. Specifically, the argument that the measure would increase the cost of a hotel room by just a few dollars a night but provide the City with needed funds to maintain and improve services is very (42%) or somewhat (36%) convincing to 78 percent of voters. Further, residents seem to understand that this particular tax will not affect Carpinteria residents directly but rather, that the TOT is a charge to tourists who use City services when visiting. More specifically, an overwhelming 73 percent say a message explaining that the tax is a charge on tourists who are utilizing City resources—and that Carpinteria homeowners and property owners would not be taxed under this tax—is convincing. Arguments in opposition to the measure were not tested.

Other Mechanisms for Increasing City Revenues

The survey tested support for four alternative mechanisms to raise additional City revenue; voters are much less supportive of the alternatives to a TOT increase.

- Half (48%) support increasing the business license tax; half (50%) oppose it.
- 45% support increasing the park maintenance parcel tax; half (50%) oppose it.
- Just four in ten (39%) support increasing the Right-of-Way parcel tax; 55% oppose it.

Support for these alternative measures is lower across demographic groups, and the parcel and right-of-way taxes in particular face strong opposition among homeowners.

The only viable measure of the four tested is changing the business license tax from a flat rate to a tax based on gross receipts: a slight majority—54 percent—strongly or somewhat support the idea. Slim majorities of key groups—including 52 percent of Democrats, 54 percent of Republicans and 58 percent of Independents support changing the business tax from a flat tax to one based on gross receipts. Majorities of men and women (54% each), voters 50 and older (57%), homeowners (55%), renters (54%), white voters (56%) and those with and without a college education (57% and 52% respectively) support this idea.

TOT Measure Priorities

Voters were also asked about their priorities for potential funds generated by a TOT increase if the measure were to pass. Accountability is a top concern: ensuring funds are reserved exclusively for Carpinteria, citizen's oversight, and independent annual audits are of highest importance for voters. When asked about specific services, at least half consider the following extremely or very important:

- Expanding the City library and maintaining its operating hours (65%)
- Repairing streets, potholes, curbs, and gutters (61%)
- Ensuring sidewalks and trails are safe and walkable (59%)
- Restoring law enforcement officer positions eliminated due to budget cuts (55%)
- Improving youth recreation services (53%)
- Promoting tourism to Carpinteria (51%)
- Maintaining and improving parks (51%)
- Hiring a Sheriff's Deputy to focus on youth programs such as gang and crime prevention (51%)

Fewer than half think other services are extremely or very important uses of measure funds:

- Providing access to child day care (47%)
- Expanding local trails and bicycle paths (45%)
- Supporting businesses through events such as First Fridays and Saturday Sidewalk sales (43%)
- Expanding the Seaside Shuttle service to the East and west ends of the City (40%)
- Providing services and programs for low-income families (39%)
- Expanding language resources for Spanish speakers (38%)
- Hiring, training and retaining additional police officers (36%)
- Providing counseling and mediation services (30%)
- Improving beach amenities such as adding a beachfront café (28%)
- Improving trash collection services (23%)
- Extending community pool hours (19%)

Democrats, Republicans and Independents have slightly different priorities for City services. For example, of all uses of measure funds, Democrats (83%) see putting money into the City library as an extremely or very important use of funds, compared to half of Republicans and 43 percent of Independents. Republicans (66%) are most interested in funding the restoration of law enforcement officers; fewer than half of Democrats (49%) and Independents (47%) agree. Fifty-seven percent of Independents say money should go to repairing streets, potholes and curbs—their highest priority; 58 percent of Republicans and 64 percent of Democrats say the same. Expanding community pool hours is the lowest priority for both Democrats and Republicans: 23 percent of Democrats believe this is an extremely or very important use of funds, as do just 13 percent of Republicans. Few Independents (19%) say expansion of pool hours is extremely or very important, but of even lower priority for this group is improving trash collection services (16%), improving beach amenities (17%) or providing counseling services (17%).

Women place a higher importance than men in funding a wide variety of programs and services. For instance, 76 percent of women consider it extremely or very important for funds to go to the city library compared to half of men. In addition, a solid majority of women (57%) say TOT funds should go to park maintenance compared to 43 percent of men. There is a large gender gap in terms of priorities for youth recreation, with 62 percent of women and far fewer men (42%) saying funds should go to this purpose.

Further, while over half of women (52%) say funds should be used for child day care, only 41 percent of men agree. Finally, half of women (51%) want funds to be put toward local trail and bicycle path maintenance, whereas fewer men agree (37%). Although a low priority generally, men (29%) are somewhat more likely than women (17%) to prefer funds be used for improving trash collection services.

Several key differences emerge among younger and older voters in the use of potential TOT funds. Older voters' top priority is expanding City library hours (65% extremely or very important), while younger voters think ensuring sidewalks and trails are safe and park maintenance is extremely or very important (61% each). Other key distinctions arise in the level of importance for funding specific services, and are presented in **Table 6** below.

Table 6
Key Age Differences: Importance of Specific Projects
(% Extremely or Very Important)

TOT Measure Use of Funds	All Voters	Voters 18 to 49 years old	Voters 50 and older
Repairing streets, potholes, curbs and gutters	61%	52%	65%
Hiring a Sheriff's deputy to focus on youth programs such as gang and violence prevention	52	36	59
Promoting tourism to Carpinteria	51	41	57
Maintaining and improving parks	51	61	46
Providing access to child day care	47	55	44
Supporting businesses through events such as First Fridays and Saturday Sidewalk sales	43	33	48
Providing services and programs for low-income families	39	29	44
Expanding language resources for Spanish speakers	38	47	33
Providing counseling and mediation services	30	12	38

While older voters are more likely to view hiring a Sheriff's deputy, promoting tourism, supporting business, providing services for low-income families and counseling more important, younger voters think park maintenance, providing access to child day care and expanding language resources for Spanish speakers is of higher importance. Younger and older voters place similar levels of importance on funding other specific services and projects.

There are even sharper divides between Latino and white voters on the importance of funding particular programs and services with TOT measure funds. In general, Latinos find the list of projects and services as more important to fund. But there are several specific differences in priority levels between the two groups. **Table 7** below lists all projects in which there is at least a 10-point difference in the percentage saying the service or project is extremely or very important to fund.

Table 7
Importance of Specific Projects Across Racial/Ethnic Groups
(% Extremely or Very Important)

TOT Measure Use of Funds	All Voters	Latino	White
Expanding the City library and maintaining its operating hours	64%	78%	65%
Repairing streets, potholes, curbs and gutters	61	73	57
Improving youth recreation services	53	66	51
Promoting tourism to Carpinteria	51	45	58
Maintaining and improving parks	51	65	45
Providing access to child day care	47	64	42
Expanding language resources for Spanish speakers	38	61	35
Providing counseling and mediation services	30	30	32
Extending community pool hours	19	31	19

The table above points out that while about half or fewer of all voters overall (and a similar proportion of white voters) think it is extremely or very important to fund the maintenance and improvement of parks, language resources for Spanish speakers, improving youth recreation services and providing access to child day care services, solid majorities of Latinos think providing measure funds for these services is quite important.

There are also several key differences in TOT measure funding priorities between homeowners and renters. Results show that the biggest distinction lies in promotion of tourism to Carpinteria: while six in ten homeowners think using measure funds for this purpose is extremely or very important, just 28 percent of renters agree. Further, while majorities of renters think it is important to use funds for providing resources for low-income families and for Spanish language resources, just about three in ten homeowners say the same. Finally, while two-thirds of renters say expanding youth programs is an extremely or very important use of funds, fewer than half of homeowners (46%) think so. Homeowners are more interested in fixing streets, potholes and curbs; restoring police officer positions; promoting tourism (as mentioned above), and supporting businesses through downtown events.

Among voters *who think the City of Carpinteria is in great need of funds*, an overwhelming nine in ten view the repair of streets, potholes and curbs as an extremely or very important use of funds. Youth recreation services (84% extremely or very important), and restoring police officer positions (83%) are also considered top priorities for fund uses. Among voters who definitely plan to vote yes on the measure, funds for the City library, streets and potholes, sidewalks and trails, restoring police officer positions and promotion of tourism are of top importance.

News Sources

The *Coastal View News* and City newsletters top the list of most useful news sources for getting information about Carpinteria City government. An overwhelmingly nine in ten respondents (88%) use the *Coastal View News*; 61 percent say it is very useful and 27 percent say it is somewhat useful. A

majority (54%) think City newsletters are very (20%) or somewhat (34%) useful. About four in ten use the *Santa Barbara News-Press*, community meetings with City officials, and the City’s Government Access television channel, and say they are useful. Sixty-four percent do not use the City’s website and 86 percent do not use social media such as Facebook. **Table 8** below presents the percentage of voters across demographic subgroups who use each of the news sources and find them useful.

Table 8
News Source Usefulness
(% Saying “yes use source to get information about City government and find useful”)

News Source	All Voters	Latino	White	18 to 49 years old	50 and older	Men	Women	Non-college grad	College grad
<i>Coastal View News</i>	88%	84%	90%	85%	90%	92%	84%	87%	90%
City Newsletters	54	47	57	44	58	50	56	53	54
<i>Santa Barbara News-Press</i>	44	43	46	36	47	49	41	46	43
Government Access cable TV	42	50	39	41	42	39	44	40	44
Community meetings with City officials	42	39	45	37	45	42	42	41	43
The City’s website	33	33	32	35	32	36	30	31	35
Social media such as Facebook	10	17	8	17	6	14	6	13	6

What stands out in the data on news sources is how overwhelming read—and useful—the *Coastal View News* is across demographic groups. In addition, there are some clear distinctions that come through in the data. For instance, Latinos and younger voters are less likely than white and older voters to use City newsletters and find them useful. Older voters and men are more likely to use and find useful the *Santa-Barbara News Press*. Latino voters and women, on the other hand, are more likely to find useful Carpinteria’s government access cable television. In terms of Internet communications—about a third across demographic groups use the City’s website and find it useful. When it comes to social media specifically, however, Latinos, younger voters, men and non-college educated residents use and find such news sources useful.

Conclusion

Even with a relatively low level of concern among voters about the City’s need for revenue, a prevailing view that service provision is not a serious problem, and high satisfaction with City service provision—a solid majority support the TOT measure on the initial vote. The poll suggest that while Carpinteria residents are highly satisfied with City services and the job of City officials, they do perceive a need for funds to maintain that level and quality of City services. They have clear preferences overall for what the measure should fund if passed; however, sometimes those priorities do not align across groups. For

instance, younger voters, women and Latinos place a higher importance in maintaining outdoor space, day care services and recreation activities such as the swimming pool and outdoor trails. White and older voters place a greater importance on public safety and ways to use funds to help the local economy, including tourism promotion and supporting local businesses.

Yet while some groups place a higher importance on local economic issues, the condition of the local economy—and relatedly, tourism promotion—is important across all groups of voters in Carpinteria. The survey suggests voters see the connection between tourism promotion and economic development, and think the City should use measure funds to promote tourism. Voters see the opportunity of an increase in tourism could provide: restoration of funds for services as well as benefits to local businesses at no cost to local homeowners and property owners.

Finally, Carpinteria residents use local news sources to a great extent, and especially find the *Coastal View News* useful. Some key differences across demographic groups suggest that there is opportunity for the City to communicate to residents through a variety of mediums.

Attachment 2

Proposed Local Measures

Since 2001, nearly 1,500 local revenue measures have been placed before local voters. This includes school bonds and taxes, city, county and special district special taxes and bond measures. About a quarter of these measures concerned city or county general purpose taxes requiring majority voter approval; about 30 percent were 55 percent approval school bonds; and the rest – nearly half - were parcel tax or special tax measures requiring two-thirds supermajority approval.

Despite the general purpose and absence of earmarking, majority vote measures have been more likely to pass. Two out of three of these measures passed (the success of county measures was slightly lower). But fifty-five percent school bonds have been the most successful with 82 percent passing. In contrast, two-thirds vote special taxes and bonds were successful less than have the time, except for school parcel tax measures (61%).

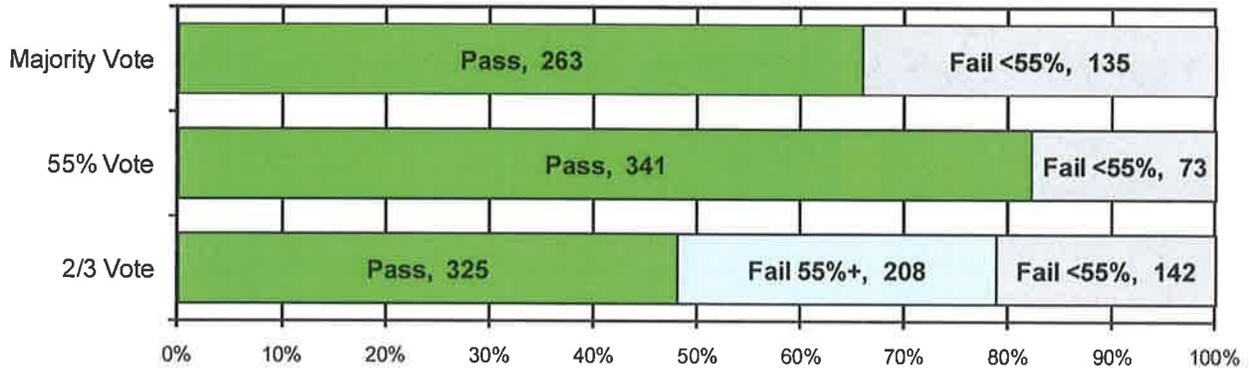
Although more than half of the 675 local special tax and bond measures proposed since 2001 failed to garner two-thirds voter approval, three out of five of those failures garnered more than 55 percent “yes” votes.

Local Revenue Measures Since 2001

	Total	Pass	Passing%
City Majority Vote	360	243	68%
County Majority Vote	38	20	53%
City 2/3 Vote	205	98	48%
County 2/3 Vote	75	31	41%
Special District (2/3)	223	99	44%
SchoolBond 2/3Vote	26	8	31%
School ParcelTax2/3	147	90	61%
School Bond 55%	414	341	82%
Total	1488	930	63%

Local Revenue Measures Since 2001

Cities, Counties, Special Districts and K-14 Schools



"Fail 55%+" = measure received over 55% yes votes but did not achieve the 2/3 approval needed to pass.

"Fail<55%" = measure received less than 55% yes votes.

Transient Occupancy (Hotel) Taxes

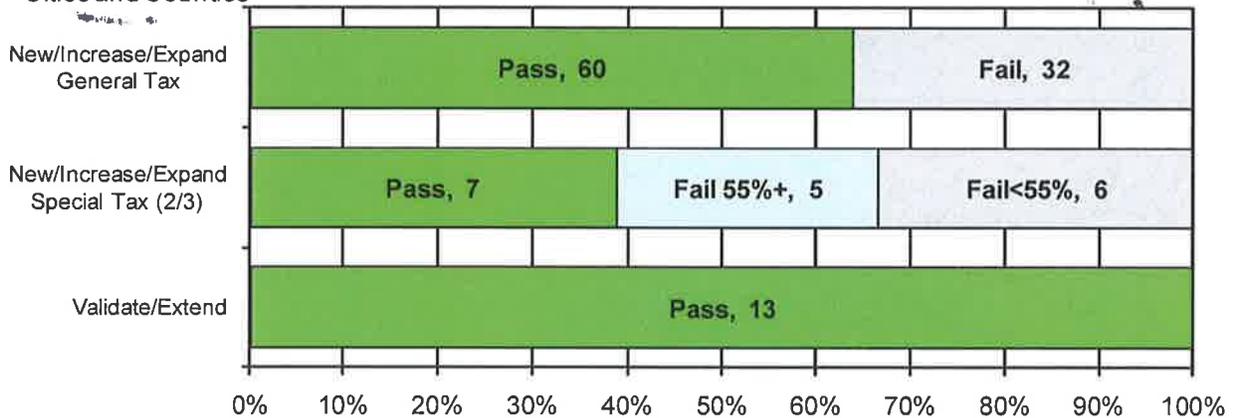
Nearly every city and county in California imposes a tax on hotels, motels and other short term accommodations. Commonly called "hotel taxes," they are called Transient Occupancy Taxes (TOT) in California law. Since 2001 there have been 125 measures to expand or increase TOTs including 104 city measures and 21 county measures. Most (112) of these proposals sought to increase a TOT rate, establish a new TOT, or expand an existing TOT to a new class of rate payers such as vacation properties or campgrounds.

Eighteen of the 112 new/increase/expand proposals were earmarked for a particular purpose, typically tourism development, making these measures special taxes requiring two-thirds voter approval. Seven of the 18 passed, although seven of the eleven failing measures received more "yes" than "no" votes and five of the eleven achieved more than 55 percent "yes" votes.

Sixty of the 92 majority vote general tax TOT proposals passed. Thirteen measures sought to validate or extend an existing levied tax. All of these passed.

Transient Occupancy (Hotel) Tax Measures 2002 through 2009

Cities and Counties



~~Add-on Sales Taxes (Transactions and Use Taxes)~~

~~In 2003, California law was changed to allow cities and counties to seek increases to the sales and use tax. Since that time, these "add-on sales taxes" transactions & use tax additions to the basic sales and use tax have become more and more common.~~

~~Prior to 2003, the most common transactions and use tax measures were those for a specific countywide need, most commonly transportation. Where approved, these countywide transportation sales taxes must be accompanied with a detailed spending plan and enable counties to receive matching state transportation funds.~~

Local Add-On Sales Taxes (Transaction and Use Taxes)

Eight cities and one county asked their voters to consider new sales tax add-ons (transactions and use taxes). The proposals ranged from a 1/8 percent tax for libraries in Mendocino County to 1 percent add-on tax for general purposes (majority vote) in Vallejo. Tax increases passed in Fairfax, Palm Springs, Oakdale and Vallejo. Voters in Del Rey Oaks overwhelmingly approved extending their existing one percent add-on tax for another five years. The Mendocino County library tax received the two-thirds supermajority approval needed.

The City of Coachella proposed a general purpose (majority vote tax) but accompanied the measure with an advisory measure regarding the use of the funds. Voters soundly rejected that proposal. In Fillmore, a (3/4 percent) sales taxes also failed and voters in San Francisco soundly rejected a 2/3 supermajority special tax for police and fire services.

Given the sample size, the 67% passage rate for sales tax measures in this election is similar to previous elections. Since 2001, about 60% of measures to increase general purpose (majority vote) local sales taxes passed. Just 36% of two-thirds vote special sales tax increases passed during that time.

Transactions and Use Tax

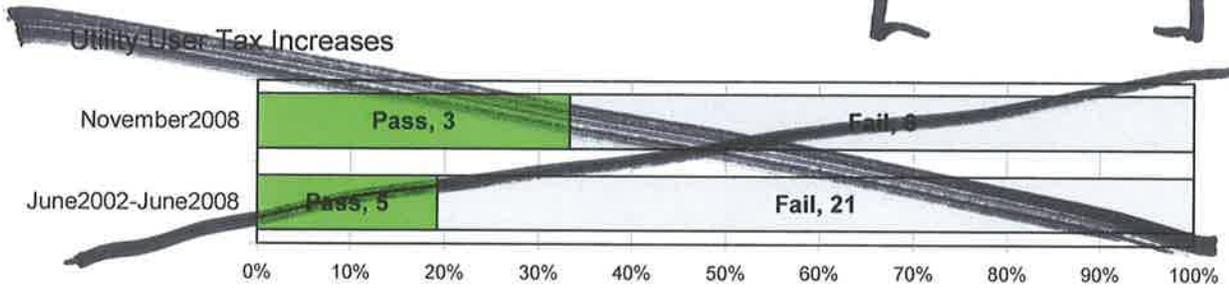
<u>Agency Name</u>	<u>County</u>	<u>Rate</u>	<u>Sunset</u>	<u>Needed</u>	<u>YES%</u>	<u>NO%</u>		
City of Del Rey Oaks	Monterey	Measure S 1cent	5 yrs	50.0%	85.6%	14.4%	PASS	extend
Town of Fairfax	Marin	Measure D 1/2cent	5 yrs(to3/31/2017)	50.0%	64.5%	35.5%	PASS	increase
City of Palm Springs	Riverside	Measure J 1cent	25 yrs	50.0%	57.9%	42.1%	PASS	increase
City of Oakdale	Stanislaus	Measure O 1/2cent	3 yrs	50.0%	56.1%	43.9%	PASS	increase
City of Vallejo	Solano	Measure B 1 cent	10 yrs	50.0%	50.4%	49.6%	PASS	increase
City of Fillmore	Ventura	Measure I 3/4cent	5yrs	50.0%	36.7%	63.3%	FAIL	increase
City of Coachella	Riverside	Measure K 1/2cent		50.0%	26.9%	73.1%	FAIL	increase
		Measure L		50.0%	51.4%	48.7%	PASS	advisory
Mendocino County	Mendocin	Measure A 1/8cent	16 yrs	66.7%	75.2%	24.8%	PASS	increase
City of San Francisco	San Francisc	Measure G 1/2cent	10 yrs	66.7%	46.1%	53.9%	FAIL	increase

Transient Occupancy (Hotel) Taxes

There were five measures to increase city Transient Occupancy (Hotel) Taxes. All were majority vote general tax measures. All passed easily. In previous elections since 2001, just 64% (80 of 125) of majority vote general purpose TOT measures passed.

Transient Occupancy Tax Tax Measures: All General Majority Vote

<u>Agency Name</u>	<u>County</u>	<u>Rate</u>	<u>YES%</u>	<u>NO%</u>	
City of Foster City	San Mateo	Measure P 8%to9.5%	83.1%	16.9%	PASS
City of Cupertino	Santa Clara	Measure C 10%to12%	82.6%	17.4%	PASS
City of Pittsburg	Contra Costa	Measure H 8%to12%	78.1%	21.9%	PASS
City of Redwood City	San Mateo	Measure I 10%to12%	72.9%	27.1%	PASS
City of Indian Wells	Riverside	Measure H 9.25%to11.25%	65.9%	34.1%	PASS



Transient Occupancy (Hotel) Taxes

Voters in eleven cities and the County of Siskiyou considered increasing their Transient Occupancy (Hotel) Tax. All were majority-vote general purpose taxes except for the City of Encinitas which pledged its 2% rate on vacation rentals to beach maintenance. The City of Big Bear Lake accompanied its proposal with a companion advisory measure to use the funds for the renovation of various public facilities.

Seven of the 12 measures passed. Voters in Kerman, one of the few cities in California without a TOT, rejected a new 8% rate by a single vote: 1,139 “yes” to 1,140 “no.”

Transient Occupancy Tax Tax Measures

Agency Name	County	Rate	%Needed	YES%	NO%	
City of Kingsburg	Fresno County	Measure A 8%to12%	50.0%	75.6%	24.4%	PASS
Town of Windsor	Sonoma County	Measure N 8%to12%	50.0%	70.2%	29.8%	PASS
City of Encinitas	San Diego County	Prop K +2%onVacationRent BeachMntnc	66.7%	70.0%	30.0%	PASS
City of Fremont	Alameda County	Measure MM 8%to10%	50.0%	65.5%	34.5%	PASS
City of Eureka	Humboldt County	Measure E 9%to10%	50.0%	62.6%	37.4%	PASS
City of Del Mar	San Diego County	Prop H 10.5%to13%	50.0%	62.5%	37.5%	PASS
City of Big Bear Lake	San Bernardino County	Measure Y 6%to7%@1/1/09, to8%@1/1/10	50.0%	60.2%	39.8%	PASS
City of Big Bear Lake	San Bernardino County	Measure YY ADVISORY FacilitiesRenovation	50.0%	78.6%	21.4%	PASS
City of Kerman	Fresno County	Measure T 8% 1 vote margin	50.0%	50.0%	50.0%	FAIL
City of Solvang	Santa Barbara County	Measure B 10%to11%	50.0%	49.3%	50.8%	FAIL
County of Siskiyou	Siskiyou County	Measure M 8%to10%	50.0%	44.8%	55.2%	FAIL
City of Victorville	San Bernardino County	Measure C 7%to 10%	50.0%	38.4%	61.6%	FAIL
City of Selma	Fresno County	Measure R 6%to10%	50.0%	35.8%	64.2%	FAIL

Transient Occupancy (Hotel) Tax Measures

