



Legislation Text

File #: 06-0013, **Version:** 1

Recommendation to receive the supporting documentation into the record, conclude the hearing and adopt attached resolution, which would place the Long Beach Neighborhood Library Protection Measure on the April 11, 2006 Primary Nominating Election ballot, for the purpose of restoring and enhancing Library Services citywide; and

On June 21, 2005, the City Council directed City staff to research community support for potential revenue-generating ballot initiatives. As a result, community surveys were conducted in October and November 2005. The findings indicate that likely Long Beach voters recognize the City needs additional resources to provide effective public safety and library services and would support increased taxes for enhancements to these areas.

The City's Financial Strategic Plan (Plan), which was endorsed by the City Council in 2003, outlined a strategy with options to balance what, at that time, was a projected \$102 million deficit in the City's General Fund. These options included both reductions in expenditures for City services as well as proposed new revenue sources, such as increases in fees to improve cost recovery for City services and higher investment returns on City assets. Over the past three years, implementation of the Plan has resulted in over 400 City employee positions being eliminated, efficiency gains in several key service areas, extensive reductions in equipment and support costs, and reduced City service levels. Consequently, the projected \$102 million structural deficit in the General Fund was reduced by \$92 million, with the balance to be eliminated by fiscal year 2007 (October 1, 2006 - September 30, 2007).

restore core community services that were impacted through the Plan, the City Council's Budget Oversight Committee researched potential new revenue opportunities. This included surveys by City staff of other communities that had been successful in passing local ballot initiatives to fund core services. On June 21, 2005 the City Council directed the City Manager to conduct further research of Long Beach voters' opinions and to recommend potential revenue generating ballot initiatives as a means of addressing critical funding needs.

To fulfill this recommendation, City staff conducted a competitive Request for Proposals process and received six proposals for strategic advice and public opinion polling. The City selected the team of the Lew Edwards Group (LEG) and Fairbank, Maslin, Maullin, & Associates (FMMA) to provide these services. Both firms have worked in partnership to pass a combined total of \$30 billion in California finance measures with a 90 percent overall success rate. Experts from both firms are regular trainers and speakers for organizations such as the League of California Cities, the California Municipal Treasurers Association, the Local Government Commission, and the Institute for Local Governments. Examples of their clients includes the cities of San Luis Obispo, Escondido, Visalia, and Lawndale.

LEG and FMMA worked with City staff to develop a statistically valid survey of likely voters in Long Beach, as well as a follow-up survey. The surveys evaluated voters'

willingness to support potential revenue generating ballot initiatives to address critical funding needs in the areas of public safety, infrastructure, library services and youth programs. The results from the two surveys show strong support for both public safety and library services revenue measures. Nearly two-thirds (64 percent) of likely voters agree with the statement “the City of Long Beach needs additional funds to provide the level of City services that residents need and want.”

Public Safety Measure

Research from the initial survey showed that support exists for an increase in the sales tax to fund public safety services, including additional police officers. Sixty-five percent of respondents said that they would support a one-half cent sales tax increase to enhance these services. This included 42 percent that would definitely support the measure, 19 percent that would probably support the measure, and 4 percent that were undecided, but would lean towards supporting the measure.

Of the total respondents, 26 percent voiced the opinion that they would not support the measure. Nineteen percent of respondents were classified as definite non-supporters,

Library Services Measure

An additional survey was conducted to better understand the public’s support of potential revenue measures for library services. This survey showed very strong support for a \$35 parcel tax increase to restore and enhance library services.

Approximately 73 percent of respondents reported that they’ would support an annual property assessment on residential property in the amount of \$35 to fund additional library services. This included 55 percent that would definitely support the measure, 15 percent that would probably support the measure, and 3 percent that were undecided, but would lean towards supporting the measure.

Of the total respondents, 16 percent voiced that they would not support the measure, 11 percent of respondents were classified as definite non-supporters, 4 percent as probable non-supporters, and 1 percent undecided, but leaning towards not supporting the measure. Eleven percent of the surveyed sample were completely undecided. The margin of error for the relevant questions was plus or minus 5.6 percent.

According to the City’s advisors (LEG and FMMA), this level of support is rarely seen with potential revenue measures, and it suggests there is a strong likelihood that this potential ballot measure, to increase funds for the Long Beach Public Library, would obtain the two-thirds super-majority of votes needed for passage as early as April 2006.

If successful, a \$35 annual parcel tax increase to parcels with single family residential units and condominiums, a \$70 annual parcel tax increase to parcels with two to four residential units, and \$100 annual parcel tax increase to parcels with five or more residential units, would generate approximately \$4 million annually. Qualifying houses of worship or community service organizations that are exempt from ad valorem taxation under California law will receive a rebate for this tax, as will residential parcel owners whose gross household income is 80 percent or less of the Los Angeles County median income.

The survey indicated that the public favors using these resources to provide the following improvements to library services citywide:

0 Allow the Long Beach Main Library to return to being open and accessible seven days a week

0 Allow all Long Beach neighborhood libraries to be open and accessible for a minimum of six days per week

Restore and increase the Library materials budget

To place a measure on the April 11, 2006 ballot, City Council action is needed by January 13, 2006, which requires approval at the January 10, 2006 City Council meeting. To place a measure on the November 7, 2006 ballot, City Council action is needed by August 11, 2006, which requires approval on or before the August 8, 2006 City Council meeting.

A \$35 annual parcel tax increase to parcels with single-family residential units and condominiums, with associated increases for multi-unit parcels, would generate approximately \$4 million annually. It will cost the City approximately \$80,000 to place the Neighborhood Library Protection Measure on the April 11, 2006 ballot. The City's current election budget can support this cost.

A one-half cent increase to the sales tax would produce approximately \$23.75 million annually to be used for public safety purposes. Based on historical costs, a proposed public safety revenue measure in November 2006 would cost the City between \$300,000 and \$325,000, and would need to be included in the City Clerk's FY 2007 Proposed Budget. The City would consolidate this election with the County of Los Angeles' election, and this measure would appear, on the County's ballot for the Statewide General Election. The cost reflects estimated charges from the County using the County's existing voting system.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH CALLING AN ELECTION TO BE
HELD IN THE CITY OF LONG BEACH ON THE 11TH DAY
OF APRIL, 2006, FOR THE PURPOSE OF AUTHORIZING
THE LEVY OF A NEW PARCEL TAX TO PROTECT AND
RESTORE THE LONG BEACH PUBLIC LIBRARY SYSTEM
(LONG BEACH NEIGHBORHOOD LIBRARY PROTECTION
ACT)

NAME
TITLE

APPROVED:

GERALD R. MILLER
CITY MANGER