



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember
Donald Rocha

SUBJECT: NOVEMBER BALLOT MEASURE

DATE: June 16, 2014

Approved

Don Rocha

Date

6/16/14

RECOMMENDATION

For the purpose of helping to provide the Council with information necessary to make a final decision on November ballot measures, direct City staff as follows:

1. Conduct polling on potential November 2014 revenue measures. Staff should have discretion in designing the poll, but at minimum should include a ¼ cent general sales tax as well as a ¼ cent special sales tax, limited to pavement maintenance, public safety, or a combination of the two.
2. Explore ways to ensure that any additional revenue will be spent responsibly for the life of the tax by developing oversight safeguards for inclusion in the language of a potential measure. Options could include:
 - a. Requiring a citizens oversight committee to be established for the purpose of monitoring how the additional increment of revenue is spent.
 - b. Requiring an annual reporting procedure, potentially through the City's budget process, that would make it clear to the public how the additional increment of revenue is spent.
3. Return to the August 5, 2014 City Council meeting with draft revenue measure ballot language for the options polled.

ANALYSIS

I believe that we should follow the recommendation of our staff to conduct additional polling on a sales tax measure in advance of making a final decision as to whether to put a measure on the ballot. Concerns have been expressed in the past about whether we can mount a sufficient campaign in support of such a measure. That may be a consideration for us to weigh in August, but we can't make judgments as to what scale of campaign we would need—or even whether we'd need one at all—until we conduct additional polling.

I also believe we should ask staff to develop oversight safeguards for inclusion in the measure that could help ensure that any additional general tax revenue is spent responsibly by future Councils. As we all know, responsible decision-making in the future ultimately relies on future councilmembers showing good judgment (just as responsible decision-making in the present relies on present councilmembers showing good judgment) but there may be mechanisms available to us—such as a citizens oversight committee—that can significantly increase transparency and oversight of spending decisions involving additional revenue, and thus increase the likelihood that it will be spent wisely.

We have taken a great deal of time and effort over the past three years reforming our pension system, on the rationale that we shouldn't stick future generations with a larger bill because we don't want to make the hard decisions today. We put Measure B on the ballot because we thought voters should be allowed to decide on a matter so important to the future fiscal health of the City. It's interesting to note that exactly the same arguments can be made on pavement maintenance. If we kick the can on hard choices, such as putting a tax measure on the ballot, the cost of repairing our streets will continue to climb, as will the bill we pass along to future generations. Here, too, we need to consider carefully whether voters should have a right to decide their own fiscal future.