



# Fullerton Community Issues Survey

*Survey Conducted: November 13-20, 2019*

**CONSULTANT WORKING DRAFT. NOT FOR PUBLICATION. CA GOV'T CODE 6254.**



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& ASSOCIATES

# Methodology

- 515 completed survey interviews
- Fullerton residents likely to vote in November 2020
- Conducted November 13-20, 2019
- Interviews conducted online and by cell phone/landline telephone
- Overall Margin of Error:  $\pm 4.9\%$
- Some percentages may not equal 100% due to rounding

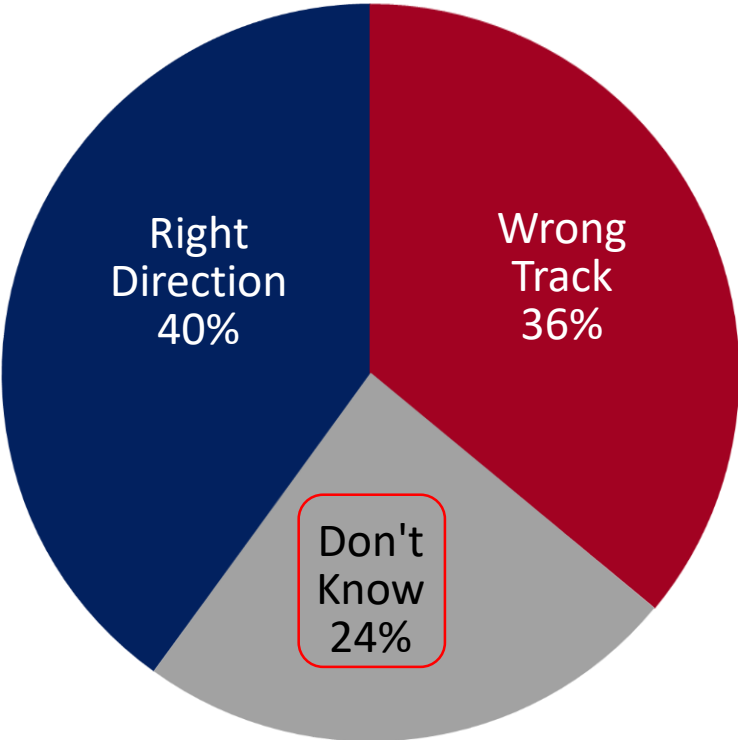




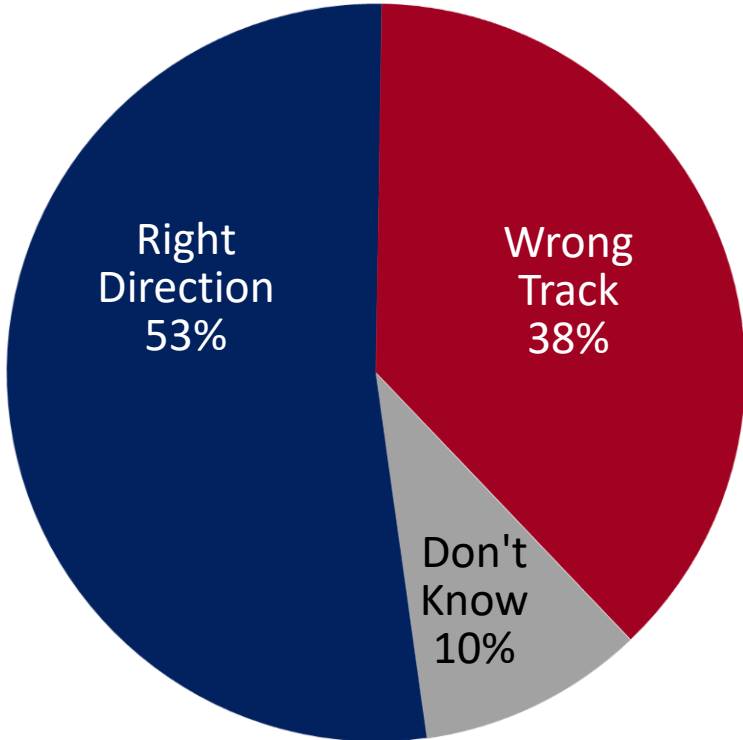
# General Mood of Respondents

# Respondents are divided about the direction of the City of Fullerton, while opinions about the direction of voters' own neighborhood are more positive.

The City of Fullerton



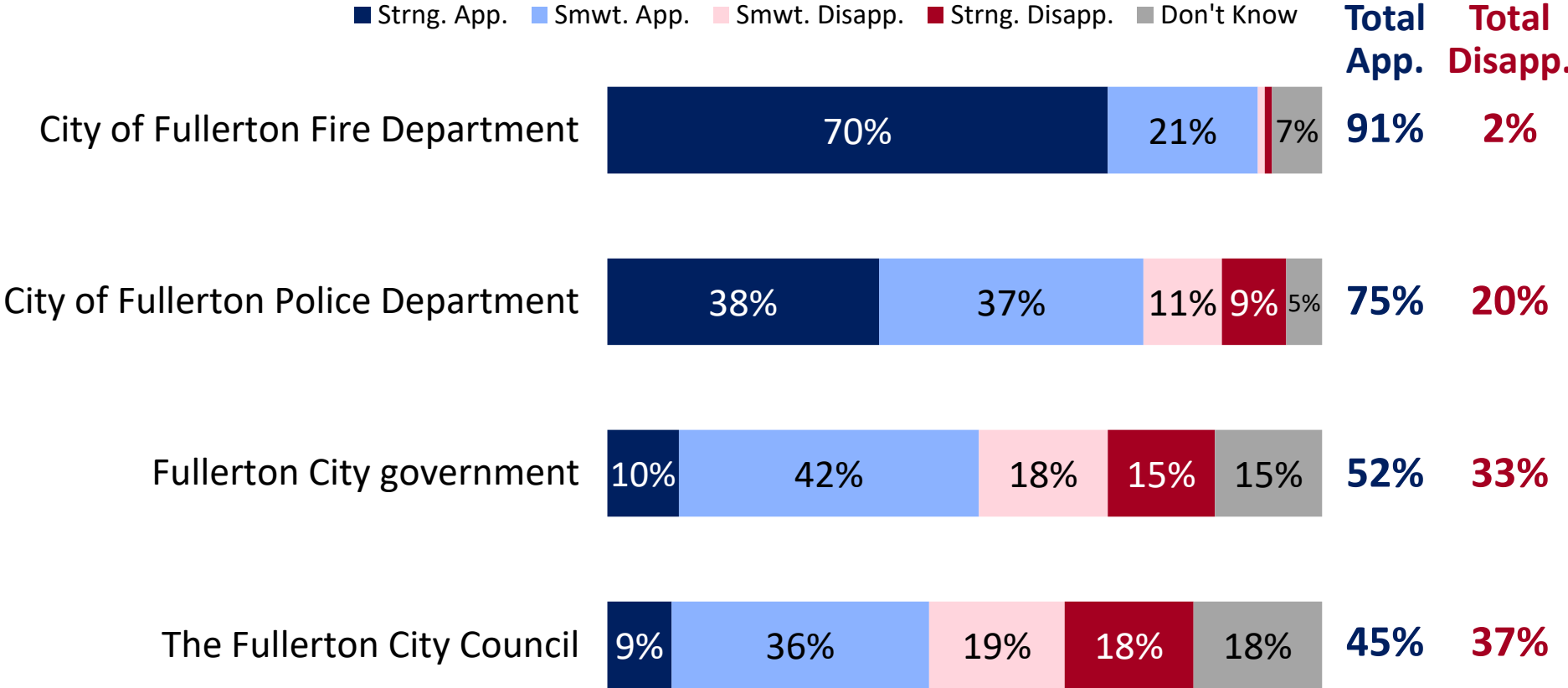
Your local neighborhood



# Respondents give positive ratings to the performance of City government overall and public safety agencies in particular

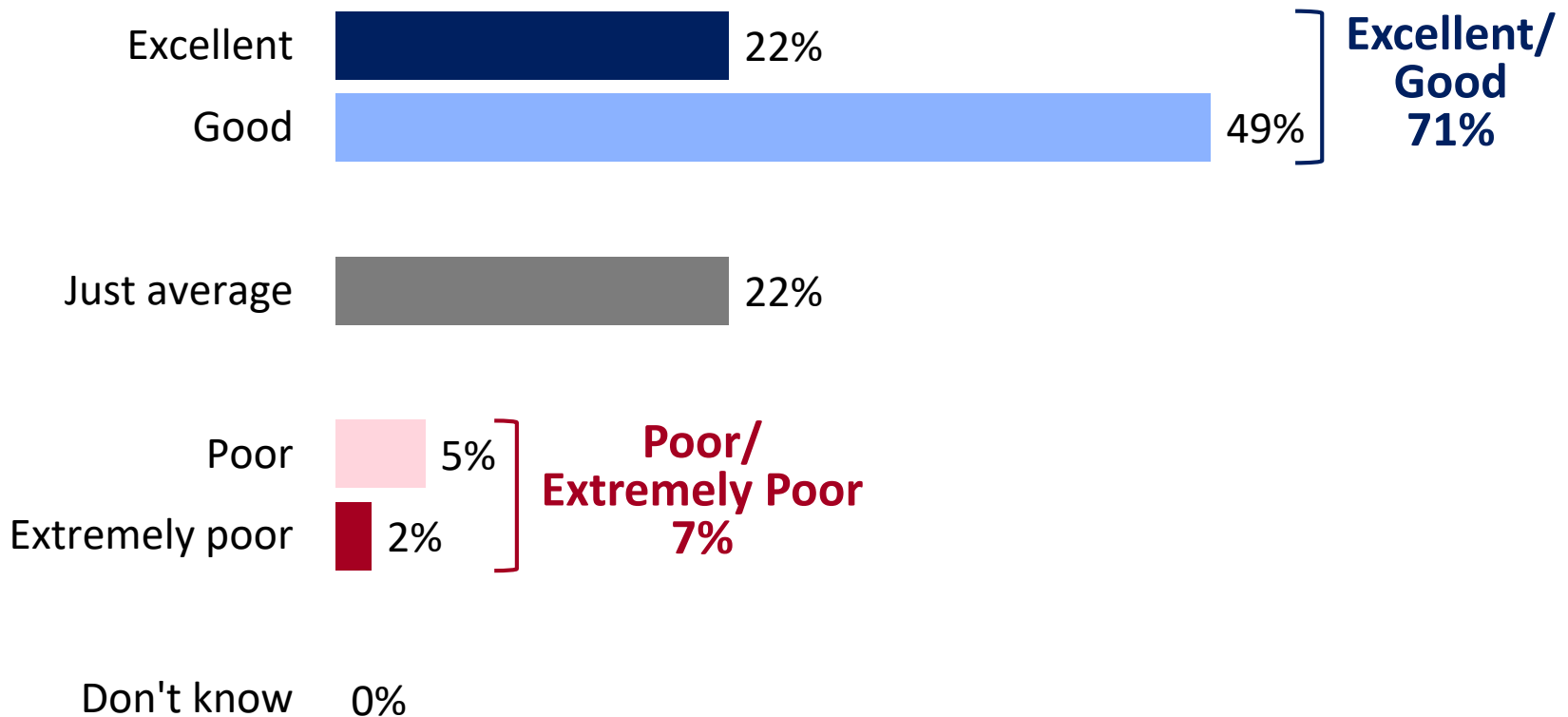
*I'm going to mention a list of organizations.*

*Please tell me if you approve or disapprove of the job being done by that organization.*



# More than seven-in-ten respondents rate Fullerton as at least a “good” place to live.

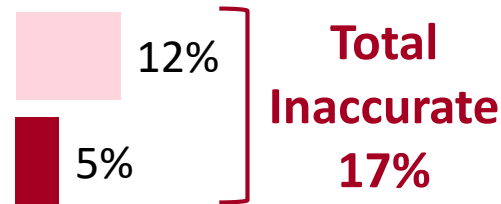
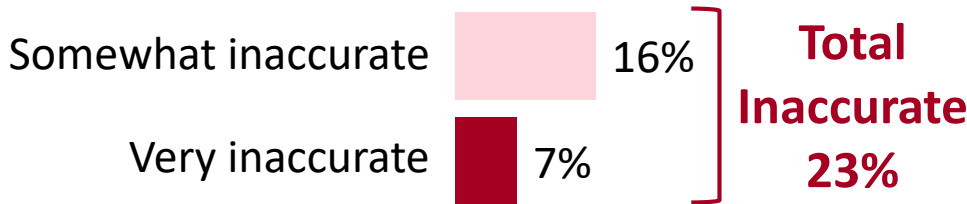
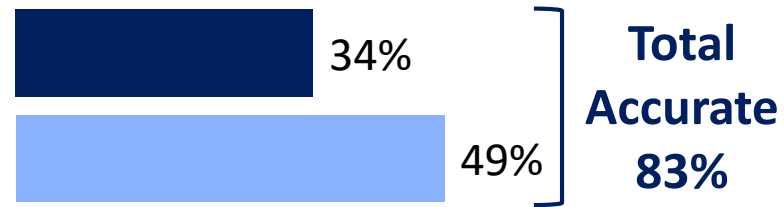
*How would you rate the City of Fullerton as a place to live: is it an excellent place to live, a good place to live, just average, poor, or an extremely poor place to live?*



# A majority of respondents perceive that crime has increased in recent years, but Fullerton is still generally considered to be safe.

*Crime in Fullerton has increased over the last few years*

*The City of Fullerton is a safe place to live, work and raise a family*

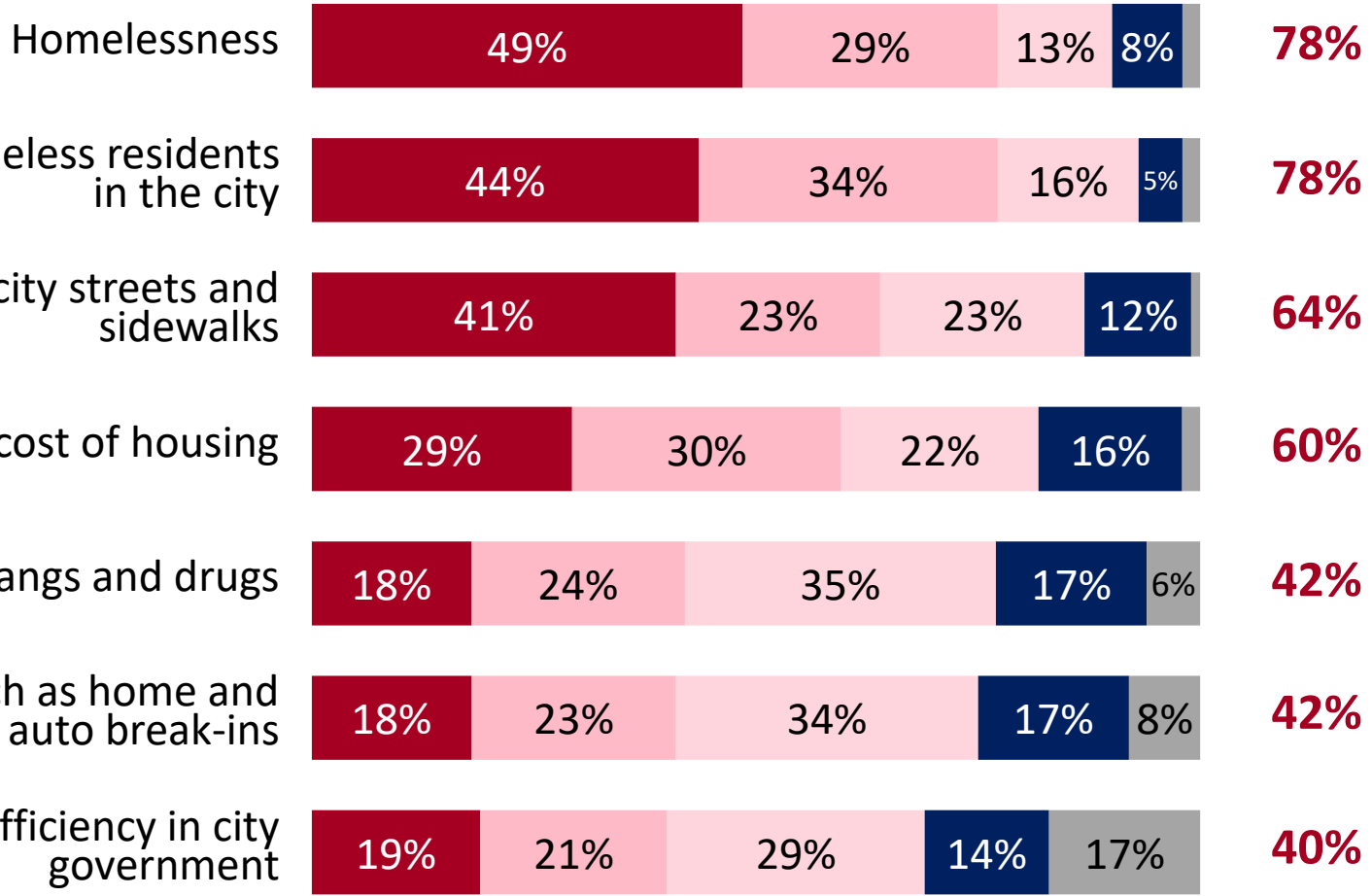


0%

# Homelessness, the cost of housing and the condition of local streets are considered to be the most serious problems.

■ Ext. Ser. Prob. ■ Very Ser. Prob. ■ Smwt. Ser. Prob. ■ Not a Prob. ■ Don't Know

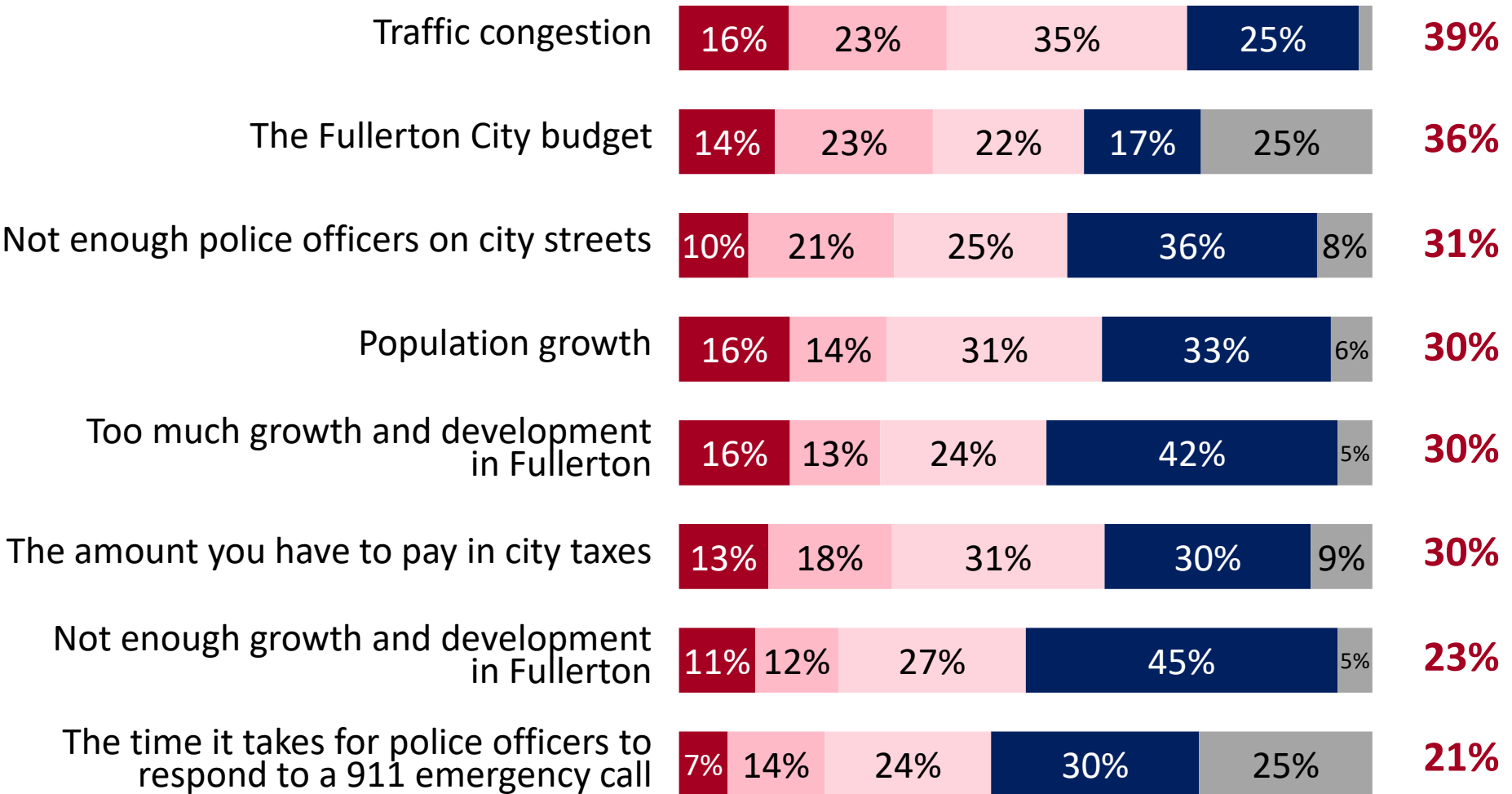
**Ext./Very Ser. Prob.**





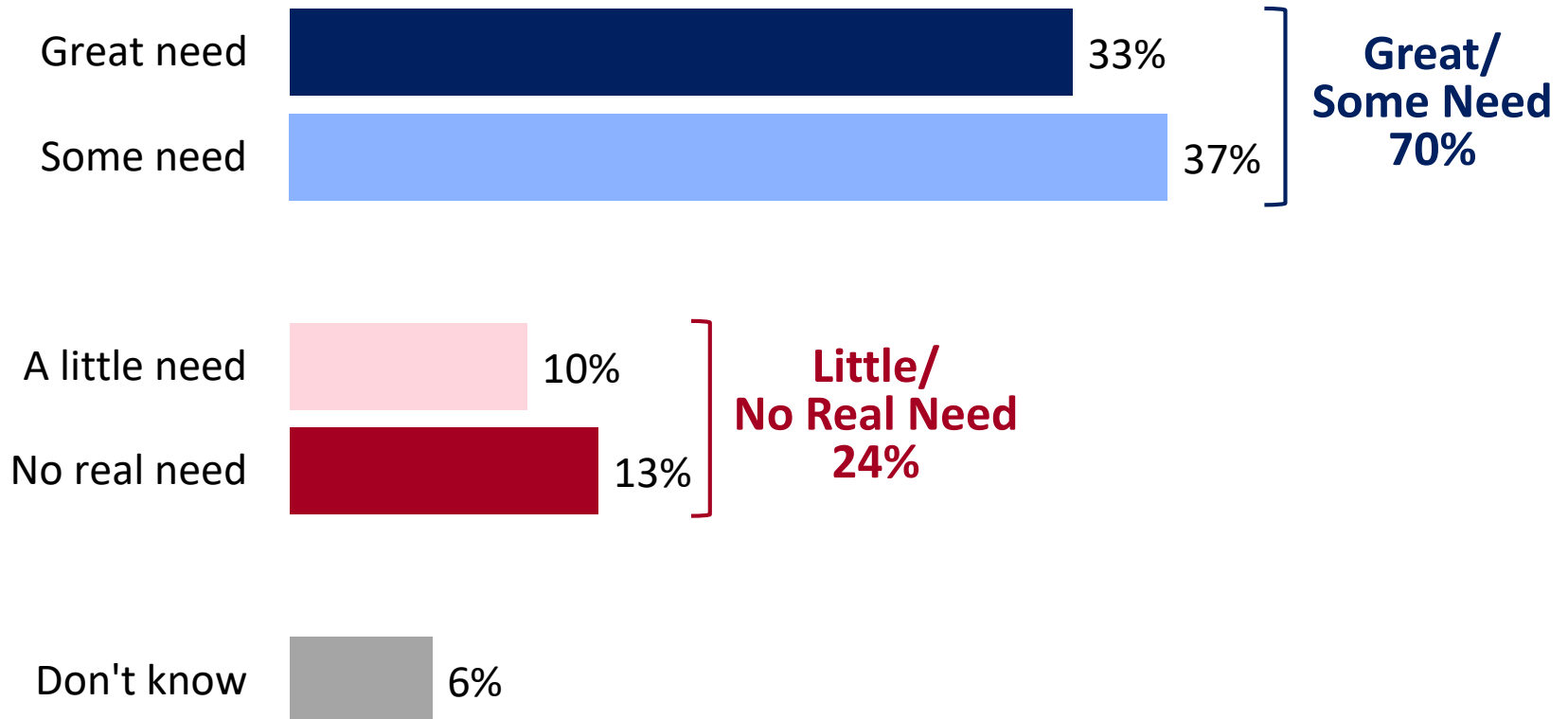
# Neither side of the growth and development landscape is considered to be a serious problem by a majority of respondents.

■ Ext. Ser. Prob. ■ Very Ser. Prob. ■ Smwt. Ser. Prob. ■ Not a Prob. ■ Don't Know **Ext./Very Ser. Prob.**



# Seven-in-ten respondents believe the City has at least “some” need for additional funding to provide City Services.

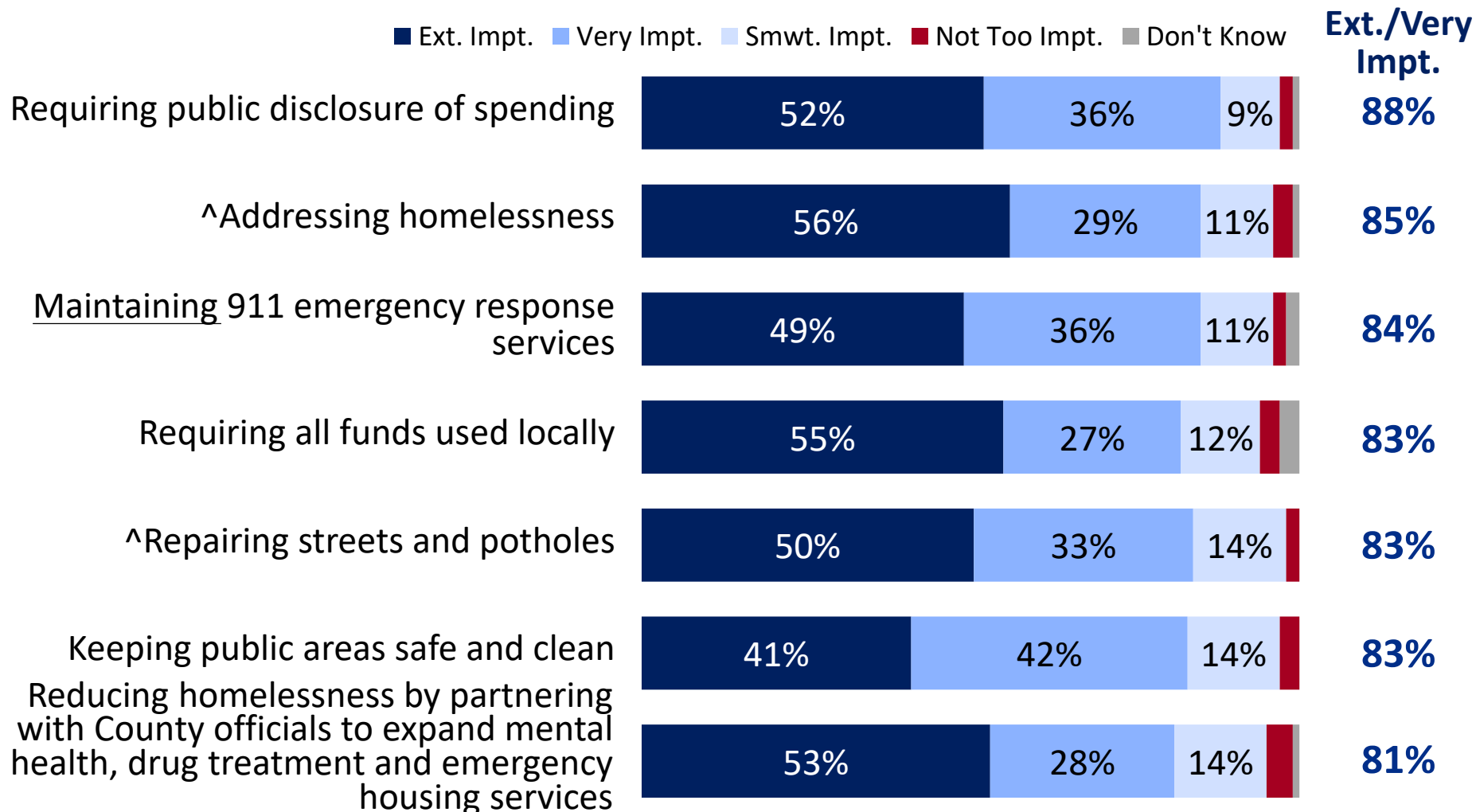
*In your personal opinion, do you think the City of Fullerton has a great need for additional funding, some need, a little need or no real need for additional funds to provide the level of City services that Fullerton residents need and want?*





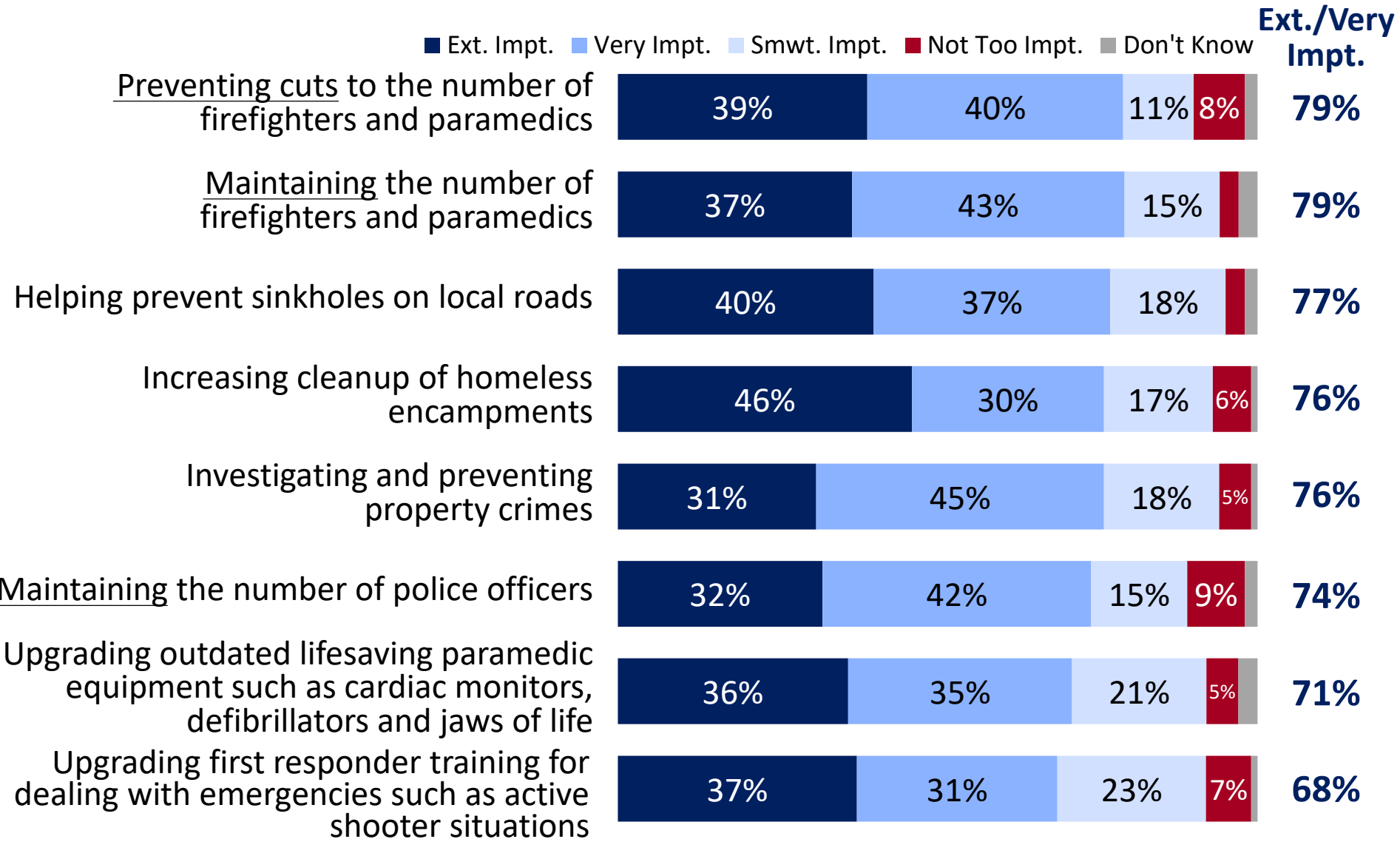
# Priorities for City Funding

# The top priorities for the measure include fiscal accountability, addressing homelessness, streets, and maintaining public safety/emergency response services.



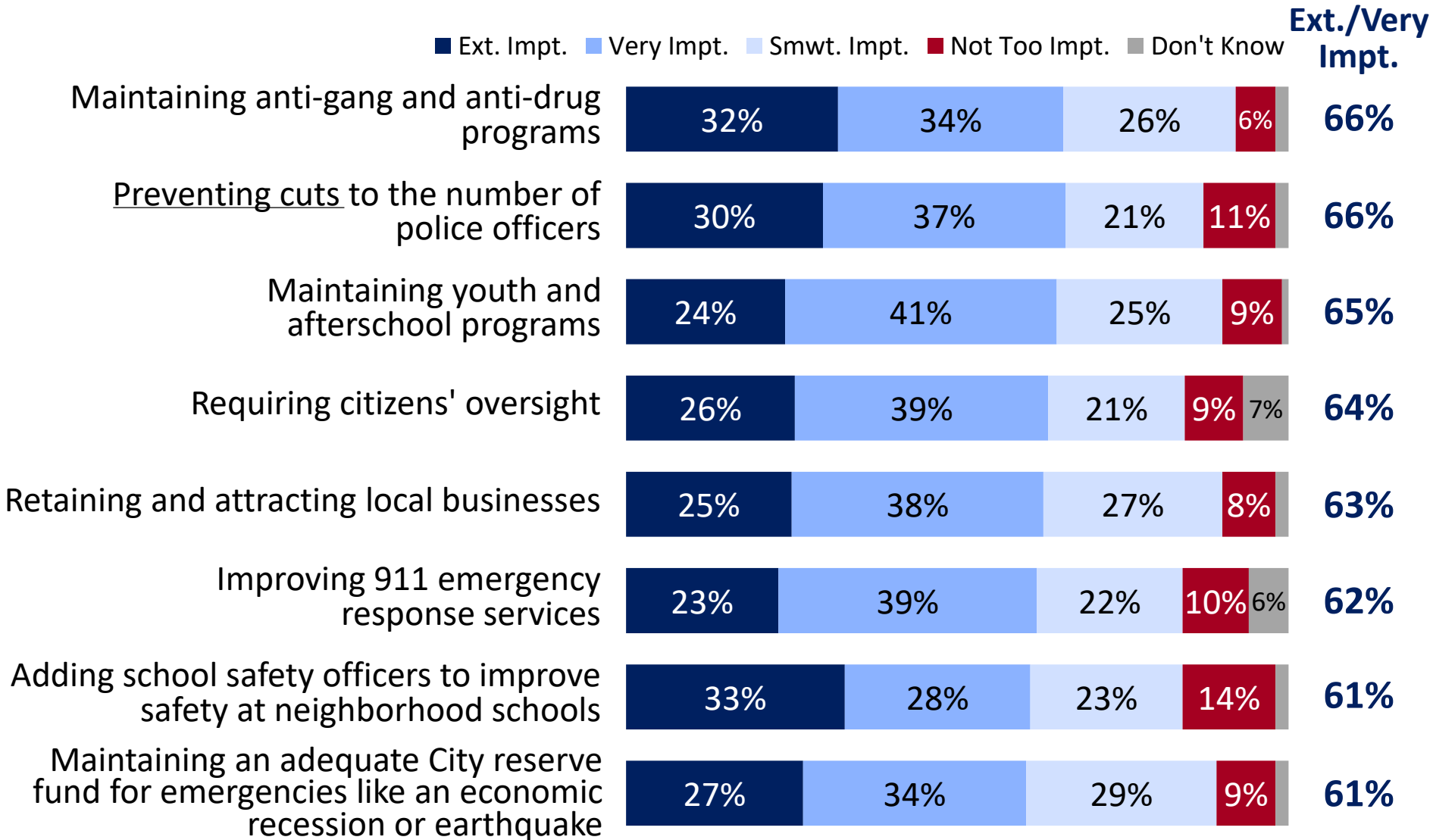
Q. Let's return to the **CITY OF FULLERTON PUBLIC SAFETY AND COMMUNITY SERVICES MEASURE** you considered earlier. I am now going to read you a list of possible projects, features, and provisions that might be included in this City of Fullerton ballot measure. Regardless of how you feel about this measure, please tell me how important it is to you personally that each provision or use of funds is included in the measure: extremely important, very important, somewhat important, or not too important. ^Not Part of Split Sample

# Listing of priorities from respondents (continued)



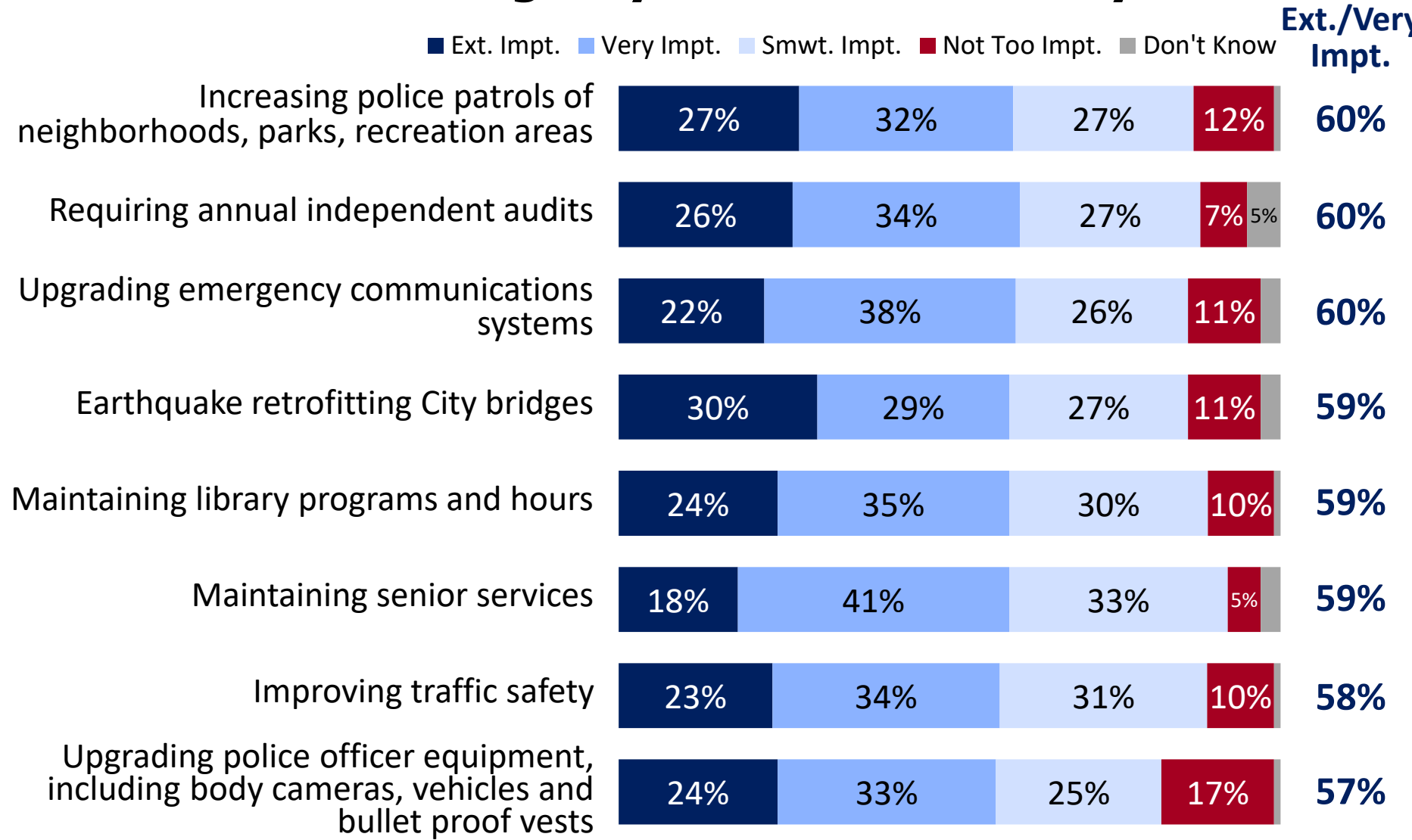
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# Other non-public safety priorities include youth/ afterschool programs and supporting local businesses.



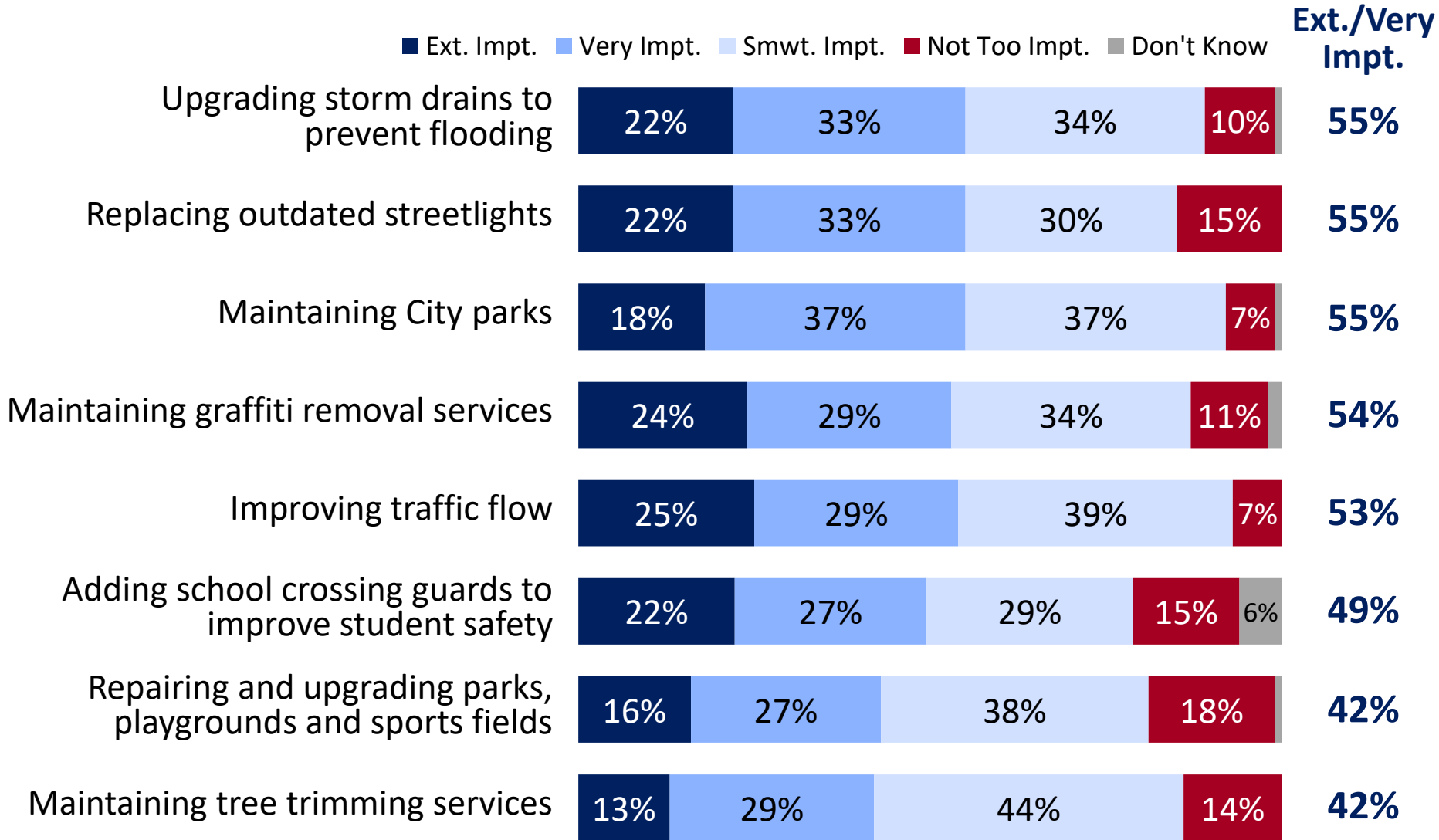
Q9. Let's return to the **CITY OF FULLERTON PUBLIC SAFETY AND COMMUNITY SERVICES MEASURE** you considered earlier. I am now going to read you a list of possible projects, features, and provisions that might be included in this City of Fullerton ballot measure. Regardless of how you feel about this measure, please tell me how important it is to you personally that each provision or use of funds is included in the measure: extremely important, very important, somewhat important, or not too important. Split Sample

# The next tier of priorities include increasing police patrols, audits and emergency communications systems.



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# Slim majorities prioritize issues related to storm drains, streetlights and graffiti removal, among other services.



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# Revenue Opportunities Available to Cities

# Revenue Opportunities for Cities

Cities are generally funded by the following sources:

- Property Tax
- Sales Tax
- Business License Tax
- Utility User Tax
- Transient Occupancy Tax (TOT or “Hotel Bed Tax”)
- Parcel Tax
- Franchise Fees
- Charges and Fees for Services
- Fines, Forfeitures, and Penalties

City of Fullerton exists primarily on the following:

- Property Tax (± \$45 million)
- Sales Tax (± \$22 million)
- Other Taxes (TOT, Business License, etc) (± \$6 million)
- Franchise Fees (± \$4.5 million)
- Charges for Services (± \$9 million)
- Other Revenue (± \$10.4 million)

**Fullerton has no additional or add-on revenue enhancements**

(based on 2019-20 adopted budget)



# Other OC Cities' Revenue Profile

## Placentia (full service)

- Utility Users Tax (3./ .5%)
- Add-on Sale and Use Tax (1%)

## La Habra (full service)

- Add-on Sale and Use Tax (.5%)

## Stanton (contract)

- Utility Users Tax (5%)
- Add-on Sale and Use Tax (1%)

## Huntington Beach (full service)

- Utility Users Tax (5%)
- Retirement Property tax (1966)  
( $\$0.015$  per  $\$100$  of assessed value =  $\$6.2m$ )

## Santa Ana (full service)

- Utility Users Tax (5.5%)
- Add-on Sale and Use Tax (1.5%)

## Fountain Valley (full service)

- Add-on Sale and Use Tax (1%)

## Buena Park (full service)

- Utility Users Tax (3%)

## Irvine (police)

- Utility Users Tax (1.5%)

## La Palma (police)

- Utility Users Tax (5%)
- Add-on Sale and Use Tax (1%)

## Los Alamitos (police)

- Utility Users Tax (6%)

## Seal Beach (police)

- Utility Users Tax (10%)
- Add-on Sale and Use Tax (1%)

## Westminster (full service)

- Utility Users Tax (4%)
- Add-on Sale and Use Tax (1%)

## Garden Grove (full service)

- Add-on Sale and Use Tax (1%)





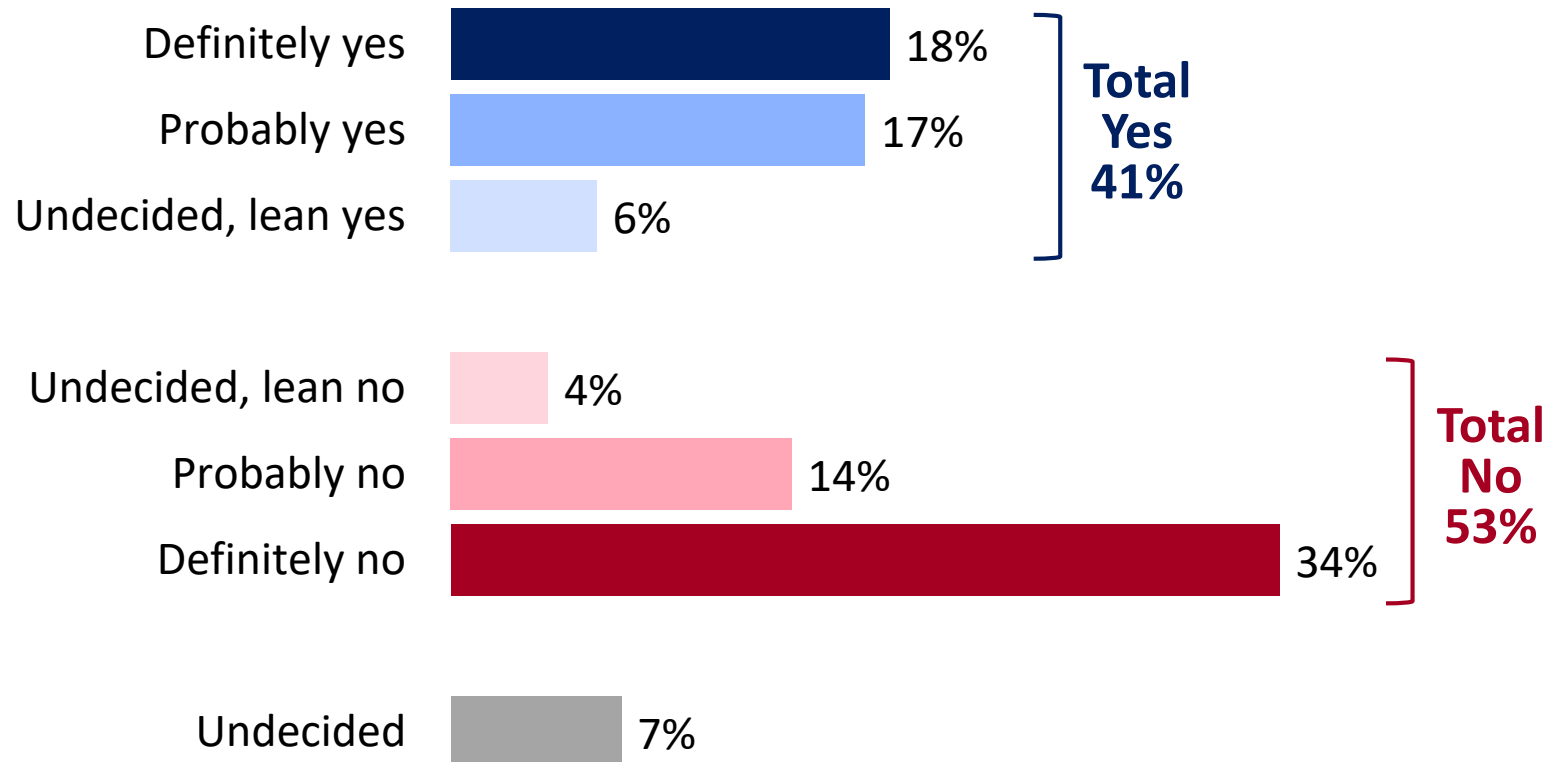
# Attitudes on a Potential Street Repair Parcel Tax Ballot Measure

# Ballot Question Tested in Survey

## CITY OF FULLERTON STREET REPAIR, SAFETY AND RESPONSE TIMES MEASURE

To fund repair of deteriorating streets and alleys; fix potholes; improve 911 emergency vehicle response times, traffic flow and safety, commute times, disabled access on crosswalks and sidewalks, pedestrian safety including near schools, synchronize signals, other street and road improvements; shall the City of Fullerton levy four \$400 per parcel, providing approximately \$13 million annually until ended by voters, requiring audits, citizen oversight, public disclosure of spending, all funds used locally?

# Less than a majority of respondents support a streets-only parcel tax that requires a two-thirds vote for passage.





# Attitudes on Cannabis Legalization, Regulation and Taxation

# Revenue Opportunities for cities related to Cannabis taxation

Cannabis is taxed both at the State level (a 15% excise tax) and a locally set tax rate. For example, the City of Santa Ana has an 8% excise tax for adult-use retail.

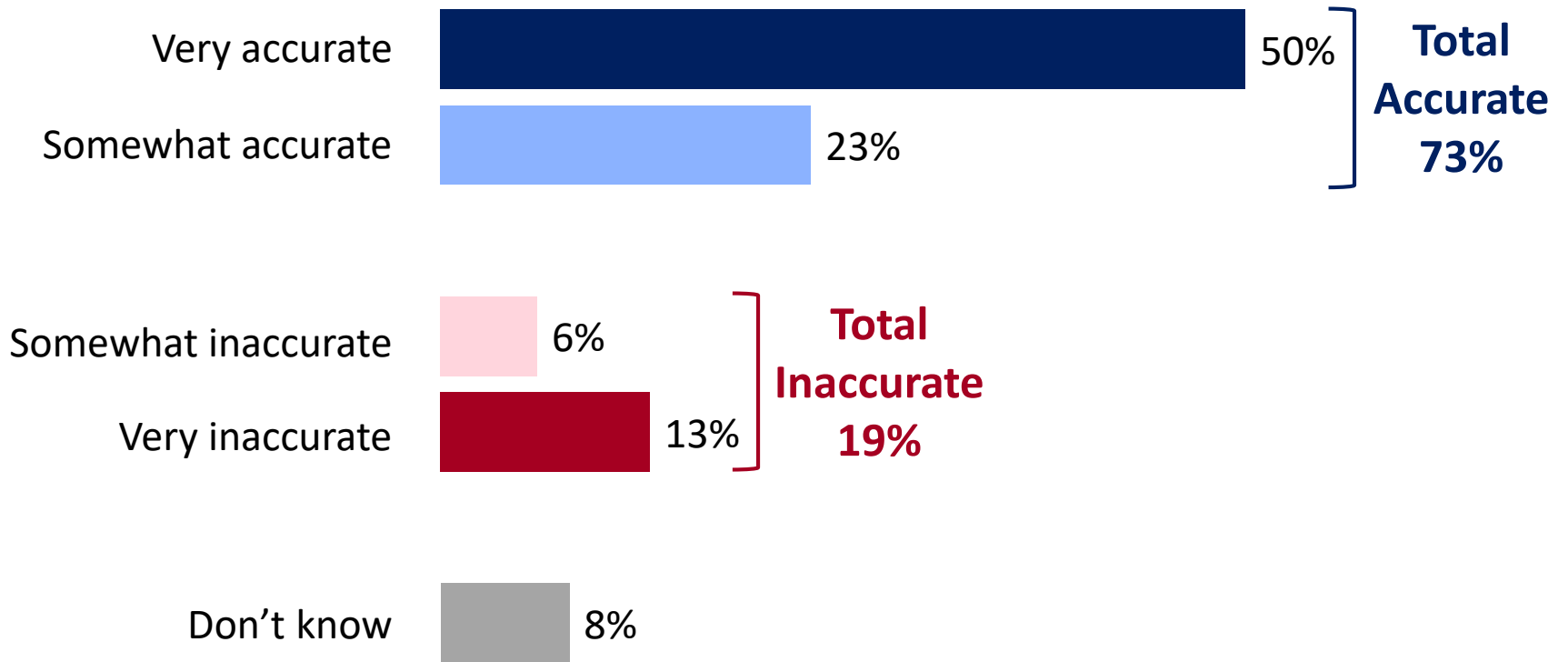
- Issues of over-taxation maintaining the illegal retail sale of marijuana.
- Santa Ana projects to raise \$10.8 million from their 30 adult-use and 20 medicinal-use retailers.
  - Revenue largely covers expenditures for police, code enforcement, and public benefit purposes (educational, youth activities) versus infrastructure needs, but may not cover all expenditures countering cannabis related issues.





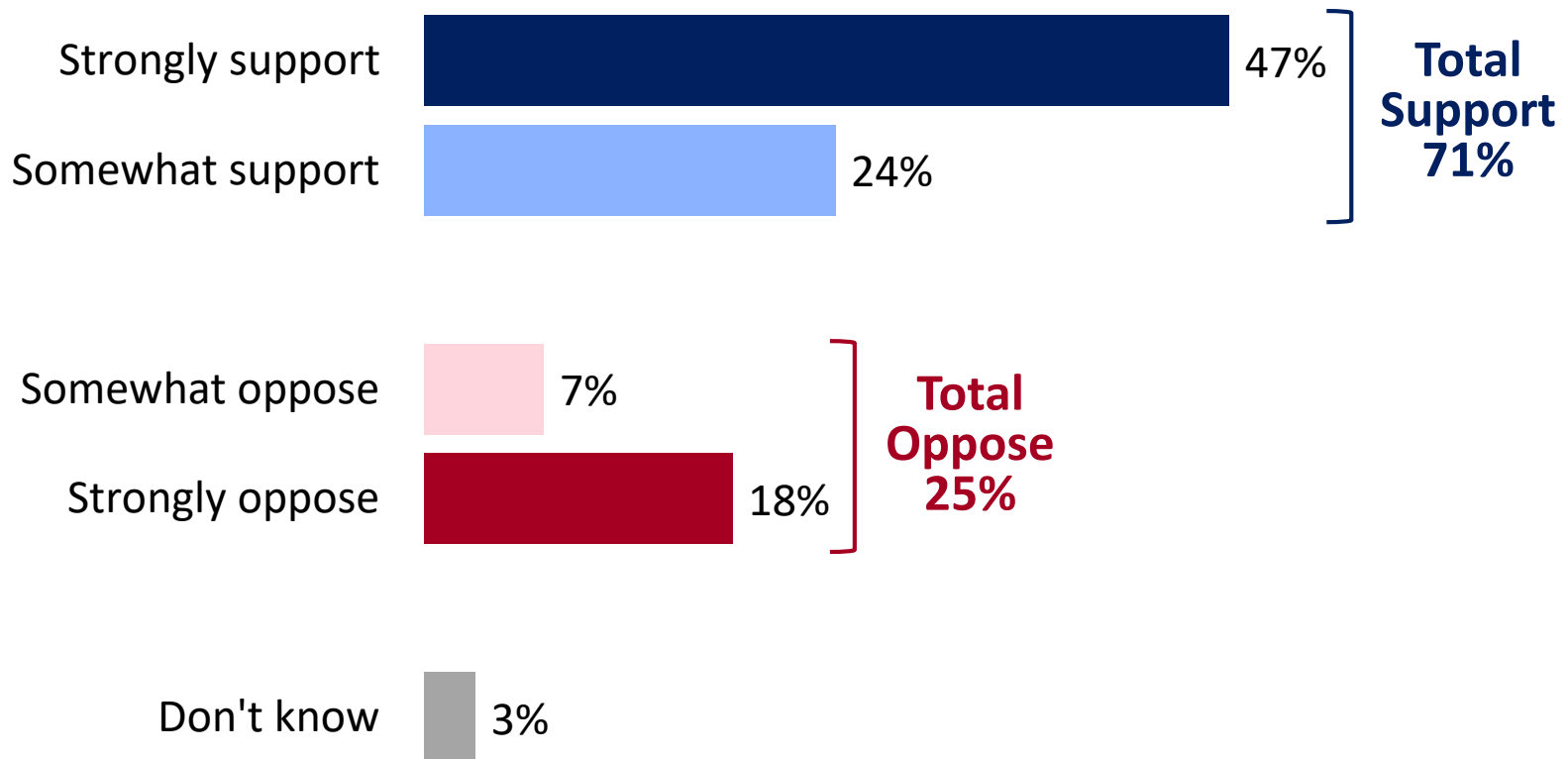
# Nearly three-quarters of respondents believe it is appropriate for Fullerton City government to fund City services by taxing marijuana sales.

*Taxing the local sales of marijuana is an appropriate way for the Fullerton City government to raise funds to pay for City services for residents*



# At a conceptual level, more than seven-in-ten respondents support allowing, regulating and taxing the sale of cannabis products to voters over the age of 21.

*Switching gears a bit, do you support or oppose allowing, regulating and taxing the sale of cannabis products to adults over the age of 21 in Fullerton?*





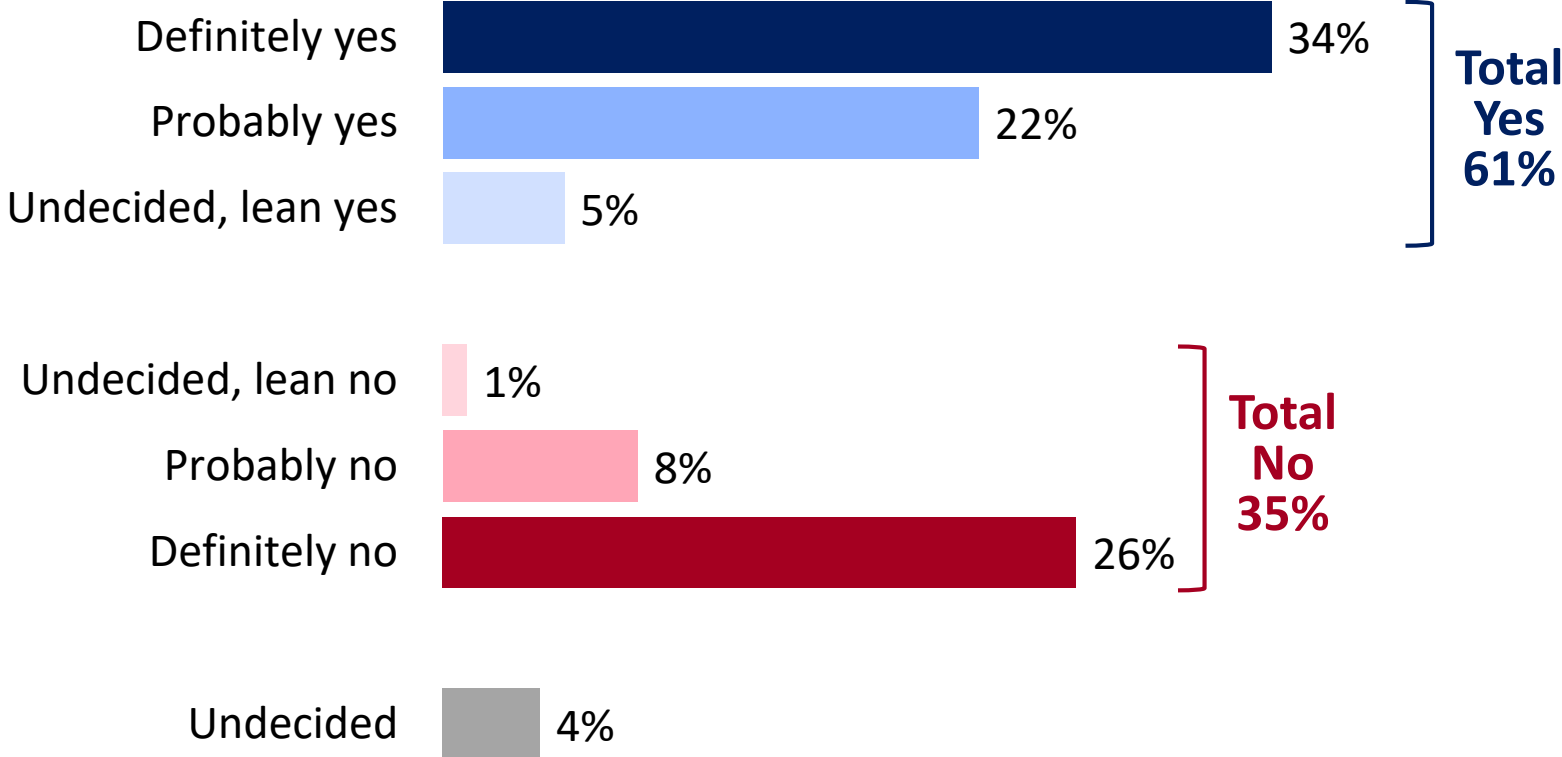
# Attitudes on Sales Tax Ballot Measure

# Ballot Question Tested in Survey

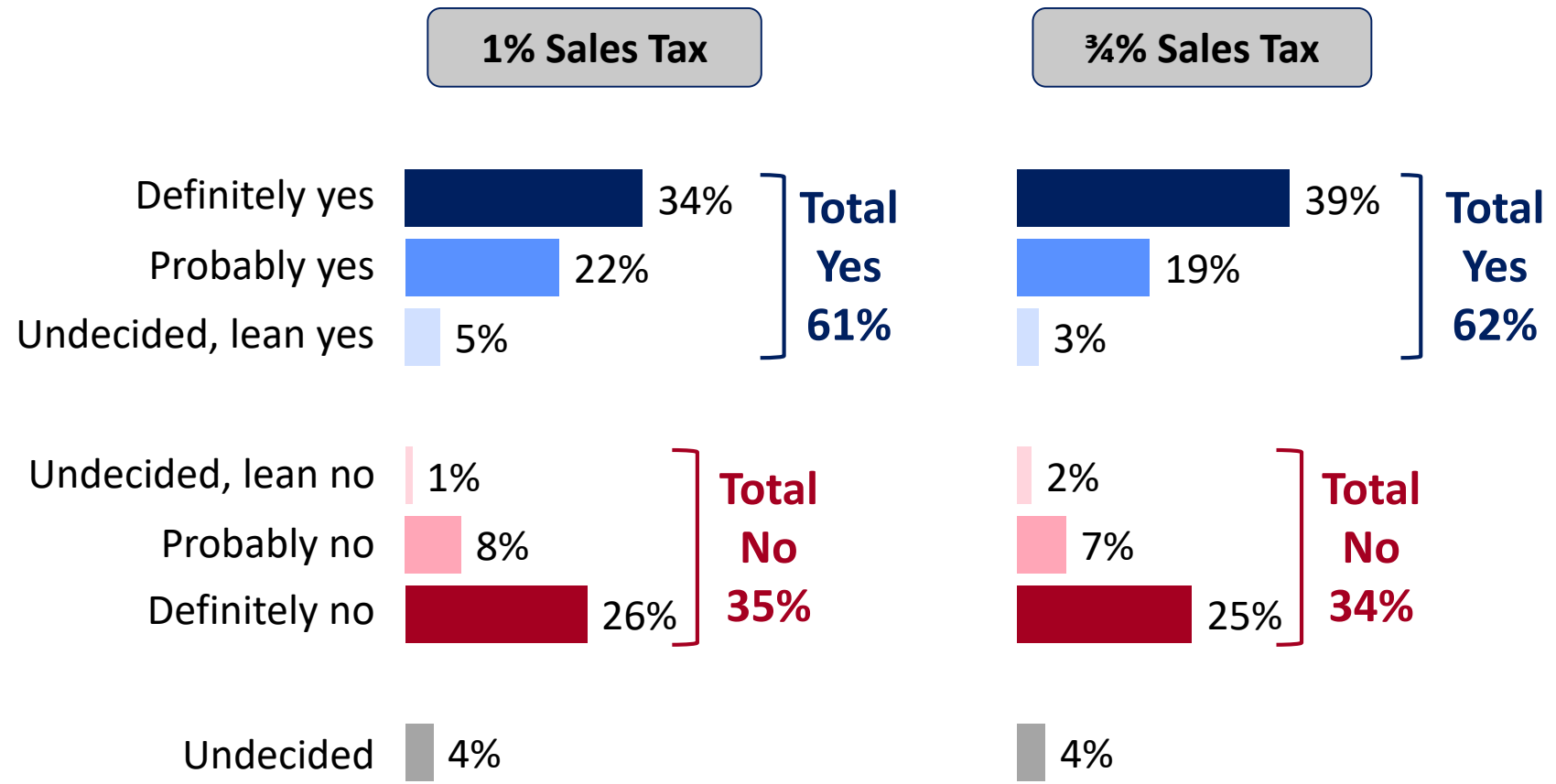
## CITY OF FULLERTON PUBLIC SAFETY AND COMMUNITY SERVICES MEASURE.

To provide funding available to fix local streets and potholes; maintain police officers, firefighter paramedics, 911 emergency response, anti-gang programs; reduce property crimes; address homelessness; retain and attract local businesses; maintain youth and after-school programs, senior services, parks, library, other general services, shall the measure establishing a 1% sales tax providing approximately \$20 million annually until ended by voters be adopted, requiring audits, citizen oversight, public disclosure of spending, all funds used locally?

# Six-in-ten respondents support a potential sales tax measure on the initial reading.



# There is the same level of support for a three-quarter percent sales tax measure, even assuming all respondents who said “definitely yes” to the measure at 1% would also support the lower amount.





# Conclusions

# Conclusions

- ✓ Respondents have mixed opinions about the city: they mostly consider it a good place to live and a safe community. But there is concern about the direction of the City and homelessness.
- ✓ Importantly, there is a strong sense that the City needs additional funding.
- ✓ With that background, a potential one percent, general purpose sales tax ballot measure is clearly viable for further planning.
- ✓ The viability of a revenue enhancement is largely due to its potential to maintain and/or improve some of residents' key priorities:
  - Homelessness
  - The condition of streets and infrastructure
  - 911 response/public safety



# Conclusions

- ✓ Further, it is important that fiscal accountability provisions be part of any enhanced revenue opportunity.
  - Public disclosure of spending
  - All funds used locally
  - Some cities establish “advisory spending guidelines” to demonstrate their goals with public funding without setting firm requirements for how funding will be used.
  - An advisory/companion measure is discouraged as they tend to create voter confusion
- ✓ Most cities hire a public outreach and engagement firm to advise the City and make sure they follow all legal provisions about “educating” and not “advocating,” as well the differences between city communication before and after a measure is on the ballot.

# For more information, contact:



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