



City of Fullerton






Highlights of Community Issues Survey



OPINION
RESEARCH
& STRATEGY

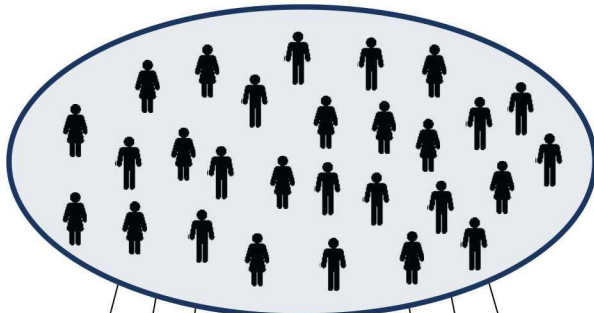


Survey Specifics and Methodology

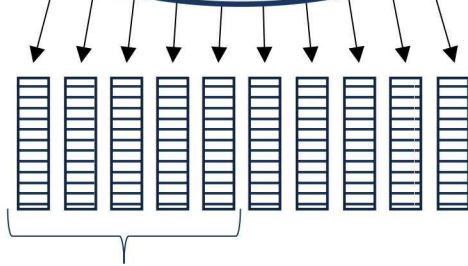
Dates	May 19-25, 2023
Survey Type	Dual-mode Voter Survey
Research Population	Likely November 2024 Voters in Fullerton
Total Interviews	461
Margin of Sampling Error	(Full Sample) $\pm 4.9\%$ at the 95% Confidence Level (Half Sample & Ballot Questions) $\pm 6.9\%$ at the 95% Confidence Level
Contact Methods	 Telephone Calls  Email Invitations  Text Invitations
Data Collection Modes	 Telephone Interviews  Online Interviews
Survey Tracking	November 2019 & June 2020
Languages	English, Spanish

(Note: Not All Results Will Sum to 100% Due to Rounding)

Survey Process



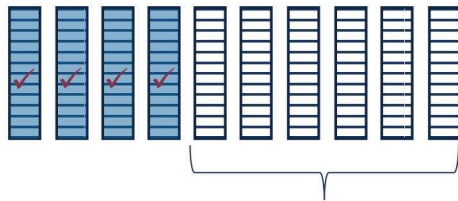
FM3 modeled the research population of Fullerton voters likely to vote in November 2024, based upon participation in past elections available in the voter file.



FM3 pulled a random sample of stratified clusters of likely voters; each cluster contains voters with similar demographic/geographic characteristics.



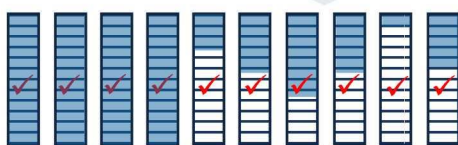
FM3 emailed those with email addresses and texted those with cell phones, inviting them to take the online survey.

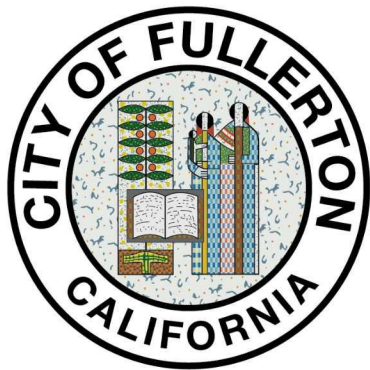


FM3 identified which clusters had completed online interviews.



FM3 completed telephone interviews with voters in the remaining clusters to ensure a representative sample of likely voters.

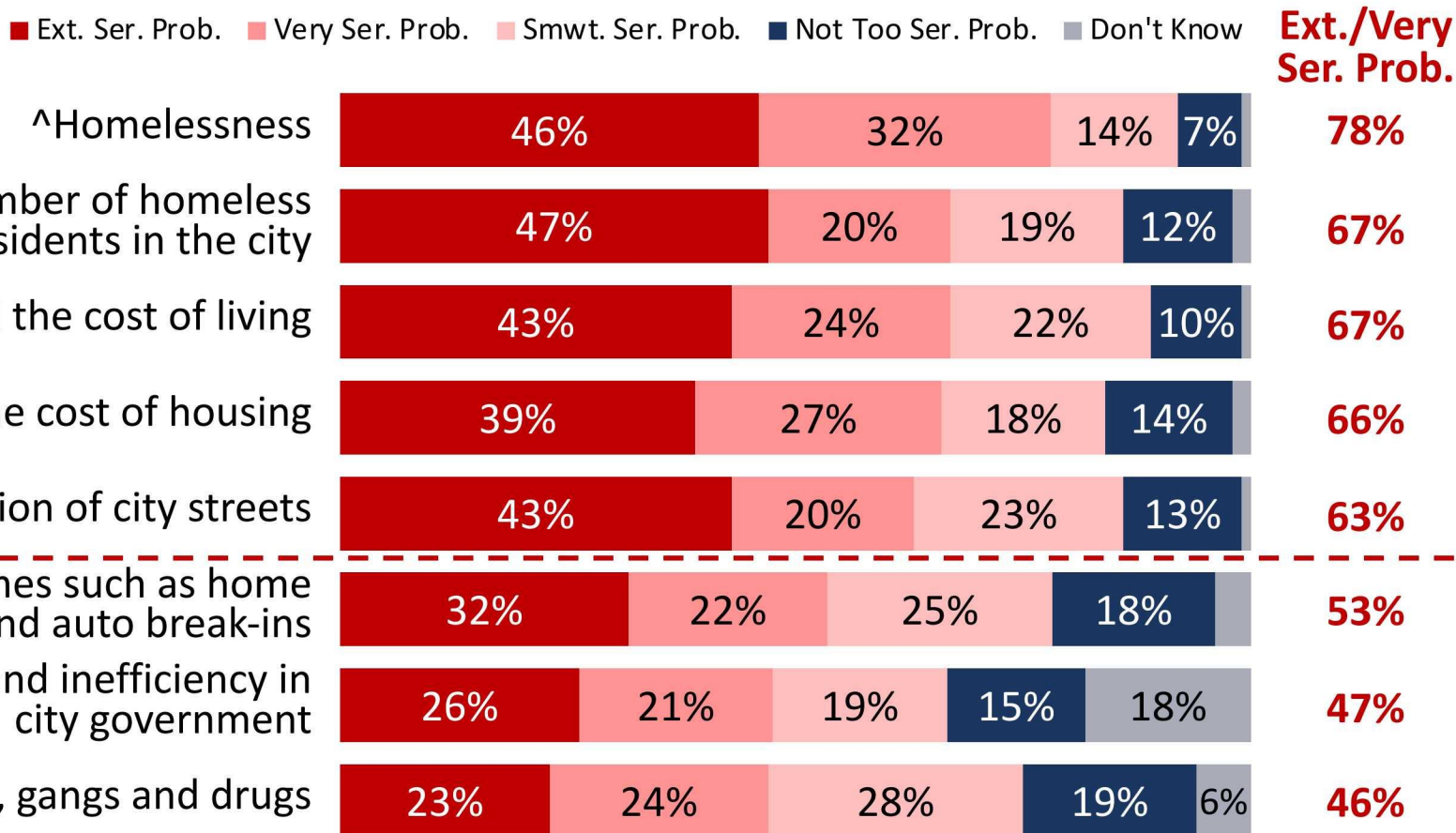




Challenges & Issues of Concern Facing Fullerton Residents

The most broadly—and intensely—concerning issues facing the City relate to homelessness, cost of living issues, and street conditions.

(Ranked by Extremely/Very Serious Problem)

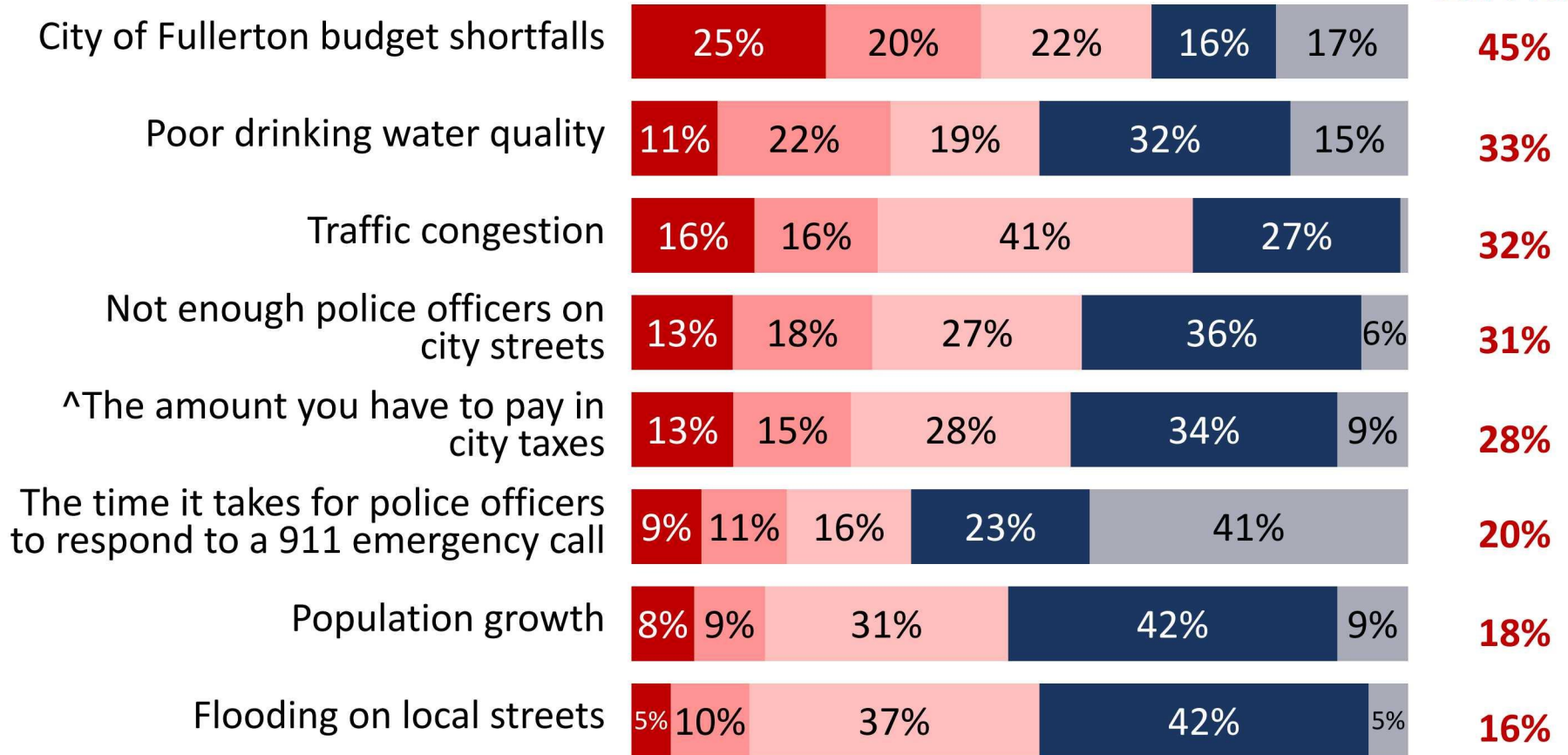


Continued.

(Ranked by Extremely/Very Serious Problem)

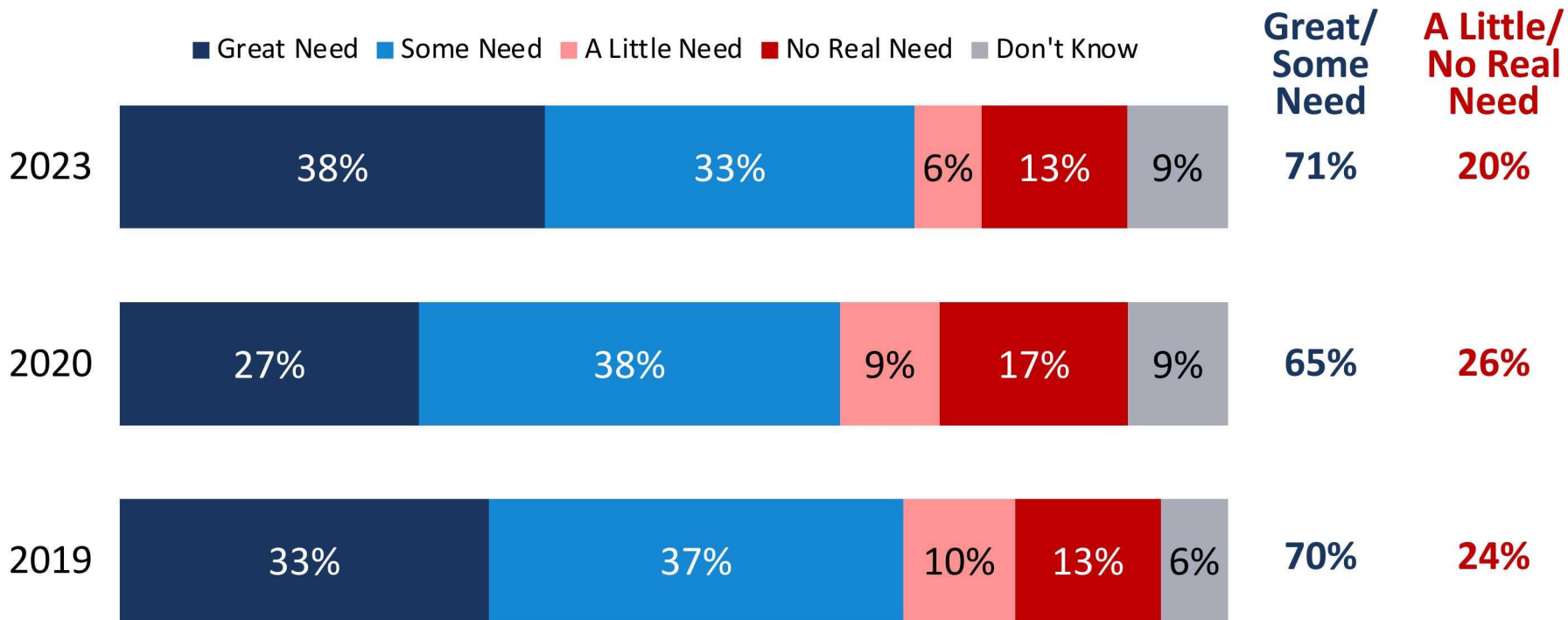
■ Ext. Ser. Prob. ■ Very Ser. Prob. ■ Smwt. Ser. Prob. ■ Not Too Ser. Prob. ■ Don't Know

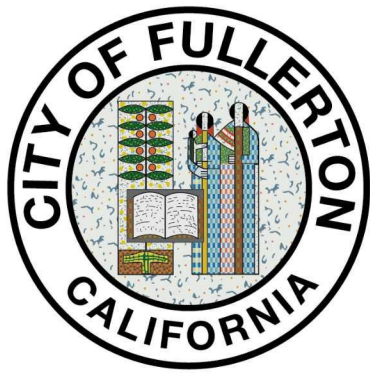
**Ext./Very
Ser. Prob.**



Seven in ten indicated they feel the City needs additional funding.

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?





Potential Funding Mechanisms for Fullerton City Services

Respondents were presented with two hypothetical ballot measures.

General-Purpose Sales Tax)

(Majority Vote Threshold; Language Reviewed by City Attorney)

FULLERTON RESIDENTIAL STREETS, PUBLIC SAFETY, DRINKING WATER PROTECTION AND ADDRESSING HOMELESSNESS MEASURE. Shall the measure providing Fullerton funding for city services, such as repairing residential streets/potholes; improving traffic flow/street lighting; maintaining 911 response and fire/police protection services; addressing homelessness; protecting local drinking water; and for general government use; by establishing a locally controlled 1¢ sales tax providing approximately \$30 million annually until ended by voters; requiring audits and public spending disclosure, be adopted?

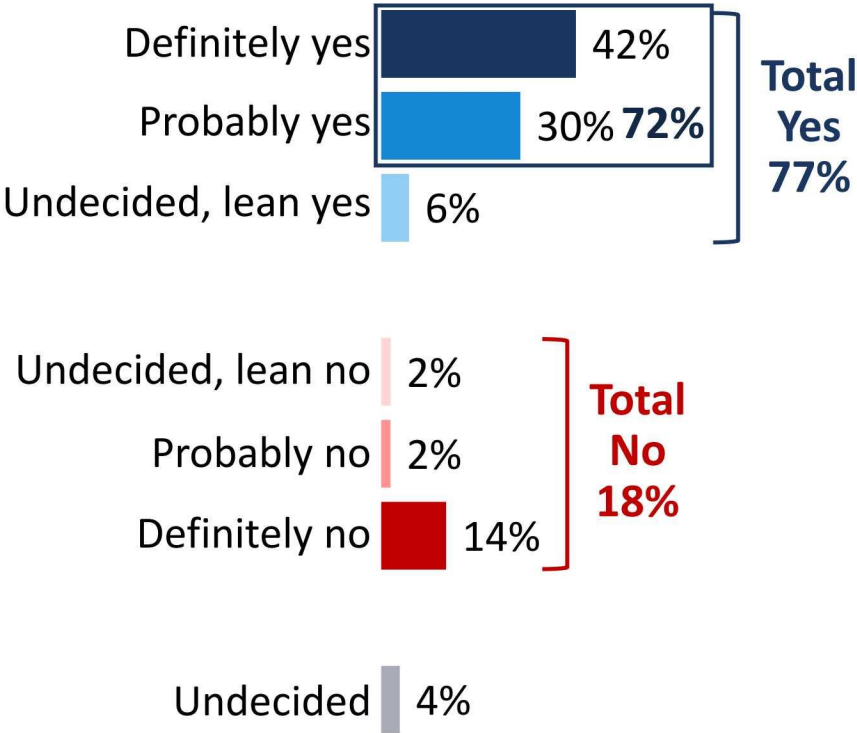
Special-Purpose Sales Tax (Roads Focus)

(Two-thirds Vote Threshold; Language Reviewed by City Attorney)

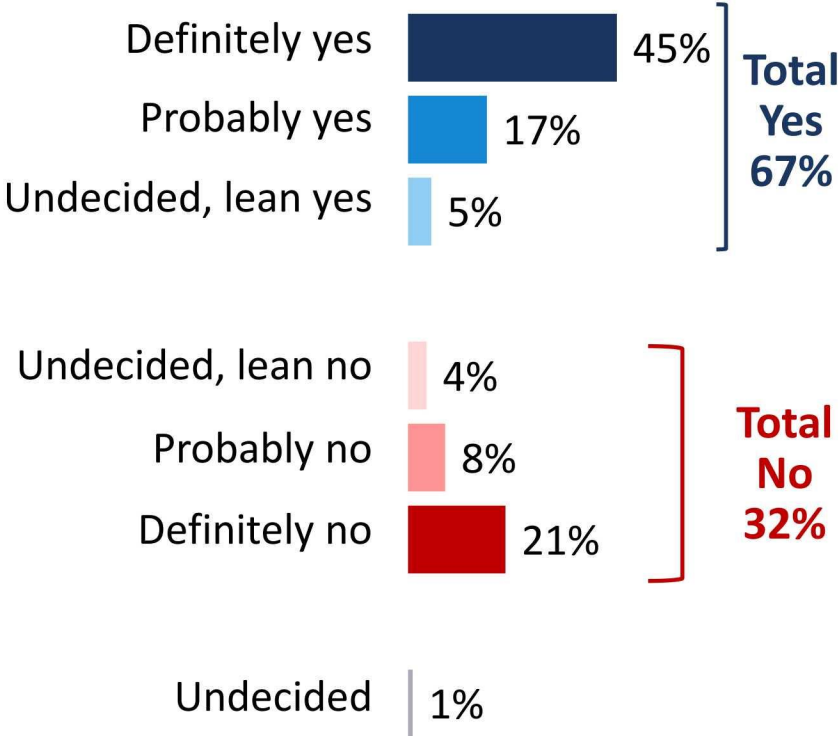
FULLERTON RESIDENTIAL STREETS, TRAFFIC, AND PUBLIC INFRASTRUCTURE SAFETY MEASURE. Shall the measure dedicating funds to city public infrastructure, such as repairing residential streets/potholes; upgrading street lighting, and improving traffic flow, to help maintain rapid police, fire and 911 response; and keep public areas safe and clean, by enacting a locally controlled 1¢ sales tax providing approximately \$30 million annually for infrastructure only until ended by voters; requiring audits and public spending disclosure, be adopted?

Initially, a general-purpose measure appears viable outside the margin of error, while a special purpose roads measure is within it.

(General-Purpose Sales Tax; MOE=±6.9%)
(Majority Vote Threshold; Language Reviewed by Legal Counsel)

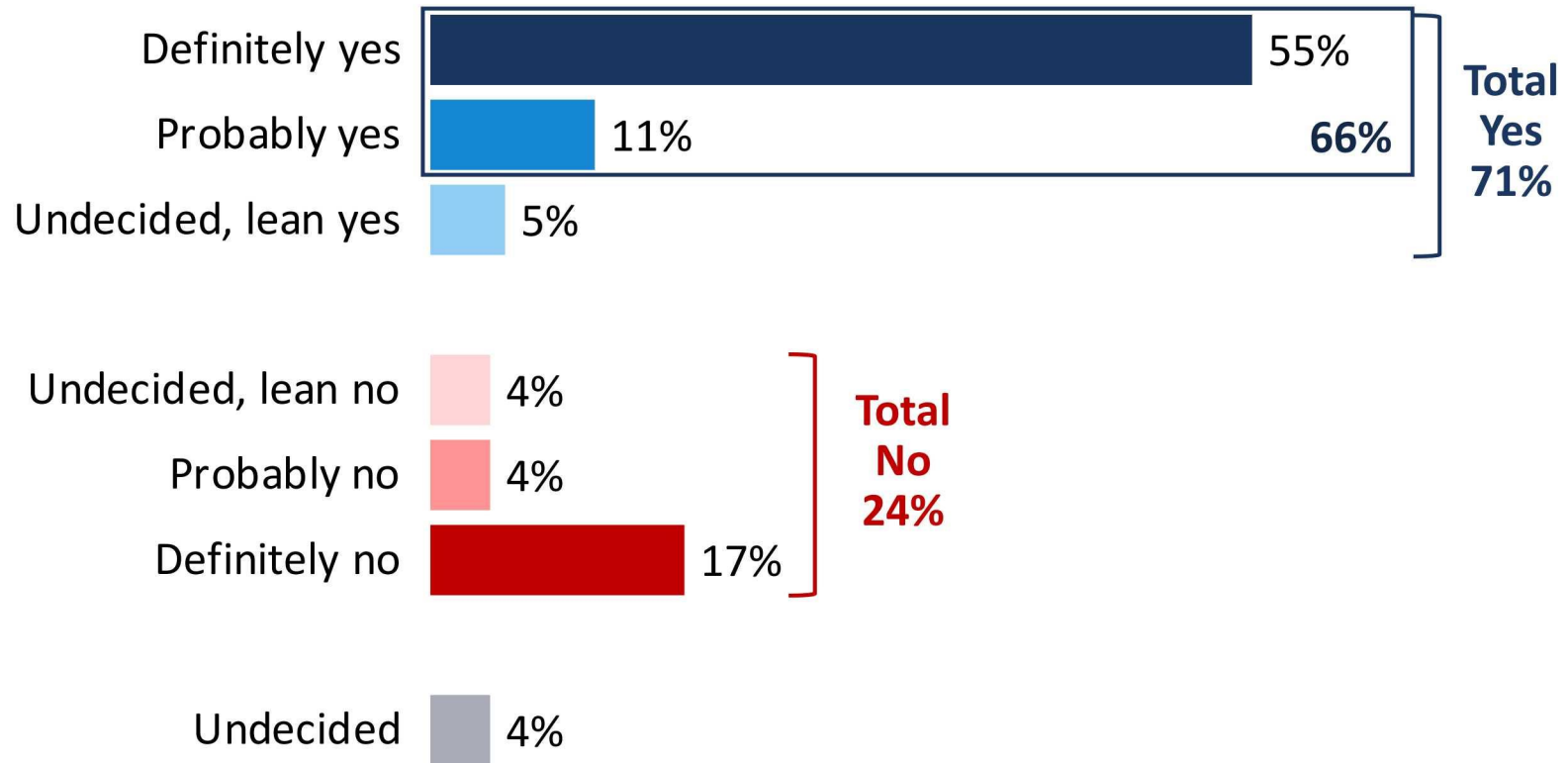


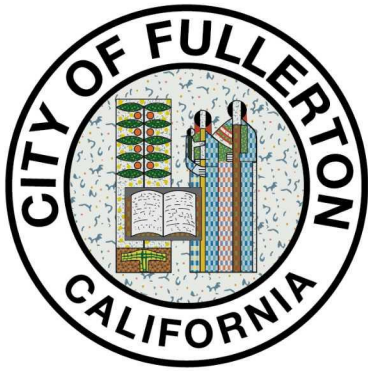
Special-Purpose Sales Tax (Roads Focus; MOE=±6.9%)
(Two-thirds Vote Threshold; Language Reviewed by Legal Counsel)



While the half-cent rate is also viable, lowering the rate is not currently necessary for viability.

If the City of Fullerton sales tax measure I just asked you about established a half-cent sales tax raising \$15,000,000 per year instead of a one-cent sales tax raising \$30,000,000 per year, would you vote “yes” in favor of this measure or “no” to oppose it?

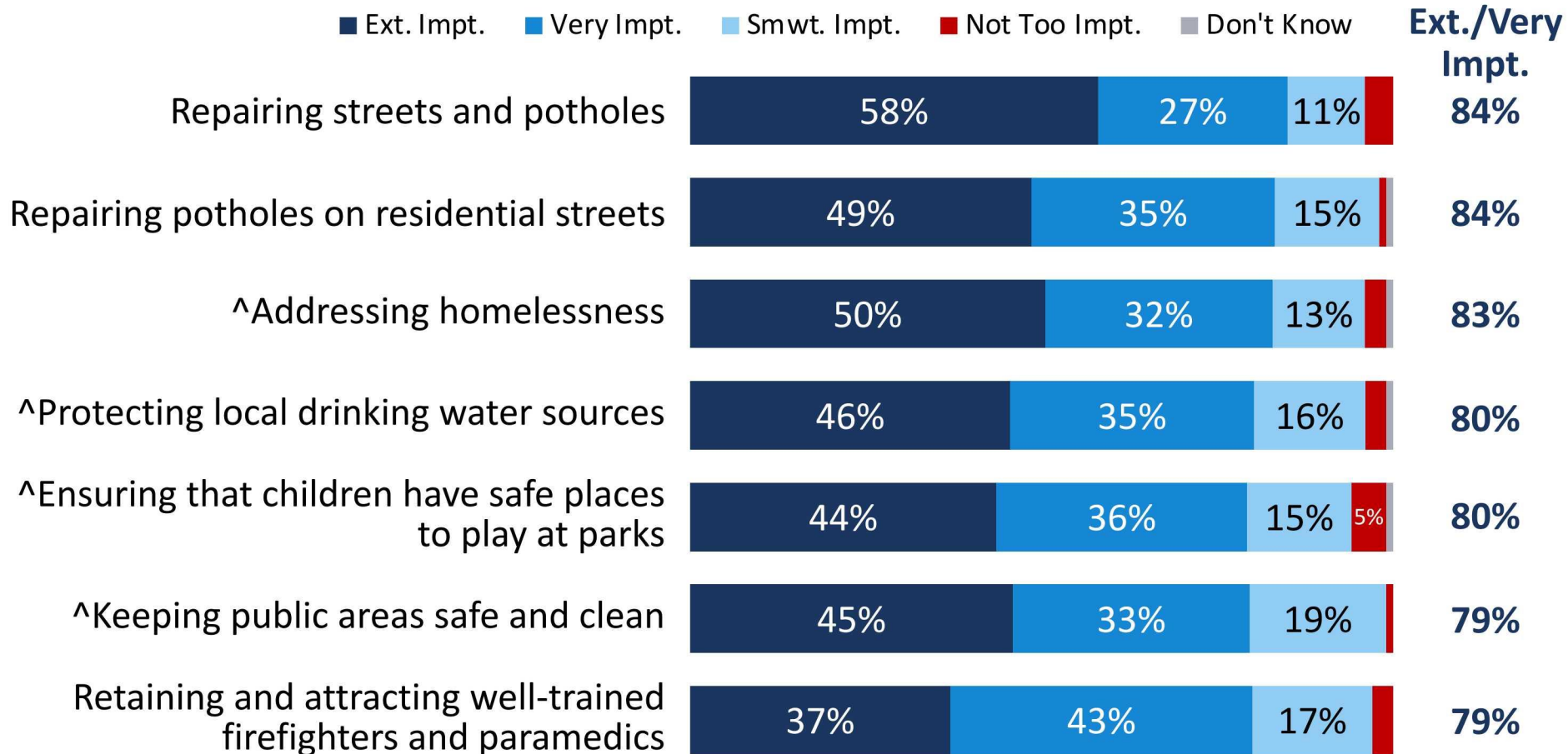




Respondent Priorities

Road repairs generated the most intensity, but other top priorities included addressing homelessness, drinking water, play/public areas, and emergency responders.

(Ranked by Extremely/Very Important)



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

Continued.

(Ranked by Extremely/Very Important)

■ Ext. Impt. ■ Very Impt. ■ Smwt. Impt. ■ Not Too Impt. ■ Don't Know

**Ext./Very
Impt.
74%**

Retaining and attracting well-trained police officers



74%

Fixing storm drains to protect groundwater supply



74%

Investigating and preventing property crimes



71%

Maintaining and repairing sidewalks



69%

Making sure all streets have adequate street lighting



66%

Maintaining police patrols of neighborhoods, parks and recreation areas



64%

Maintaining anti-gang programs



64%

Maintaining anti-drug programs



63%

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.

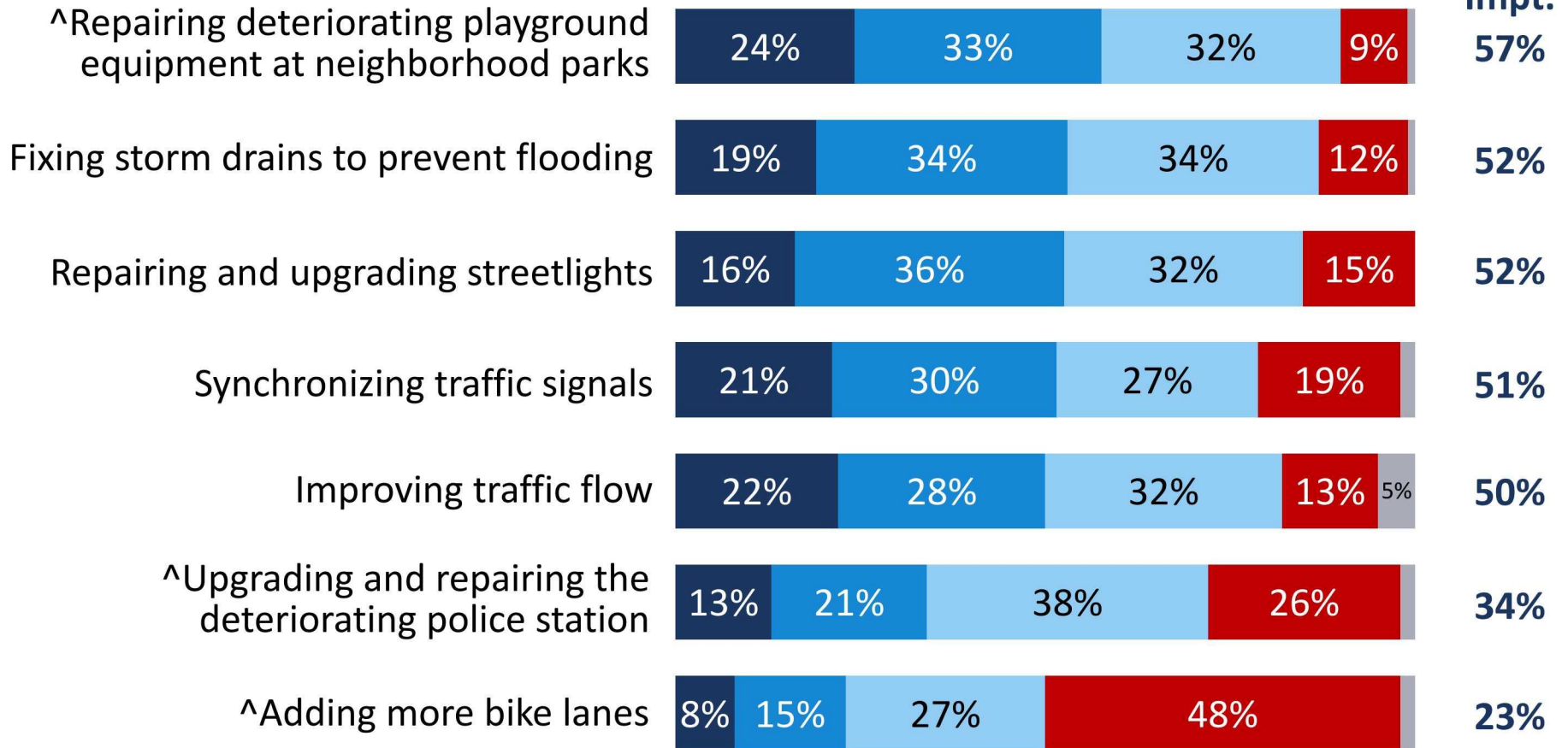
Regardless of how you feel about this measure, please tell me how important it is to you personally that each provision or use of funds is included in the measure: extremely important, very important, somewhat important, or not too important. Split Sample

Continued.

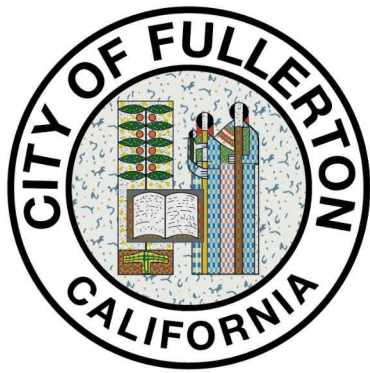
(Ranked by Extremely/Very Important)

■ Ext. Impt. ■ Very Impt. ■ Smwt. Impt. ■ Not Too Impt. ■ Don't Know

**Ext./Very
Impt.**

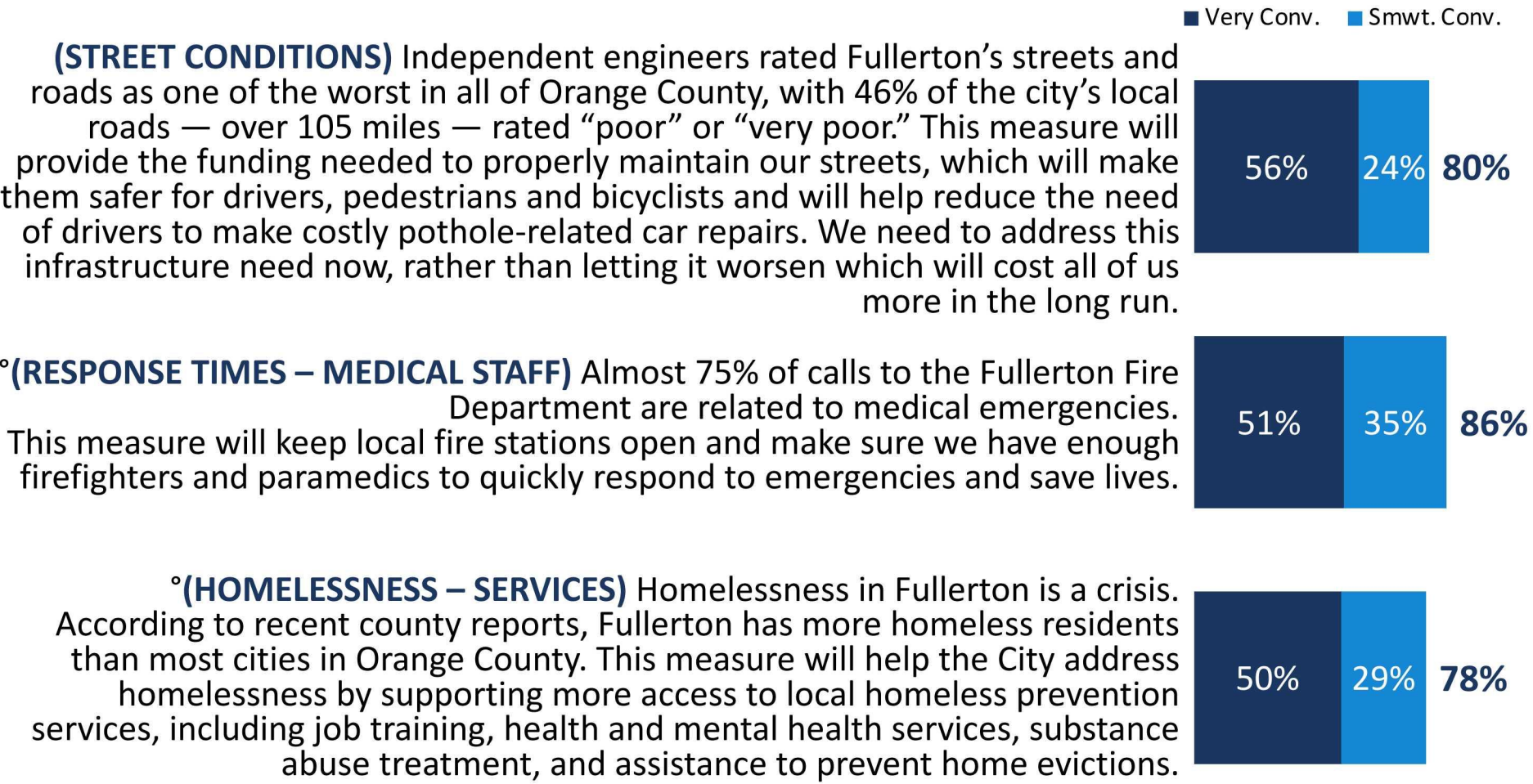


I am now going to read you a list of possible projects, features, and provisions that might be included in this City of Fullerton ballot measure. Regardless of how you feel about this measure, please tell me how important it is to you personally that each provision or use of funds is included in the measure: extremely important, very important, somewhat important, or not too important. ^Not Part of Split Sample



Impact of Information

Current street conditions and the responsiveness of the Fire Department were top of mind for respondents.

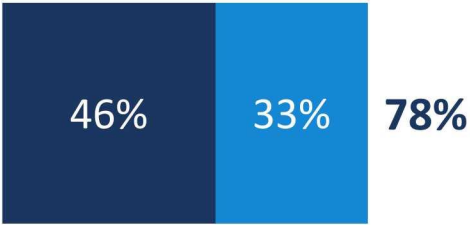


Addressing quality of life and safety concerns was compelling.

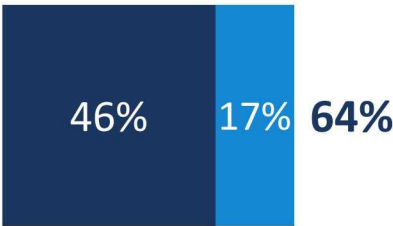
(Ranked by Very Convincing)

■ Very Conv. ■ Smwt. Conv.

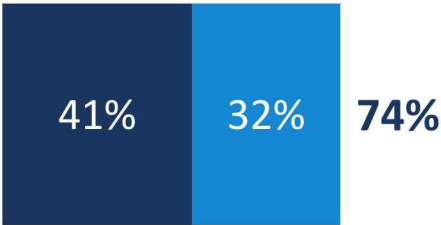
°(QUALITY OF LIFE – HOMELESSNESS/ROADS/TRAFFIC) Fullerton is a great community — a place we can raise a family, do business in, and have a good quality of life. We need to maintain the essential services that make living here special, while creating solutions to priorities the community wants improved, such as homelessness, street repair, and traffic safety.



°(PUBLIC SAFETY) Last year alone, there were nearly 4,625 property crimes and over 1,300 violent crimes in Fullerton. And in recent years, state prisons have given early release to many criminals, which has resulted in an increase of gang-related crime in our community. Passing this measure is critical to making our community safer.



(ACCOUNTABILITY) This measure contains tough fiscal accountability by requiring annual independent financial audits, and public disclosure of spending and ensures that all funds remain in Fullerton and cannot be taken by the County or State government. These fiscal safeguards will make sure funds are used efficiently, effectively and as promised.

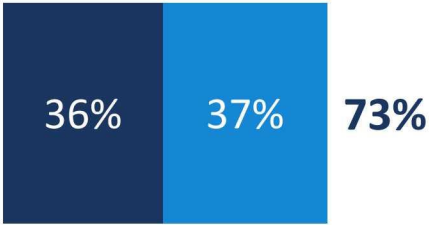


An infrastructure rationale was broadly compelling, but less so than focusing exclusively on road repairs.

(Ranked by Very Convincing)

■ Very Conv. ■ Smwt. Conv.

~(QUALITY OF LIFE – ROADS/TRAFFIC) Fullerton is a great community — a place we can raise a family, do business in, and have a good quality of life. We need to maintain the essential services that make living here special, while creating solutions to priorities the community wants improved, such as street repair and traffic safety.



***(STREET LIGHTS – PROPERTY CRIME)** This measure would ensure that more sidewalks, storefronts and homes are well-lit and visible during dusk and night-time hours. This will reduce opportunities for vandalism, break-ins, and other property crimes in our neighborhoods.



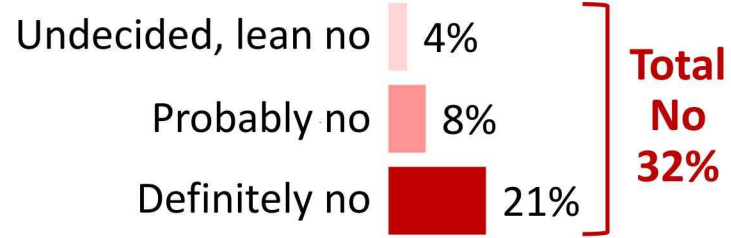
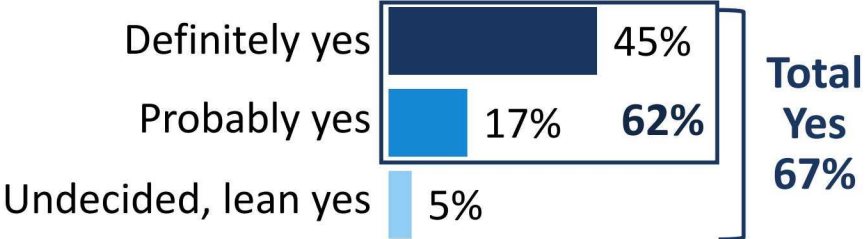
(INFRASTRUCTURE) Much of the City’s infrastructure and facilities, such as streets, sidewalks, storm drains, sewers, police and fire stations and parks are in desperate need of repairs. Without this measure, facilities will get worse, pose a greater safety hazard, and cost taxpayers more in the long term.



A Special-Purpose Sales Tax remains under the 2/3rds requirement threshold outside the margin of error for enactment after information.

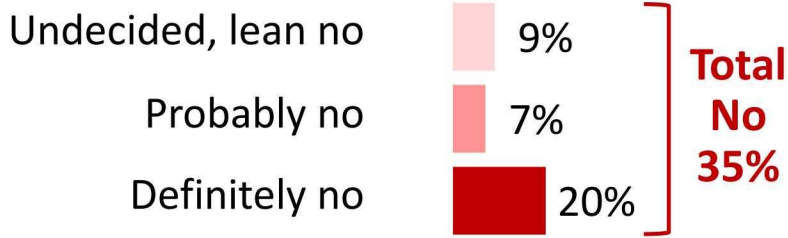
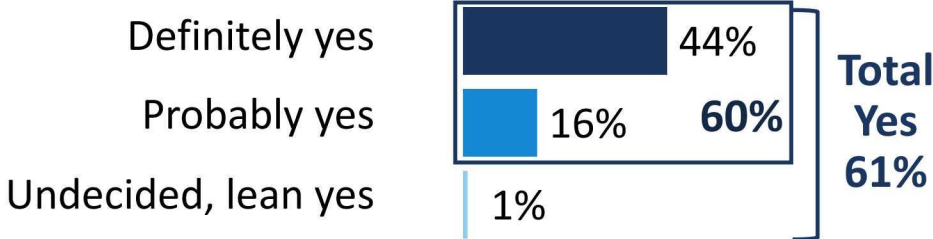
Special-Purpose Sales Tax (Roads Focus); MOE=±6.9%
(Two-thirds Vote Threshold; Language Reviewed by Legal Counsel)

Initial Response



Undecided | 1%

After Info is shared

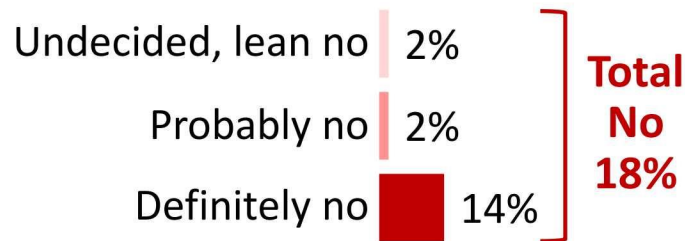
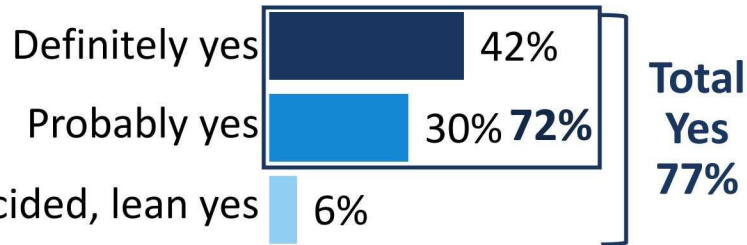


Undecided | 4%

A General-Purpose Sales Tax is viable outside the margin of error for a simple-majority requirement measure after information.

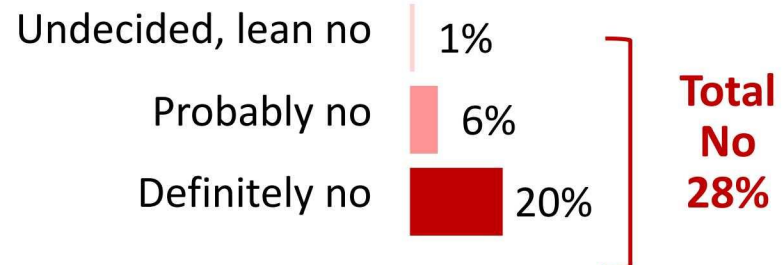
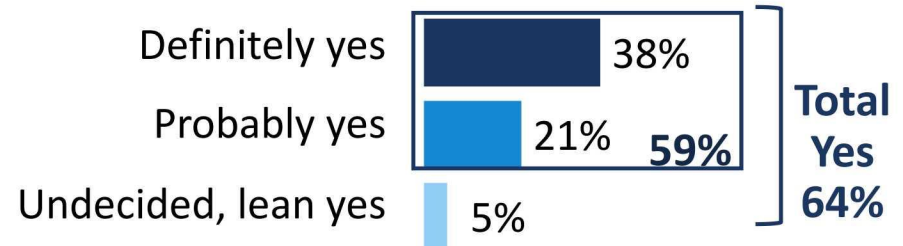
(General-Purpose Sales Tax; MOE=±6.9%)
(Majority Vote Threshold; Language Reviewed by Legal Counsel)

Initial Response



Undecided 4%

After Info is Shared



Undecided 8%

For more information, contact:

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Fax (510) 451-0384

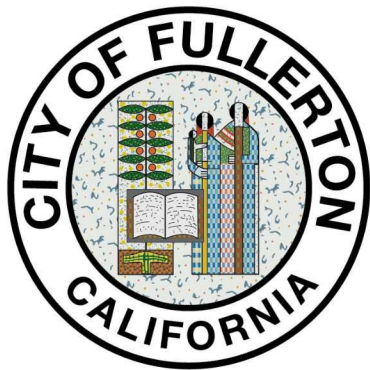


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Los Angeles, CA 90025
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Fax (310) 453-6562

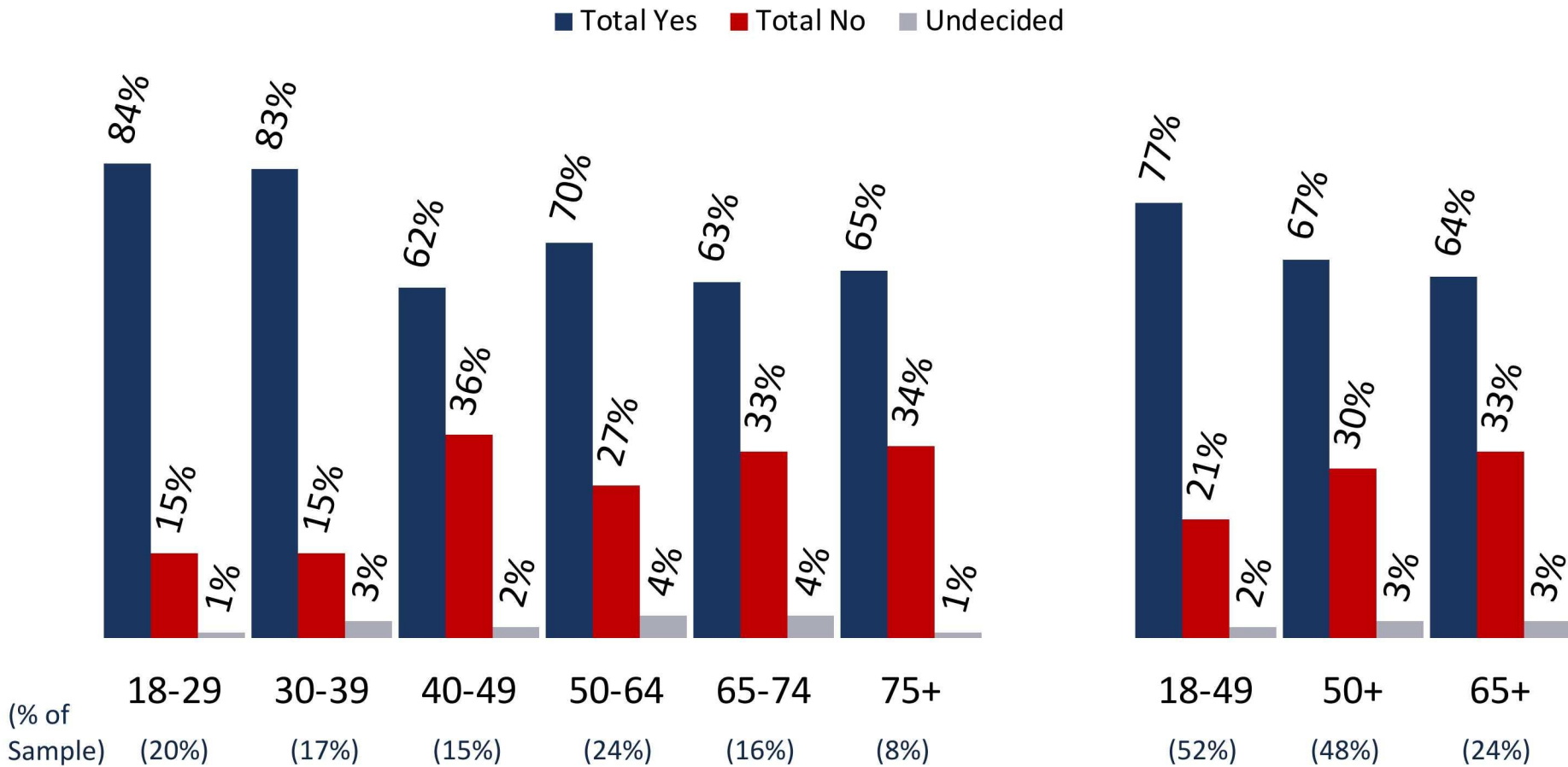
OPINION
RESEARCH
& STRATEGY



Appendix- Additional Demographic Information

Support was highest among those under age 40.

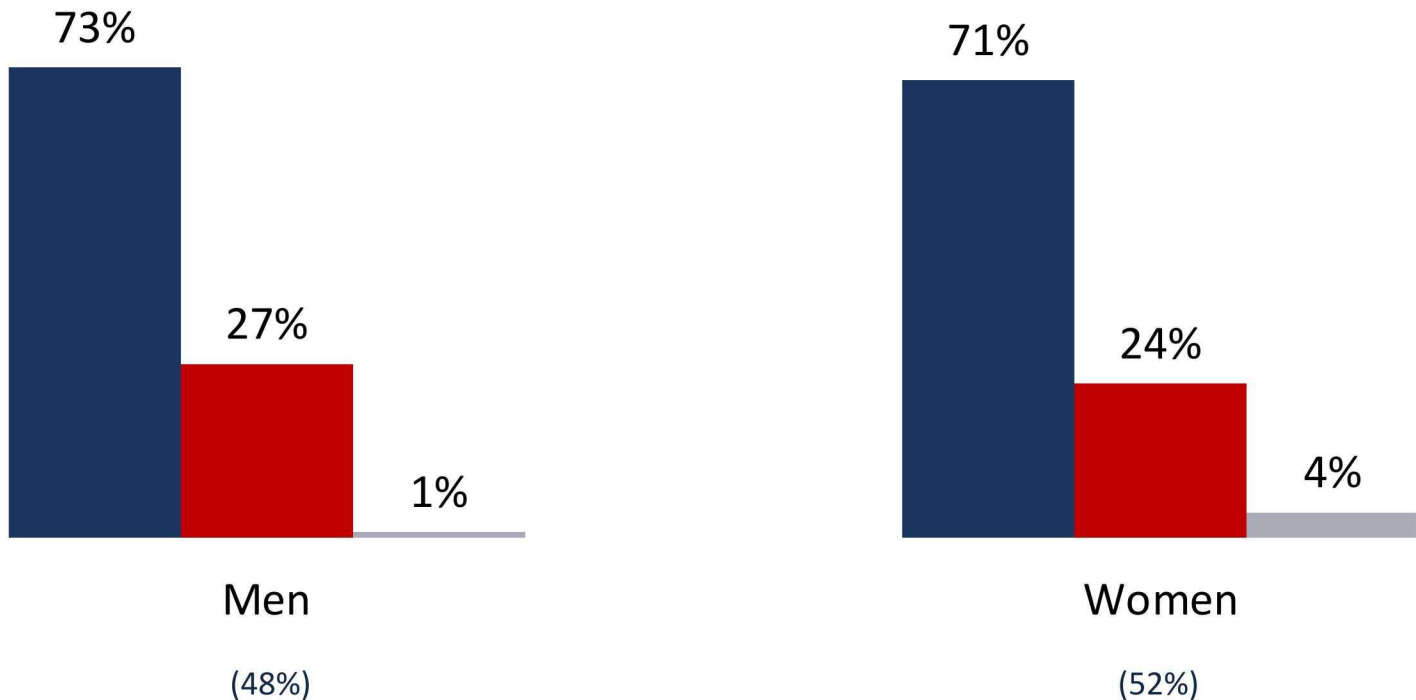
Initial Vote by Age



Men and women expressed support at similar levels.

Initial Vote by Gender

■ Total Yes ■ Total No ■ Undecided

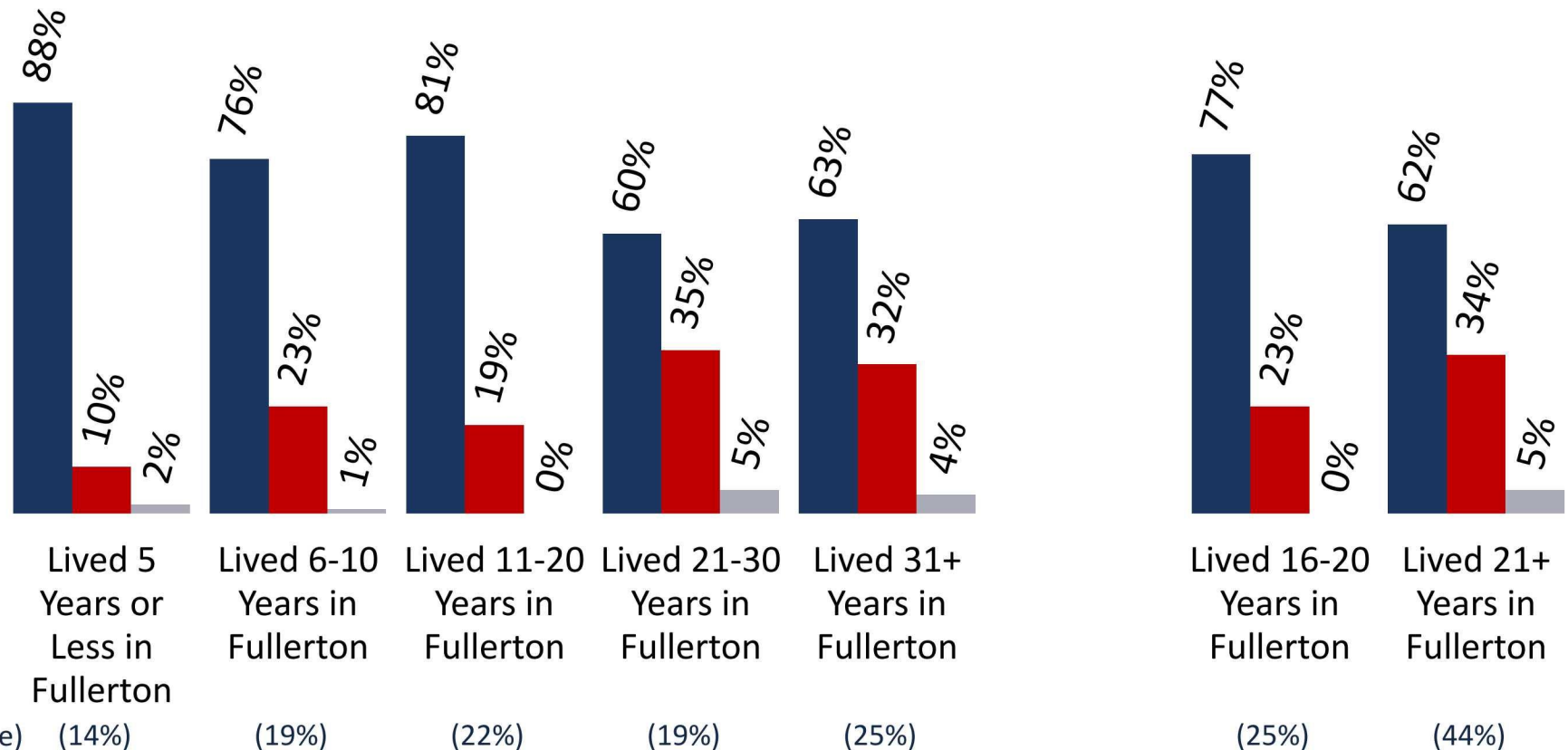


(% of
Sample)

Support still reached at least 60%, among longer-term residents.

Initial Vote by Residency Length

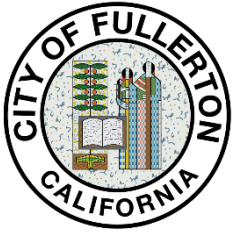
■ Total Yes ■ Total No ■ Undecided





Fiscal Sustainability Ad Hoc Committee

Committee Meeting #6 ~ April 10, 2025
City of Fullerton, CA



Agenda

Goal is to Finalize Recommendations on Budget Balancing Options

- ❖ Recap of Committee Recommendations on 3/13/25
- ❖ Additional Information as requested by Committee
- ❖ Committee Recommendations on Remaining Budget Balancing Alternatives



Recap of Committee Recommendations from 3/13/2025 Meeting

Yes

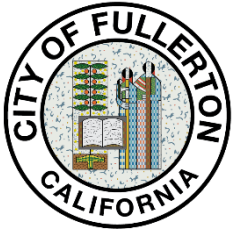
- **TOT Increase Option**
*** (Agreed; BUT AFTER a Sales-Tax Ballot Measure is explored first) ***
- **Enhanced Infrastructure Financing Districts**
 - *Not as a Budget Balancing mechanism, but future economic tool.*

Explore Further

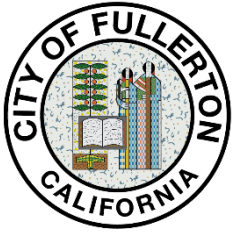
- General Fund Reduction by Service Area / Department
- Add-On Sales Tax Ballot Measure Options
 - *0.5% Dedicated Streets / Infrastructure*
 - *0.5% Streets % 0.5% Public Safety*
 - *1% General Purpose*
- Street Financing Option

No

- **Pension Obligation Bonds** (to refinance for UAL debt service)
- **Suspend Infrastructure Fund** (for 1 year or multiple years)



Expenditure Reduction Alternatives

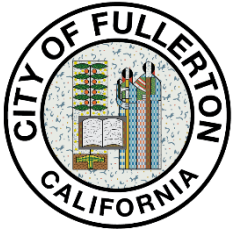


Expenditure Reduction Alternatives

- General Fund Budget Reductions by Service Area:
 - *Public Safety*
 - *Building & Planning & PW Engineering / Development Permitting (Cost Recovery)*
 - *Facility, Landscape & Medians, Parks & Trail Maintenance*
 - *Administration*
- OR -
- General Fund Across the Board Department Reductions
 - *Fixed % across all departments (i.e., 2.5% or 5%)*

Challenges

- Services Levels to community will be ***significantly impacted.***
- Unknown / unanticipated impacts from across the board reductions.
- Likely lead to downsizing and layoffs in organization.
- Public Safety encompasses majority (72%) of City budget.
- Reductions to Cost Recovery services leads to “reduced” revenues.



General Fund FTE by Department / Program Area

Expenditures by Major Program Area	Adopted Budget FY 24-25	General Fund FTE	% of GF FTE
General Government	\$6,160,258	36.15	9%
City Council	459,535	5.00	
Administration	4,095,438	7.30	
Administrative Services	3,632,811	21.25	
Human Resources	731,485	2.60	
General Government ¹	(2,759,011)	0.00	
Fire	34,837,549	88.00	21%
Fire-Sworn (Safety)		79.00	
Fire-Miscellaneous (Non-Safety)		9.00	
Police	61,551,581	192.00	46%
Police-Sworn (Safety)		132.00	
Police-Miscellaneous (Non-Safety)		60.00	
Community & Economic Development	7,060,214	29.35	7%
Public Works	11,295,211	37.05	9%
Human & Leisure Services	11,954,505	37.20	9%
Library	4,744,137	21.30	
Parks & Recreation	7,210,368	15.90	
Total General Fund Expenditures	\$132,859,319	419.75	100%



Revenue Enhancement Options



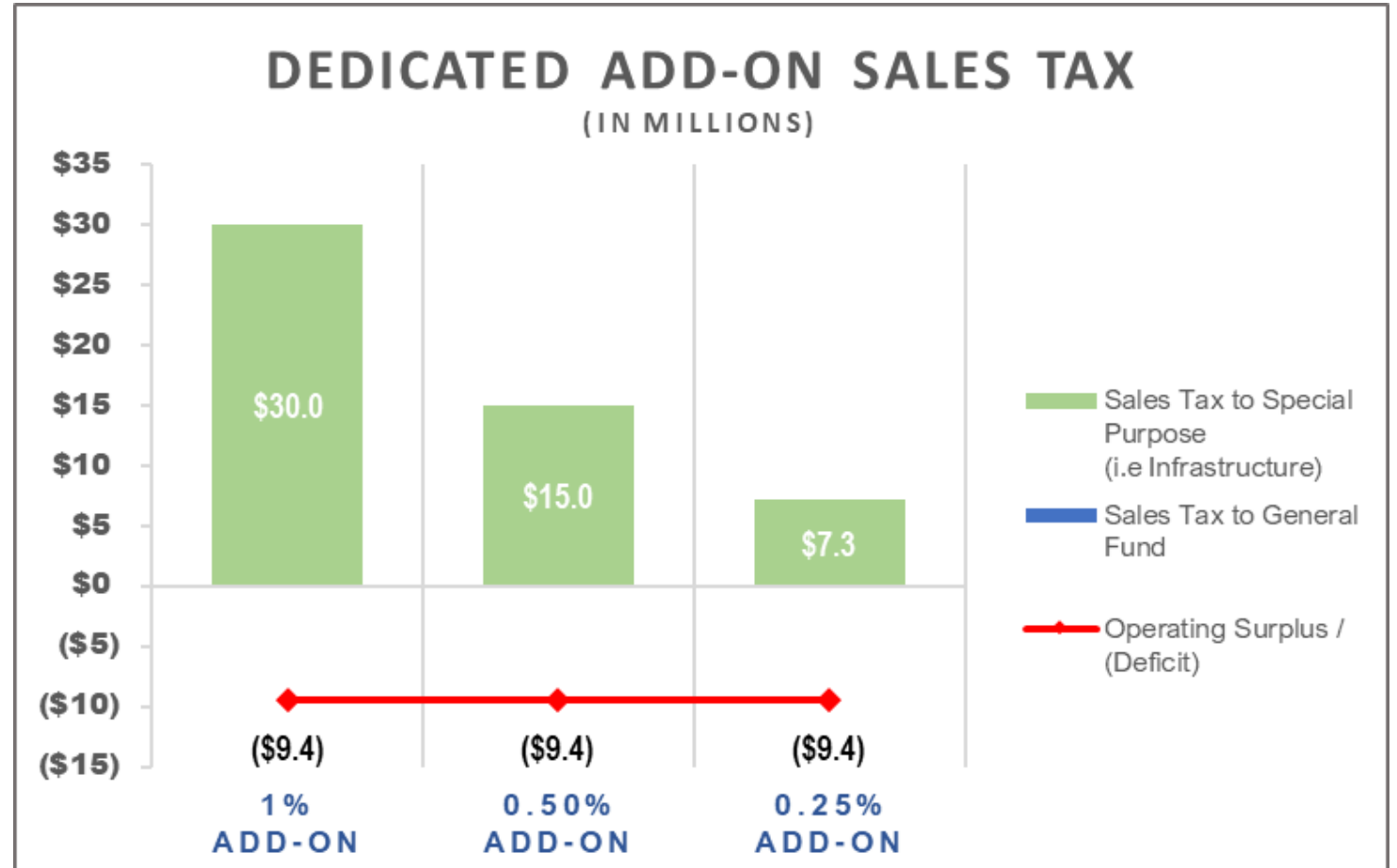
Add-On Sales Tax Ballot Measure Options

- Sales Tax Measure: **Add-On Sales Tax Options of 1%, 0.5% or 0.25%**
 - *Dedicated Sales Tax Measure*: 66.7% or 2/3 Voter Approval
 - e.g., Infrastructure, Public Safety or other special purpose
 - *General Sales Tax Measure*: 50% +1 Voter Approval
 - For any general purpose/City services
- Generate **\$30 / \$15 / \$7.25 million** annually to General Fund for 'special dedicated purpose' or 'general purpose'.
- If recommended and approved by City Council, next general election in November 2026.



Add-On Sales Tax Option – 0.5% Dedicated Special Purpose

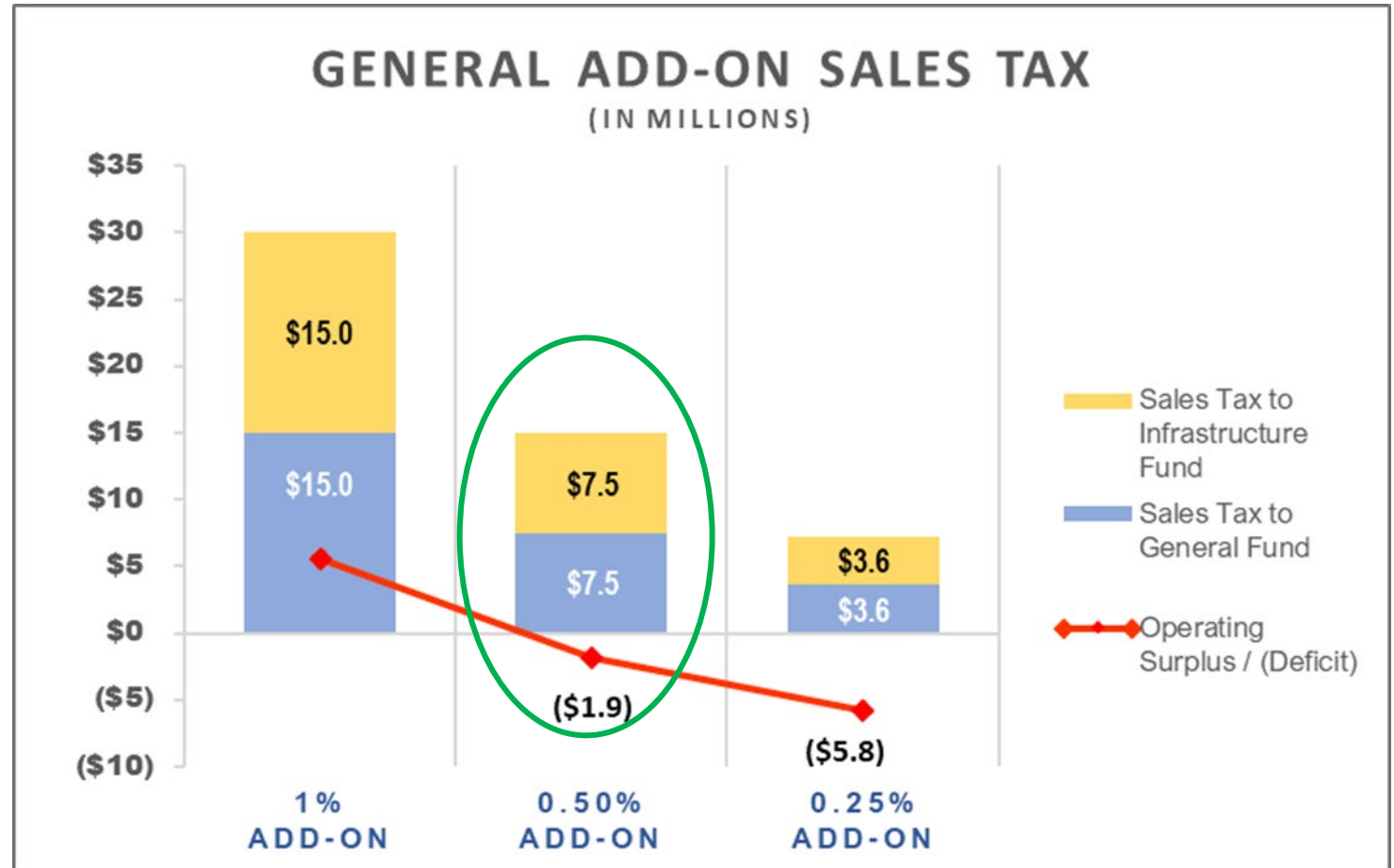
- 67% or 2/3rds Voter Approval
- **100% to Special Purpose** (i.e. Streets / Infrastructure); no General Fund
- Operating Position ~ (\$9.5) million operating deficit
- This option addresses **ONLY *Special Purpose* and not *Operating Deficit***.

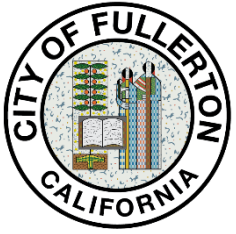




Add-On Sales Tax Option – 0.5% Dedicated & 0.5% General Purpose

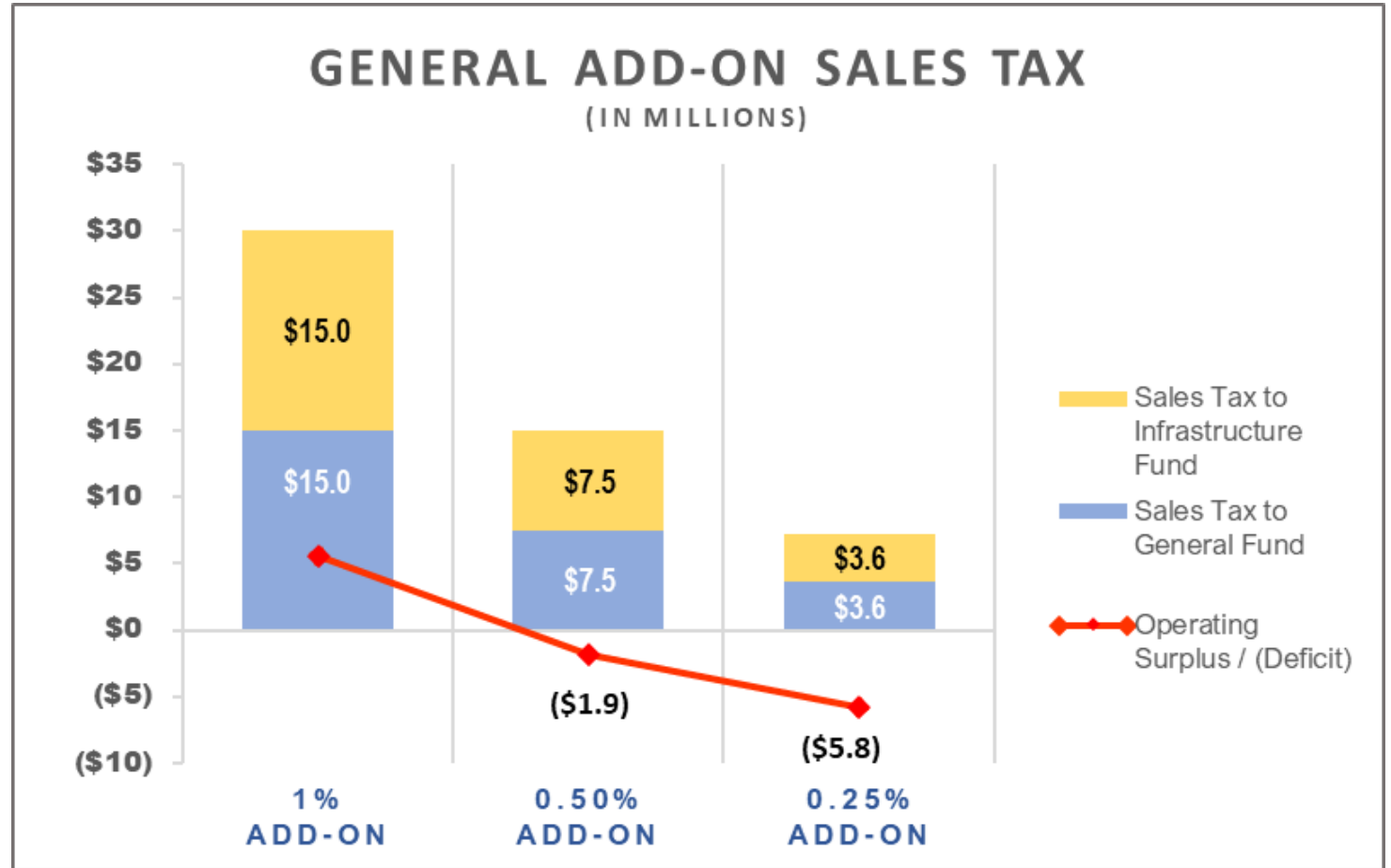
- *Must Pass 2 Ballot Measures*
- **50% to Special Purpose**
(i.e. Streets / Infrastructure)
- **50% to General Fund** (i.e. Public Safety)
- Operating Position ~ (\$1.9 ~ \$2.0) million operating deficit
- This option addresses Streets and partially Operating Deficit.





Add-On Sales Tax – General Purpose

- 50% + 1 Voter Approval
- 50% to General Fund / 50% to Infrastructure (per Infrastructure Fund Ordinance No. 3284)
- Operating Position ~ \$5 million surplus to (\$5.8) million operating deficit
- This option addresses BOTH Infrastructure and City Operating Deficit.





General Fund Infrastructure Funding

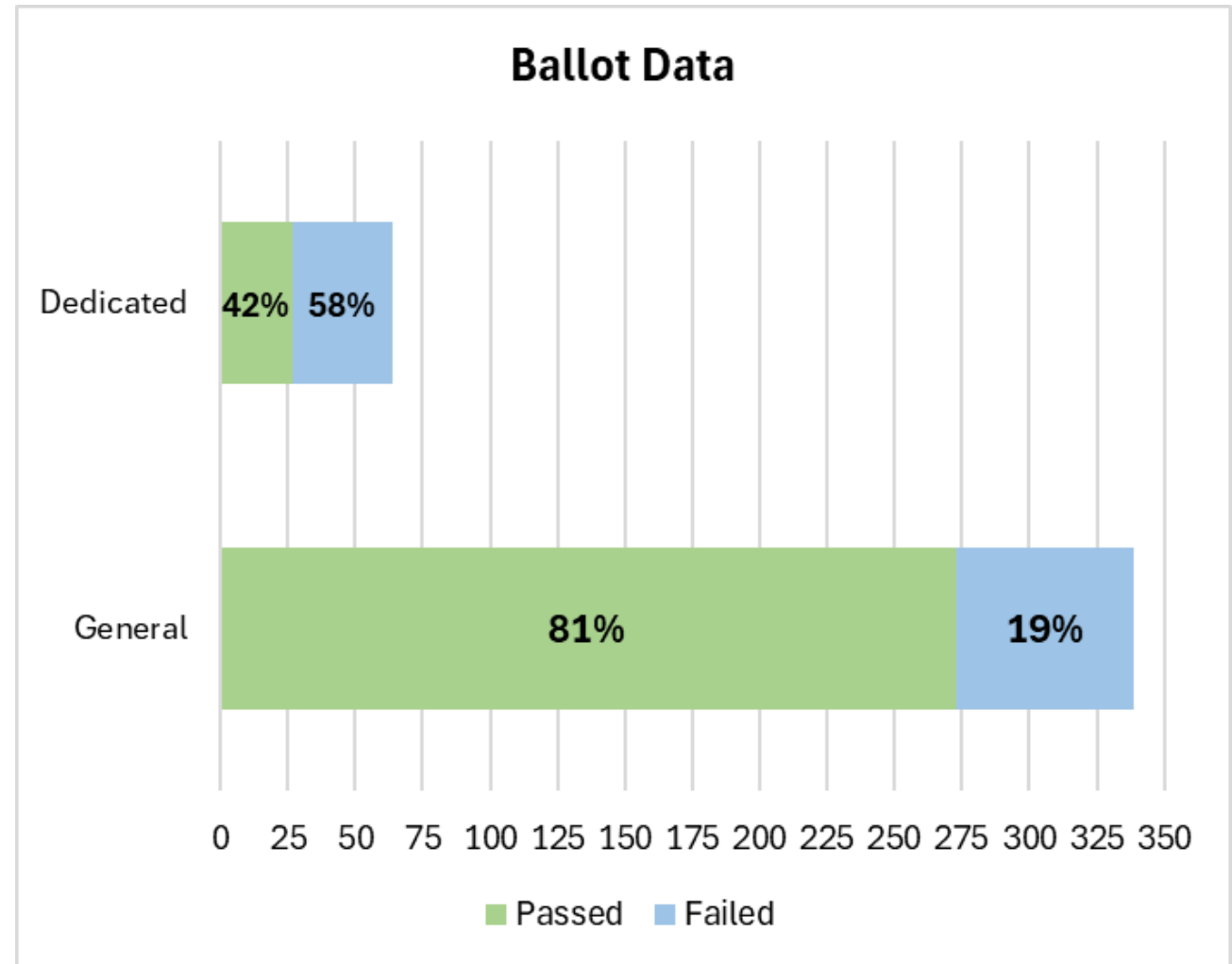
General Fund Source	Current FY 24-25	0.5% Dedicated Only	0.5% Dedicated & 0.5% Public Safety	1% Add-On General
General Fund	1,000,000	-	-	-
Infrastructure Fund	2,926,062	2,500,000	2,500,000	2,500,000
Add-On Sales Tax	-	15,000,000	15,000,000	15,000,000
Total GF to Infrastructure	\$3,926,062	\$17,500,000	\$17,500,000	\$17,500,000

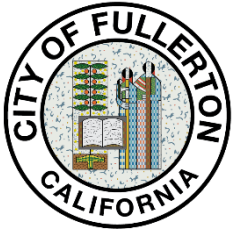
- General Fund ~ **\$10.1 million** to Infrastructure Fund over 5 years.
 - *Approx. \$1.5 ~ \$3 million annually.*
- Uses in FY 2024-25:
 - \$2 million for Streets
 - \$0.65 million for Facilities
 - \$0.25 million for ADA improvements



Add-On Sales Tax Measures – Ballot Data

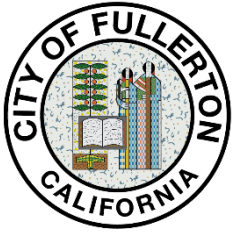
- Since 2018, General Add-On Sales Tax measures **273 of 339** have passed (81%)
- Since 2018, Dedicated / Special Purpose Add-On Sales Tax measures **27 of 64** have passed (42%)



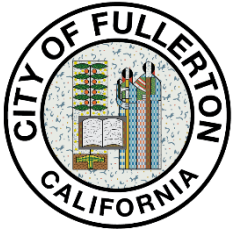


Add-On Sales Tax Committee Votes

- 1) Add-On Sales Tax Measure: Y or N
- 2) 0.5% Dedicated Streets Add-On Sales Tax Measure: Y or N
- 3) 0.5% *Dedicated Streets* AND 0.5% *Dedicated Public Safety* Add-On Sales Tax Measure: Y or N
- 4) 1% “General” Add-On Sales Tax Measure: Y or N



Other Budget Considerations



Street Financing Option

- **Issue Debt to Finance Street Rehabilitation Projects**
 - **Potential \$35 million Bond Issue** ~ \$14 million over 4 Years for Streets
 - *Current level of investment in Streets will return in FY 29-30 (\$5.5-\$6 million annually)*
 - Meet MOE Benchmark FY 2025-26 through FY 2028-29
 - **Risk:** General Fund revenue would be applied to Debt Service:
 - *Potential loss of Measure M2 Funds beginning FY 2028-29*
 - *Risk losing approx. \$3.4 ~ \$3.6 million of County Measure M2 funds for critical streets and traffic projects.*
 - **Risk Mitigation:** Issue debt shortly after an Add-On Sales Tax Measure is approved by voters to enable the City to begin street improvements projects prior to receipt of new revenue.



Street Financing Evaluation – Issue Debt

Assumptions:

- 2.5M Annual Debt Svc. covered by General Funds
- **M2 MOE – Will not meet in FY 29-30**
- Assumes loss of M2 funds in FY 29-30 due to meeting MOE benchmark.
- This option addresses “Short-Term” streets investment solution

Street Financing - \$35M Debt Issuance	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Total Projected Road Related Expenditures [A]	\$ 10,644,436	\$ 14,300,000	\$ 17,200,000	\$ 16,950,000	\$ 16,950,000	\$ 5,700,000
Total Projected Road Expenditures - CIP [A] - [B]	\$ 8,100,000	\$ 12,300,000	\$ 15,200,000	\$ 14,950,000	\$ 14,950,000	\$ 3,700,000
M2 - Roads	1,500,000	1,600,000	2,000,000	2,000,000	2,000,000	-
SB1 - Roads	3,500,000	3,700,000	3,700,000	3,700,000	3,700,000	3,700,000
Gas Tax	100,000	-	-	-	-	-
General Fund - PW Maintenance Expenditures [B]	2,544,436	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Infrastructure Fund - Road Expenditures	2,000,000	-	-	-	-	-
General Fund - Street Financing Projects	-	7,000,000	9,500,000	9,250,000	9,250,000	-
General Fund - Road Expenditures	1,000,000	-	-	-	-	-
Total General Fund MOE Eligible Expenditures	\$ 5,544,436	\$ 9,000,000	\$ 11,500,000	\$ 11,250,000	\$ 11,250,000	\$ 2,000,000
MOE - General Fund Requirement	4,900,000	4,900,000	5,500,000	5,500,000	5,500,000	6,200,000
MOE Shortfall	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,200,000)



Ad Hoc Committee Action Items

- Recommendations on remaining Budget Balancing Alternatives and Other Budget Consideration options:
 - Expenditure Reduction Alternatives:
 - Add-On Sales Tax Measure:
 - Street Financing Option:
- Identify if there is a need for an additional Fiscal Sustainability Ad Hoc Meeting:
 - *After or before FY 25-26 Budget Study Session on May 13, 2025*
 - *Wind down affairs of Fiscal Sustainability Ad Hoc Committee*