



## Legislation Text

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**File #:** 24-133, **Version:** 1

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Adopt a Resolution to Approve and Authorize the City Manager to Execute Strategic Consulting and Revenue Measure Feasibility Polling Services in the Amount of \$225,000 Using Existing Previously Appropriated Funds

### **SUMMARY AND RECOMMENDATIONS**

Staff recommends the City Council adopt the resolution authorizing the City Manager to execute the agreement for execute strategic consulting and revenue measure feasibility polling services with Clifford Moss.

### **Background & Analysis**

As has been discussed publicly in numerous forums including prior meetings of the City Council, the City Council Finance Committee, as well as the City Council Facilities and Transportation Committee, the City of San Leandro continues to face various long-term financial needs and challenges for which existing revenue streams do not provide sufficient resources to address, including:

- Unfunded deferred maintenance, capital projects, and infrastructure needs, including significant road repair obligations
- Legacy pension obligations
- Lean staffing levels
- Fire station reconstruction & seismic safety
- Fire Dept. vehicles & medical equipment

On July 10, 2023 the City Council directed staff to execute a scientific community survey that was intended to elicit feedback from the community about City service priorities, as well as to gauge the potential viability of a potential revenue measure that could appear on the upcoming November 2024 ballot. The survey work referenced above was conducted in December 2023, and explored three potential measures, all of which would require voter authorization:

- General obligation bond
- Parcel tax
- Increased Utility User Tax (UUT)

Of the above three measures, both the general obligation bond as well as the parcel tax would require two-thirds supermajority support from the electorate, whereas an increase to the UUT would require simple majority support.

Along with the survey work, members of the City Council along with members of the City's executive team have also been actively engaging with stakeholders and organizations from across the community to highlight the City's financial needs and to receive feedback about community priorities

for use of the City's finite budgetary resources, as well as the potential use of any new revenue that could be derived from a revenue measure.

### **Highlights of Top-Ranked Service Priorities**

The scientific survey and community engagement efforts identified the following service areas that generated the highest levels of community support:

- Repair potholes and maintain City streets
- Maintain neighborhood police patrols
- Maintain youth violence prevention, and drug and gang intervention programs
- Upgrade Fire stations to ensure rapid emergency response
- Enhance senior and youth programs
- Keeping City parks clean and safe, and
- Support recreation programs

The outcome of the above-referenced community outreach efforts coupled with the preliminary draft results of the scientific survey work led staff to identify a potential increase to the City's existing Utility Users Tax (UUT) as the most viable revenue measure option. More specifically, the scientific survey and community outreach efforts indicate that sufficient voter support exists for a revenue measure that would increase the UUT by 3.4%, and which would generate between approximately \$6.8 million to \$7.1 million annually. More details on these estimates are included as an attachment to this staff report.

To the extent the City Council desires to proceed forward, staff recommends that the City Council authorize the City Manager to execute the attached draft agreement. Specifically, the proposed agreement with Clifford Moss will provide lead consulting and strategic project management support, as well as funding to support robust community engagement efforts, including development of direct mailers, online advertisements, as well as an additional scientific tracking poll that would likely be conducted by Godbe Research in June 2024.

### **Analysis**

Staff recommends a sole source contract based upon several factors, including the consulting team's distinct subject matter expertise as well as San Leandro-specific knowledge that was obtained through past work experience on prior revenue measure feasibility studies in San Leandro, including their support for the prior polling work that was conducted on behalf of the City this past December. Additionally, the information provided by this analysis will be used to inform further discussions by the City Council in the coming months. In order to ensure sufficient time is available to collect and analyze the survey information, and to conduct any related public outreach and discussions with the community, it is important to begin work as soon as possible.

Attached to this staff report are copies of the consultants' proposals, which provide additional details regarding the proposed contracts and scope of work.

### **Fiscal Impacts**

The proposed agreement with Clifford Moss will not exceed \$225,000. Similar to prior revenue

measures, it's important to note that a significant component of the proposed budget includes the costs of development, production and postage of informational mailers. Additionally, the final actual costs associated with that work may be less than the maximum amount of compensation depending upon how many mailers are produced, and/or whether the City Council ultimately directs staff to continue moving forward, following completion of the upcoming survey and community outreach work.

**Budget Authority**

Staff proposes to fund these agreements using the following existing previously authorized appropriations:

<u>Account No.</u>	<u>Amount</u>
010-12-050-5120	\$225,000

**ATTACHMENTS**

- A: Resolution Authorizing City Manager to Execute Agreement
- B: Proposed Scope of Services with Clifford Moss
- C: Clifford Moss proposed budget
- D: UUT revenue measure estimates

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