



Contra
Costa
County

To: Board of Supervisors
From: John Gioia, District I Supervisor
Date: July 14, 2020

Subject: Update on Potential Half-Cent General Countywide Sales Tax Measure

RECOMMENDATION(S):

1. RECEIVE an update on polling for a potential sales tax measure to be listed on the November 2020 ballot; and
2. CONSIDER directing staff to prepare a sales tax ordinance and resolution calling for election, including but not limited to, potential sales tax rate and duration.

FISCAL IMPACT:

No immediate fiscal impact. The Board of Supervisors is being asked to receive a report on polling completed in June 2020 for a potential sales tax measure on the November 2020 ballot. In addition, the Board is being asked to determine whether to move forward with a sales tax measure for the November 2020 ballot.

BACKGROUND:

At the November 4th meeting of the Finance Committee of the Board of Supervisors, committee members Gioia and Mitchoff discussed the formulation of a Potential Sales Tax Measure Ad Hoc Committee and considered input from staff and community members. The Ad Hoc Committee was tasked with activating a larger, self-identified working group

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **07/14/2020** ☒ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

NO: Candace Andersen, District II Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 14, 2020

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: John Gioia, (510)
231-8686

cc:

consisting of representatives

BACKGROUND: (CONT'D)

of Community-Based Organizations, Labor Organizations, and members of the public charged with the development and formulation of a Needs Assessment. All willing participants were invited to attend and participate.

The first meeting of the Ad Hoc committee occurred on Monday, November 18, 2019. At this meeting, Supervisors Gioia and Mitchoff directed staff to work with the California Department of Tax and Fee Administration on the logistics of listing a ballot measure and setting up collection contracts. Staff also was directed to forward to the full Board of Supervisors the Committee's recommendation to begin discussions with County Lobbyists regarding special legislation required to list a measure on the ballot. Additionally, staff was directed to forward to the full Board of Supervisors the recommendation to acknowledge that the Governor would need to sign said special legislation. The Ad Hoc committee concluded by directing district staff members Chris Wikler (Supervisor Mitchoff's office) and Sonia Bustamante (Supervisor Gioia's office) to staff the working group.

The Working Group convened for its first meeting on Monday December 2, 2019. At that meeting, Mariana Moore of the Ensuring Opportunity Campaign & Josh Anijar of the Contra Costa Central Labor Council were selected by those in attendance to serve as co-chairs of the working group. The Working Group began to identify top-line vision statements and values to guide the creation of a Needs Assessment report, as well as form smaller sub-groups to study specific issues and matters relative to the larger goal of a general sales tax for County services.

The Working Group subsequently met on five occasions over the months of December, January and February. Members worked to distill and clarify the underserved needs of the county and identified several thematic areas: Health and Emergency Services, Safety Net Services, Housing, and Early Childhood Services. The group also retained Jim Ross of Telegraph LLC, a communications firm, to advise the Working Group and assist with the formulation of the Needs Assessment Report. Mr. Ross' services along with a poll of likely voters on a potential general services sales tax conducted by pollsters FM3 were funded by labor unions and CBOs who participated in the Working Group process.

On Wednesday, April 8th, Senator Steve Glazer amended Senate Bill 1349 to include language providing relief to the County and cities within the County for future transaction and use tax measures. The bill was immediately referred to the Senate Governance and Finance Committee. The Senate Governance and Finance Committee hearing on SB 1349 was scheduled for Thursday, May 21st. Supervisor Gioia along with Concord Mayor Tim McGallian testified in support of the measure at the Senate committee meeting on May 21st. Additionally, Chief Assistant County Administrator Tim Ewell and Concord City Manager Valerie Barone have coordinated with cities in the County to collect letters of support for the bill.

The Potential Sales Tax Measure Ad Hoc Committee convened a meeting via video

teleconference on May 13th to receive the finalized Needs Assessment Report from the Working Group and provide direction to staff. Supervisor Mitchoff noted the need for additional polling to determine the viability of the measure, as well as her perspective that public safety should be a part of any ballot measure in November. Supervisor Gioia agreed that there needs to be additional polling and suggested that the co-chairs could bring further polling information when presenting the Needs Assessment to the Board of Supervisors. Supervisors Mitchoff and Gioia agreed to direct staff to forward the Needs Assessment Report to the full Board of Supervisors, for consideration and direction to staff on next steps regarding the Potential County-wide General Sales Tax measure at the May 26th meeting of the Board of Supervisors.

On May 26th, the Board received an update on the status of Senate Bill 1349 and a presentation of the Needs Assessment assembled by the Working Group. At that time, Senate Bill 1349 had been heard in the Senate Governance and Finance Committee the previous week, but was ultimately scheduled for reconsideration by the Committee due to a procedural issue on May 28th. The Committee authorized the reconsideration and ultimately voted the bill out of Committee on June 3rd. The bill was passed on the Senate Floor on June 11th and had been sent to the Assembly for consideration. In addition, after receiving a report on the Needs Assessment, the Board directed the Working Group to return in mid-June with additional information about a second poll, including the number of people to be polled, the type of questions put forth and the cost.

On June 16th, the Board authorized a cost share of \$10,000 from the County to assist in polling the community regarding the potential sales tax measure. Today's action includes an update on the results of the poll and requests direction from the Board as to whether a sales tax ordinance should be drafted for future consideration by the Board.

CONSEQUENCE OF NEGATIVE ACTION:

The Board of Supervisors will not receive the polling results from the June 2020 poll or determine whether or not to move forward with the tax measure.

CLERK'S ADDENDUM

Written commentary provided by Susan L. Pricco, Contra Costa Taxpayers Association.

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ATTACHMENTS

Sales Tax Polling PowerPoint Presentation

Sales Tax Polling Results

Potential Sales Tax Ad Hoc Working Group - Final Needs Assessment