



Sunnyvale Community Survey Service and Funding Needs

Highlights of Results

Survey Conducted:
April 11-21, 2016

T H E
LEW
EDWARDS
G R O U P

Fairbank, Maslin, Maullin, Metz & Associates – FM3

PUBLIC OPINION RESEARCH & STRATEGY

220-4415

Project Objectives

- Assess constituent views on a wide range of issues in the City of Sunnyvale;
- Determine whether there is any interest in a local solution to address these needs, and, if so, the type of funding mechanism ;
- Evaluate the community's desired priorities to be addressed with any new revenue; and
- Summarize comprehensive findings and report results to the City Council.

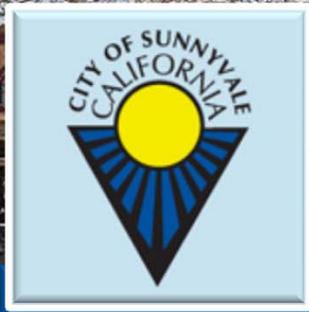
Methodology

- 541 interviews with Sunnyvale voters likely to participate in the November 2016 election
- Conducted April 11-21, 2016 online and via landline and cell phones
- Margin of sampling error +/-4.2% at the 95% confidence interval; it is +/-6.0% for the split subsamples
- Due to rounding, some percentages do not add up to 100%
- Selected comparisons to 2013 community survey

Funding Measures Tested

- A two-thirds bond measure funding the Civic Center Modernization Project
- A simple-majority (general purpose) UUT modernization measure to preserve declining revenues
- A simple-majority (general purpose) sales tax measure with Civic Center funding emphasis

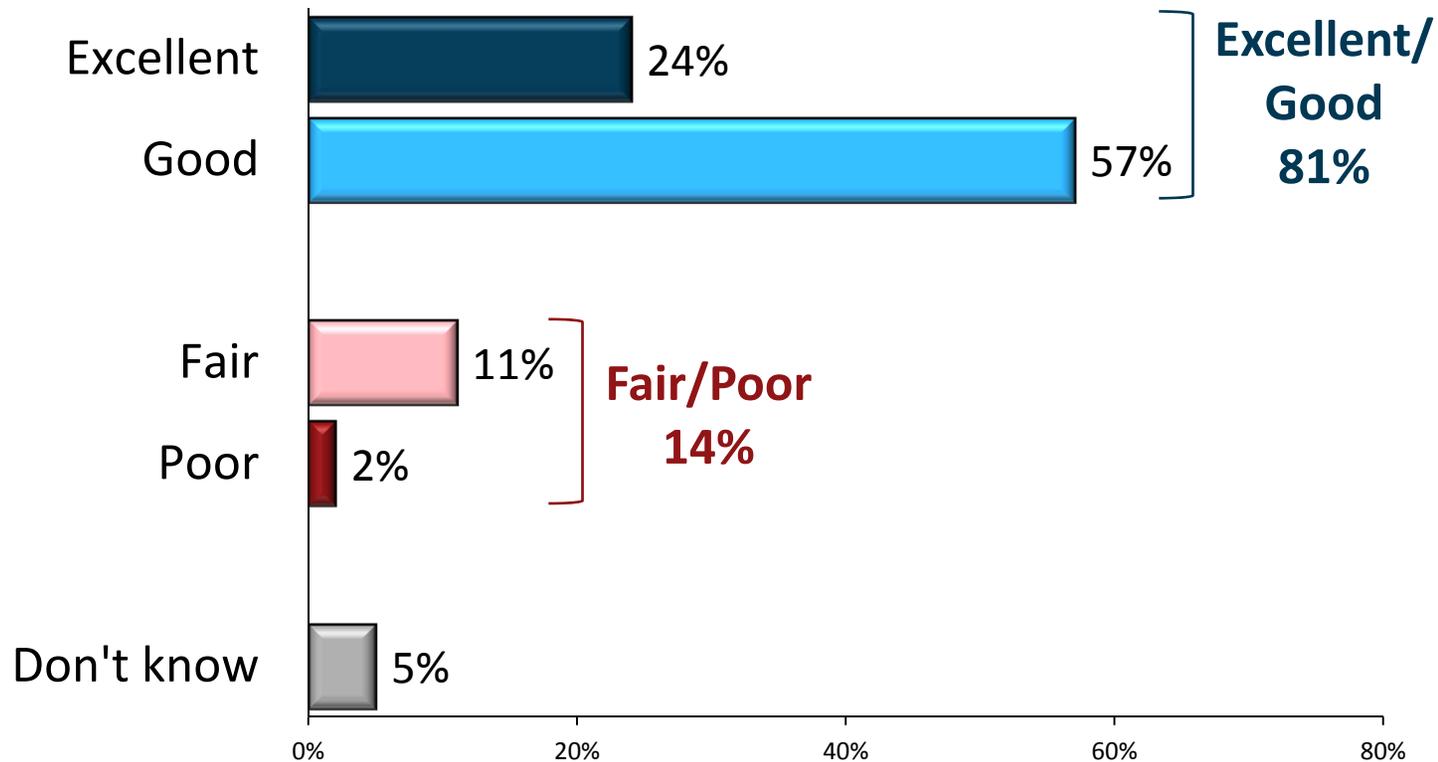




Life in Sunnyvale & General Views of the Civic Center Project

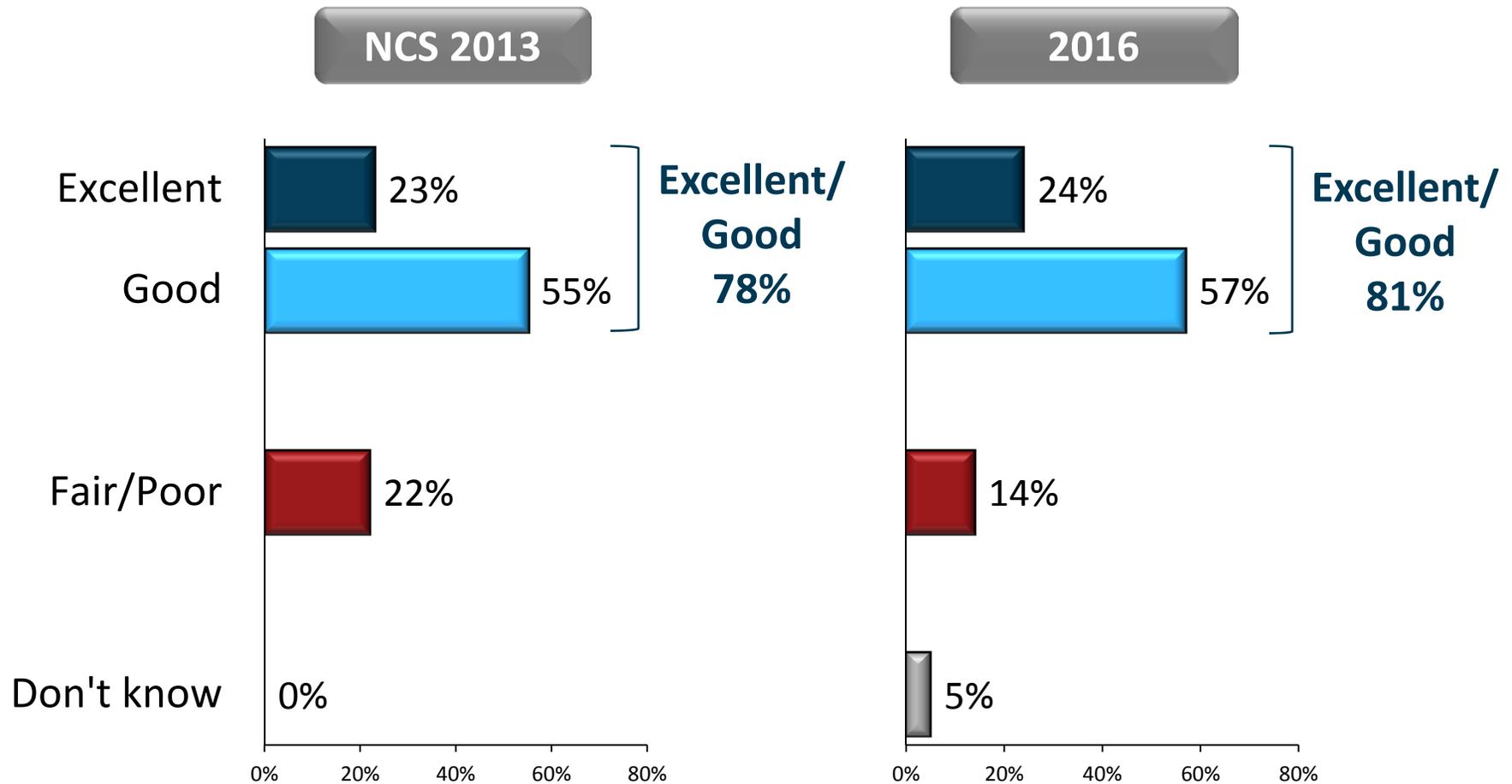
More than four in five give high marks to Sunnyvale city services.

How would you rate the quality of services provided by the City of Sunnyvale: excellent, good, fair, or poor?



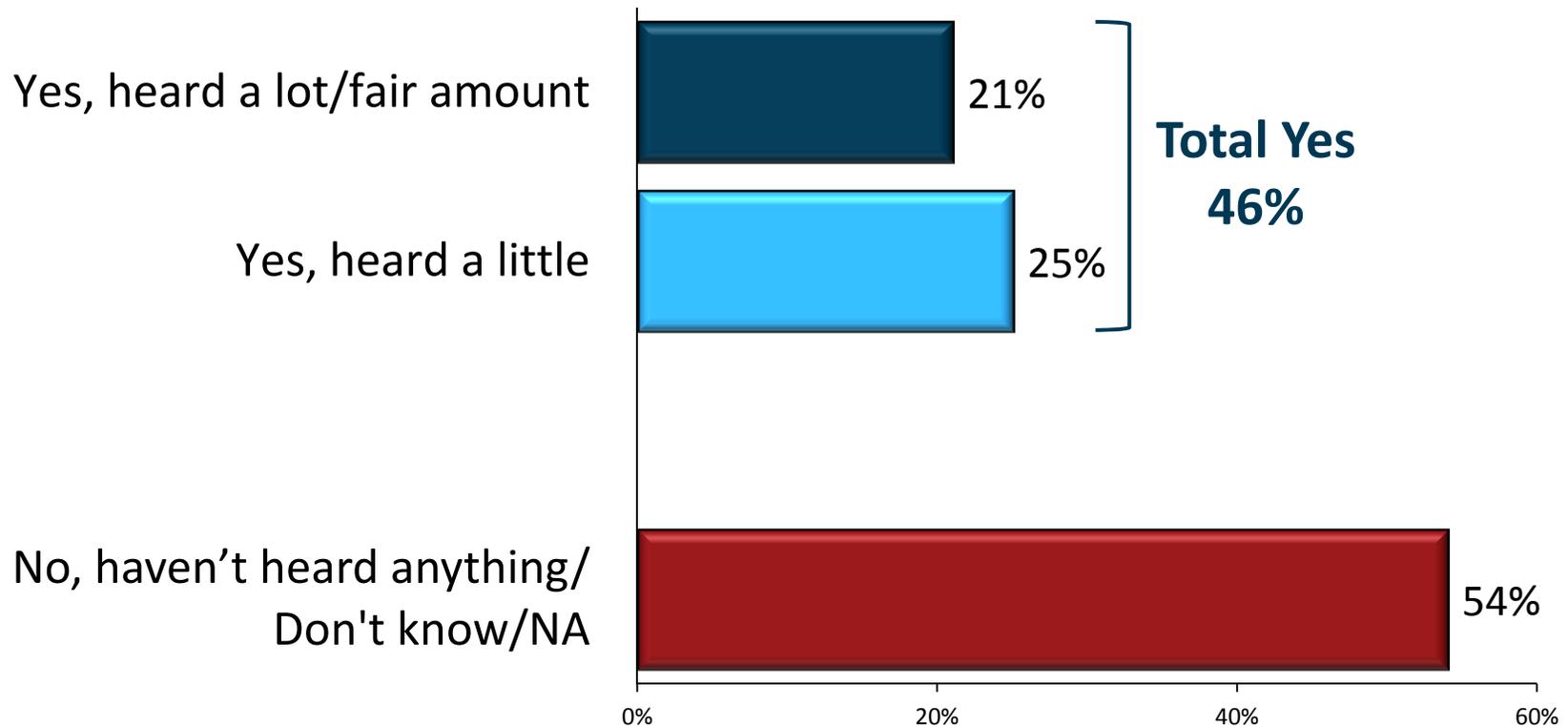
This is consistent with 2013.

(National Citizen Survey was conducted by mail among residents in 2013.)



One in five have heard many details about the Civic Center Modernization Project.

Have you heard, read or seen anything about plans to rebuild or renovate Sunnyvale's Civic Center, sometimes referred to as the Civic Center Modernization Project?



A plurality said the City should work on renovations all at once.

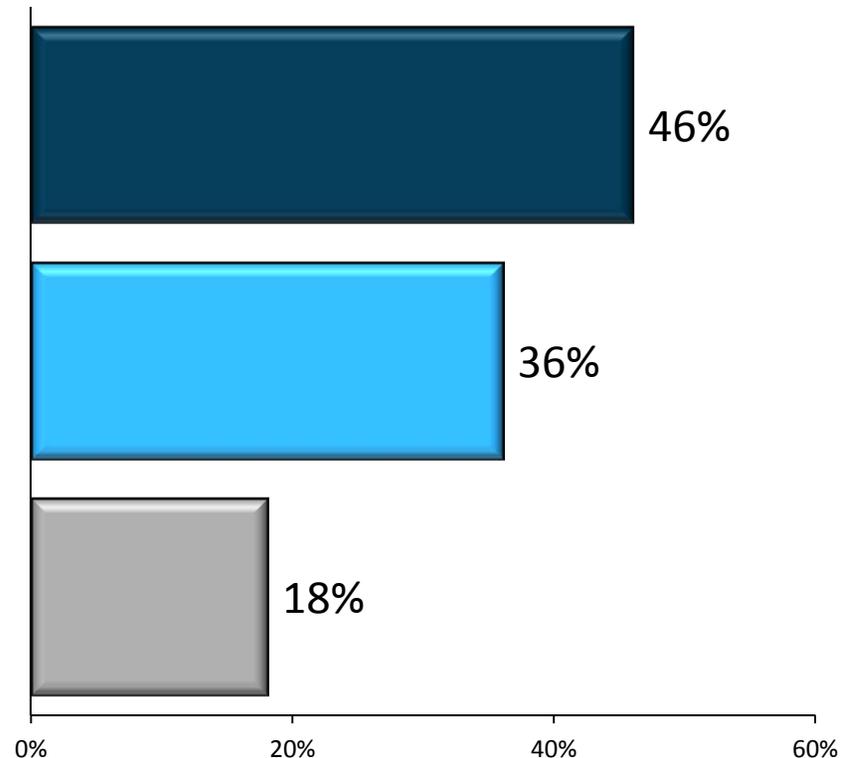
Please tell me which of the following statements about what should be done with City buildings comes closer to your own view, even if neither matches your view exactly.

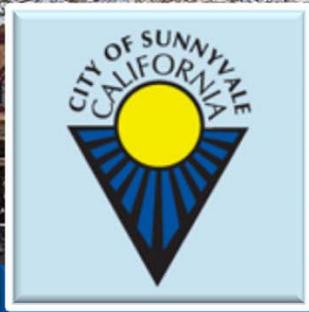
We should pass a bond measure to renovate and replace Civic Center buildings now to save money on repairs and construction costs in the long run.

OR

We should spread building renovation and replacement projects over 10 to 20 years to spend less now, even if repairs and construction will cost more in the long run.

Other/Don't know





A Potential Civic Center Bond Measure

Bond Measure Language Tested

(Reviewed/Approved by City Attorney Nagel)

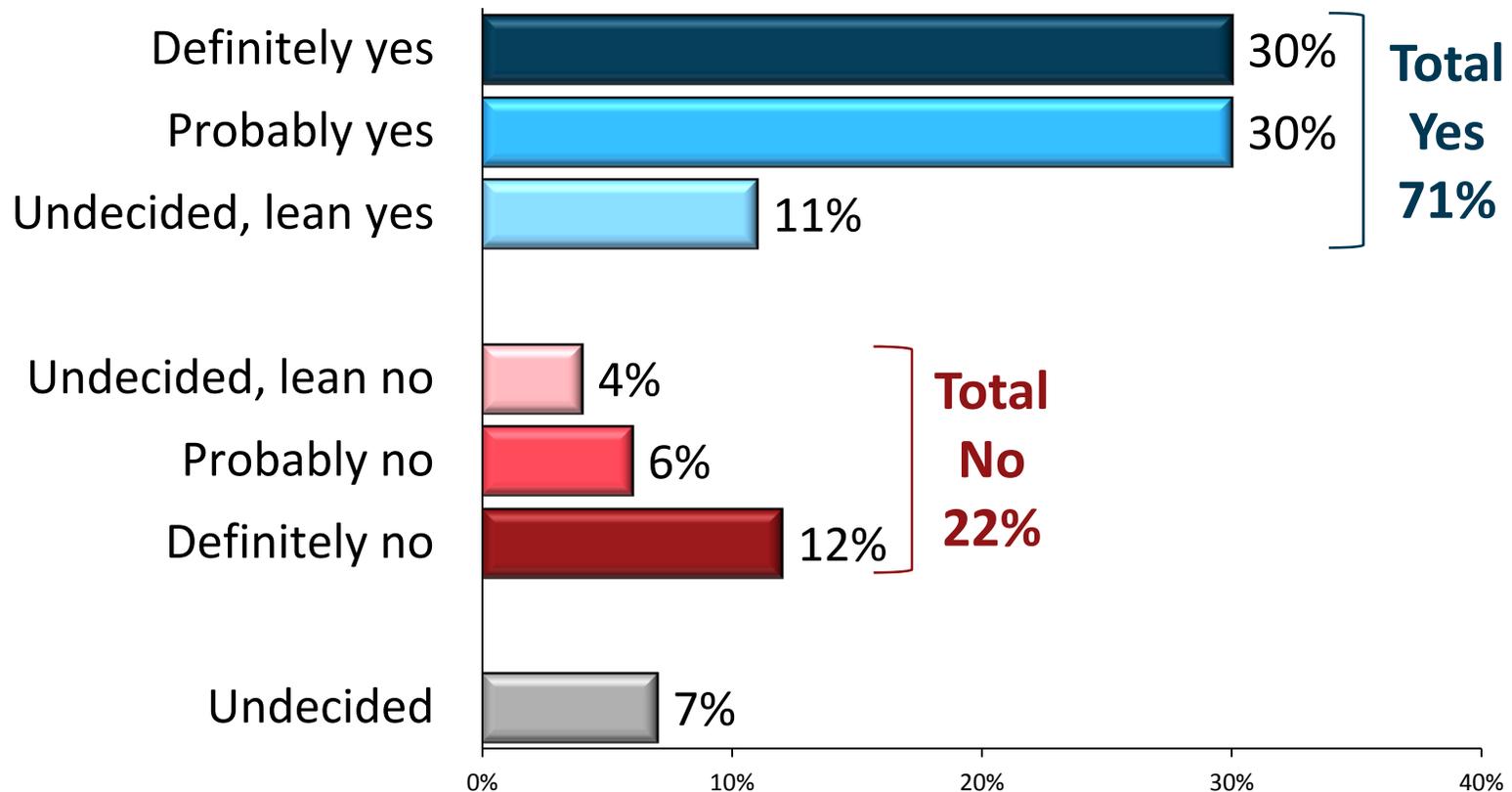
City of Sunnyvale Civic Center Renovation, Upgrade and Earthquake Safety Measure. To improve public safety and City services by:

- *Renovating and replacing old Civic Center buildings;*
- *Improving building earthquake safety;*
- *Improving police, fire and 911 response services and emergency operations center;*
- *Updating library technology and spaces for educational, literacy and teen programs; and*
- *Expanding park and community spaces;*

Shall the City of Sunnyvale issue \$220 million in bonds at legal interest rates, with independent audits, citizens' oversight, and all funds spent on City-approved projects?

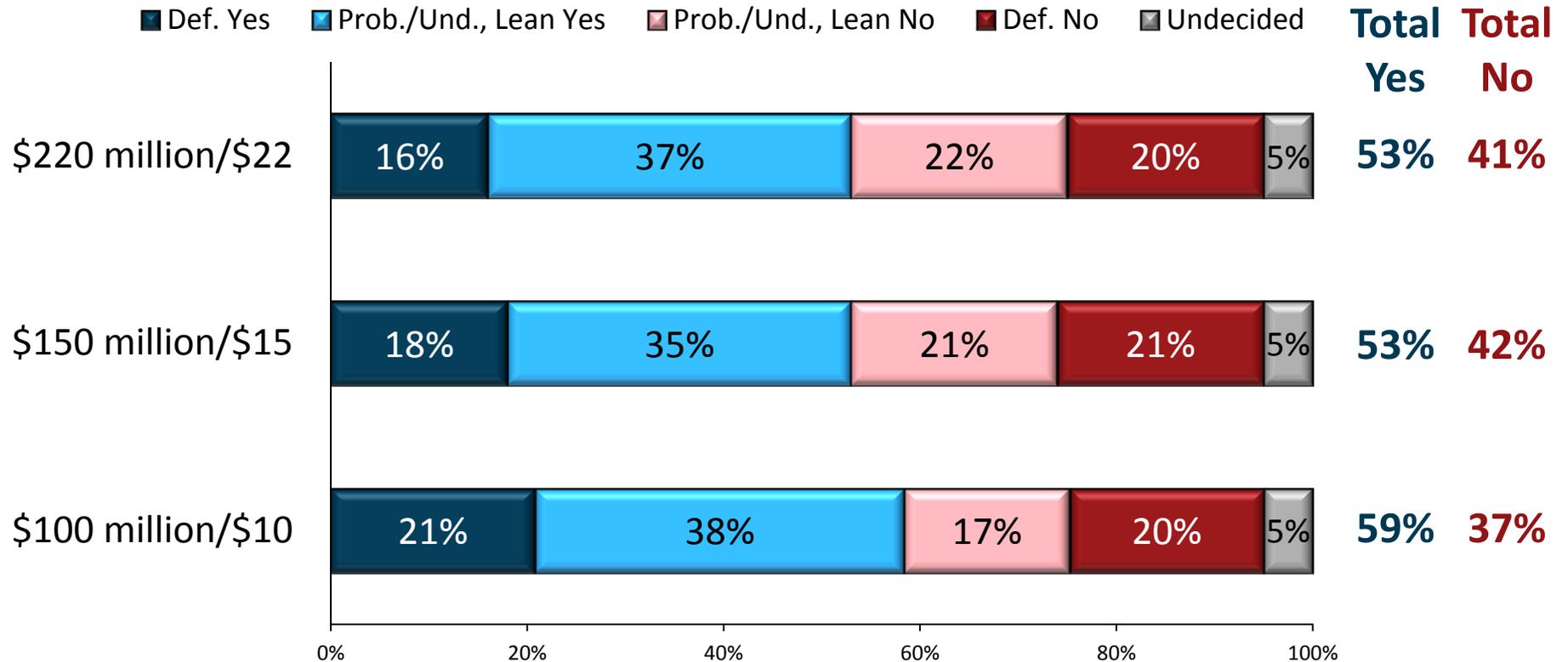
Seven in ten initially said they would vote “yes” on a bond measure.

(Two-thirds Vote Threshold)

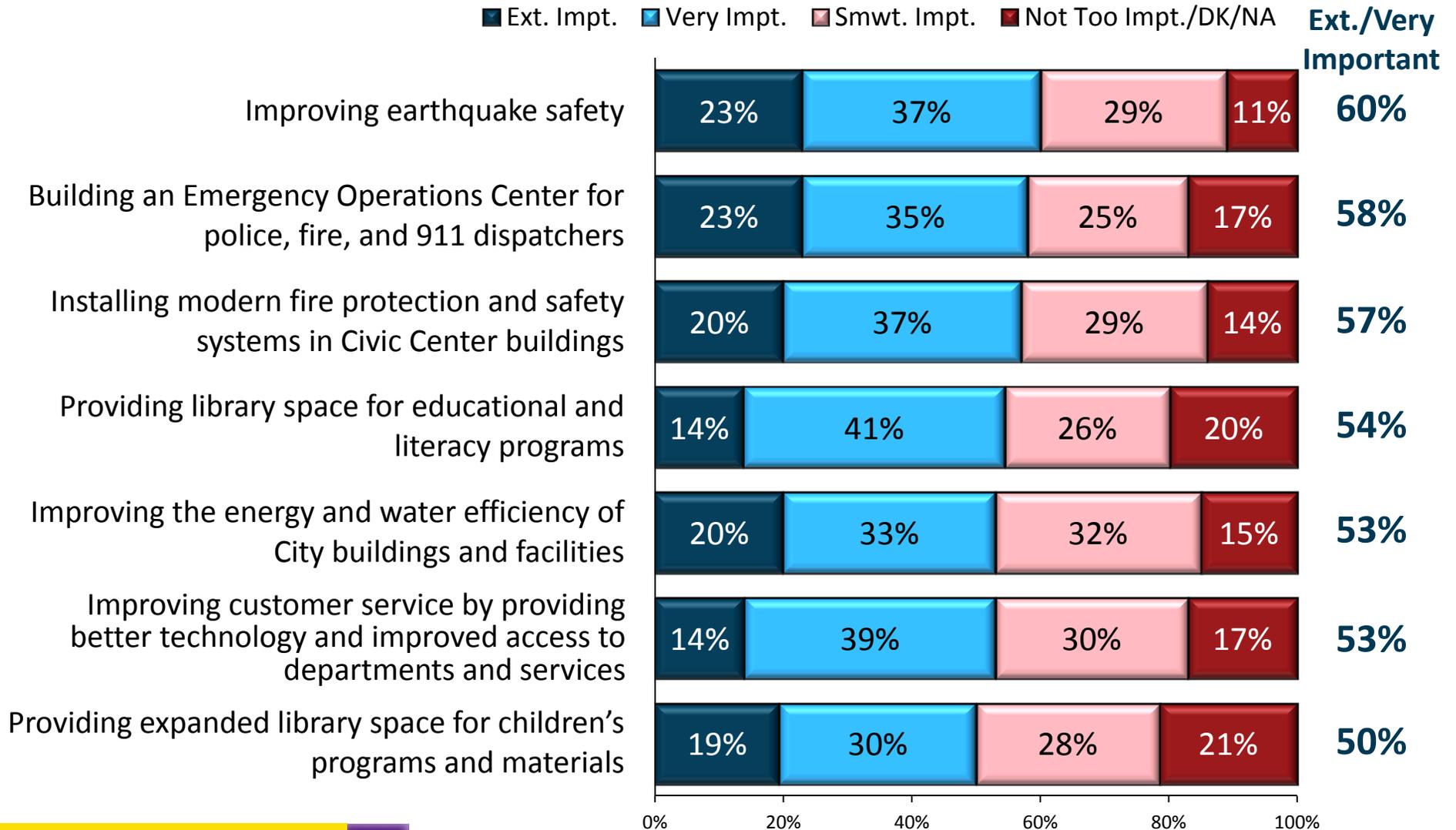


Respondents were price sensitive, however.

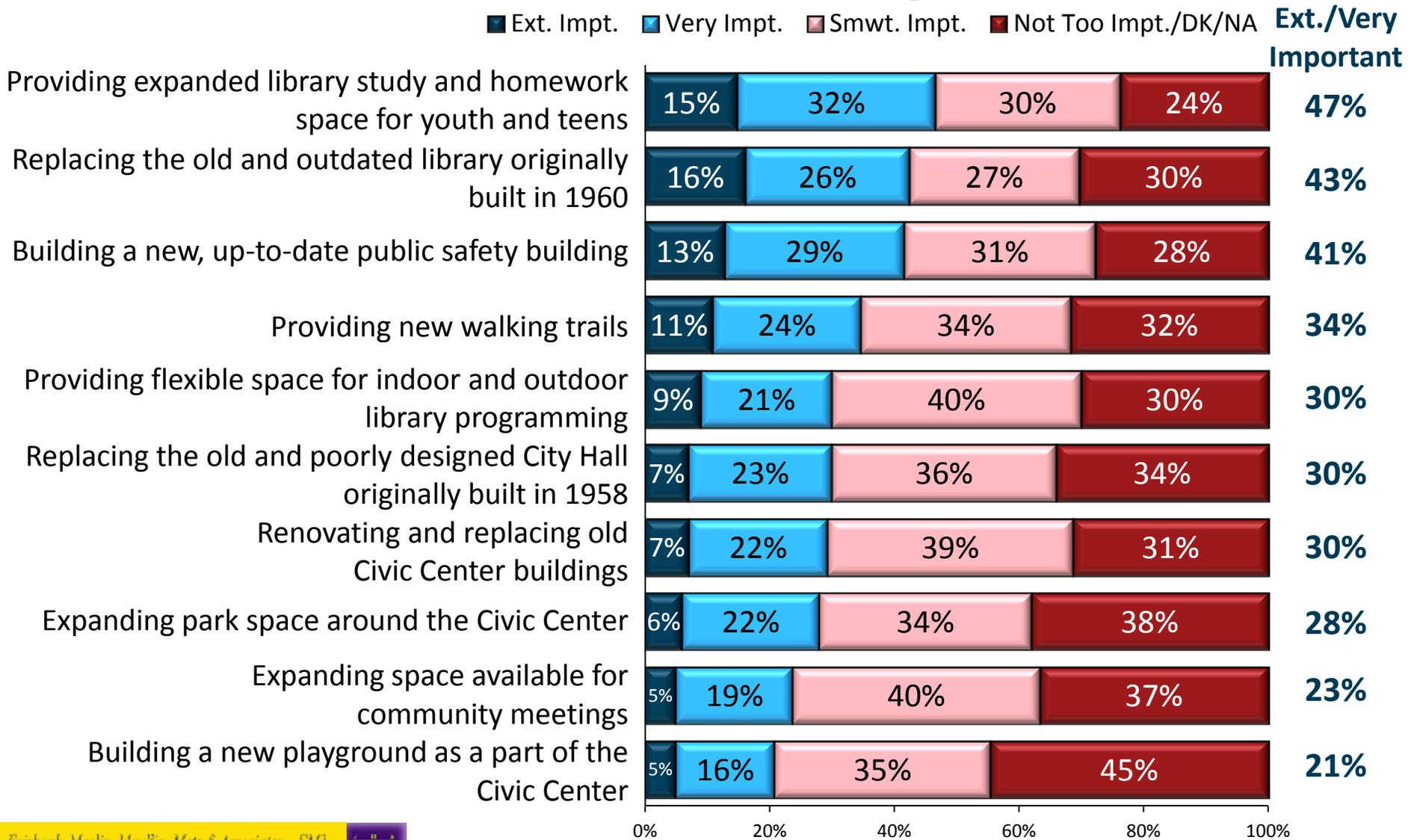
What if this bond measure generated _____ for Civic Center improvements through a property tax of _____ per \$100,000 of assessed property valuation? In that case, would you vote yes in favor of it or no to oppose it?



Top bond spending areas were seen as high priorities by fewer than two-thirds of respondents.

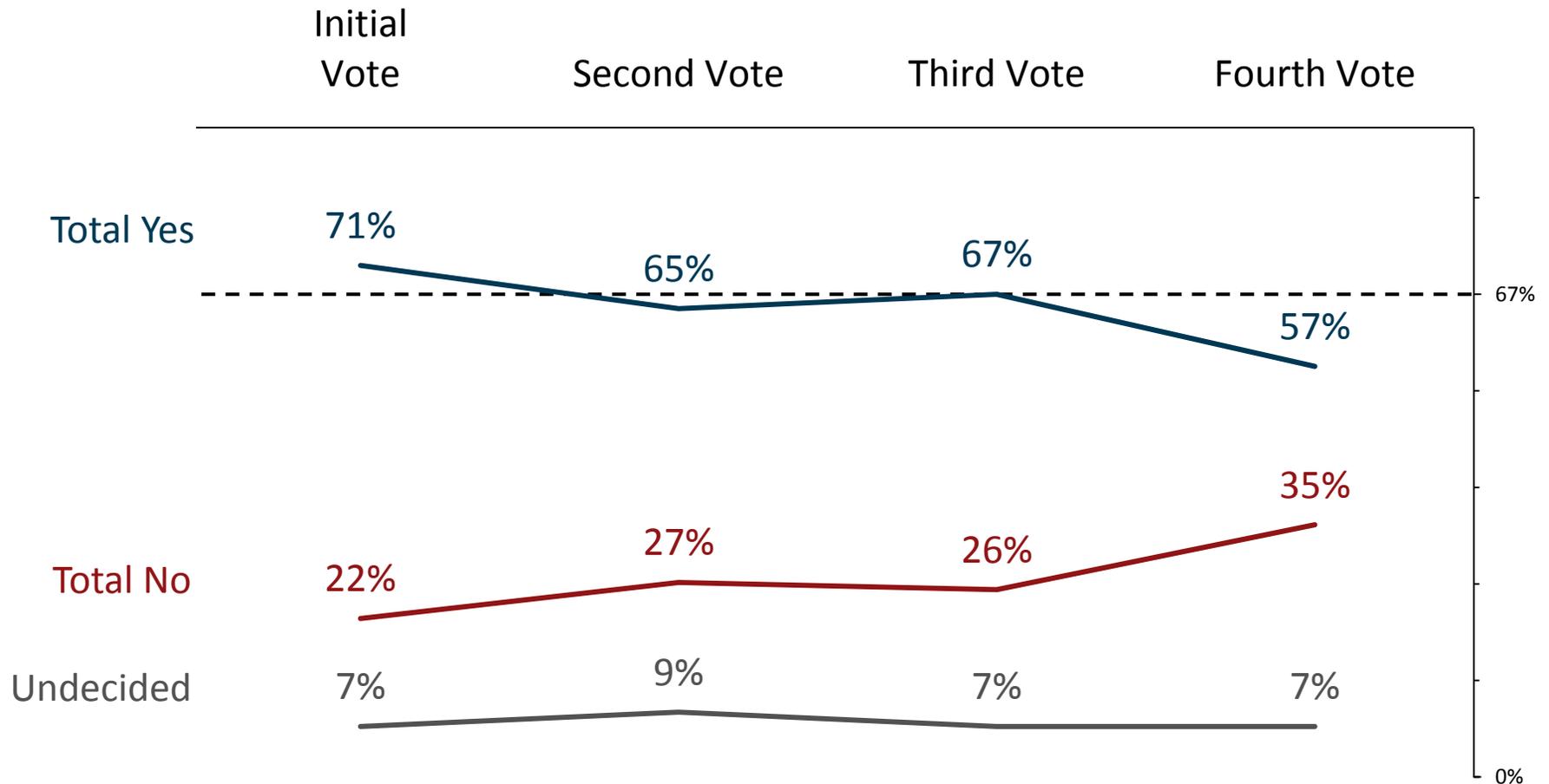


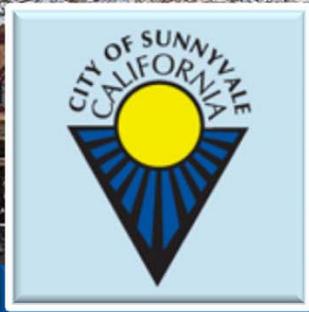
Other bond spending areas were seen as even lower priorities.



Bond Measure Vote Progression

(Two-thirds Vote Requirement)





No Tax Increase UUT Modernization Measure

No Tax Increase UUT Measure Language Tested

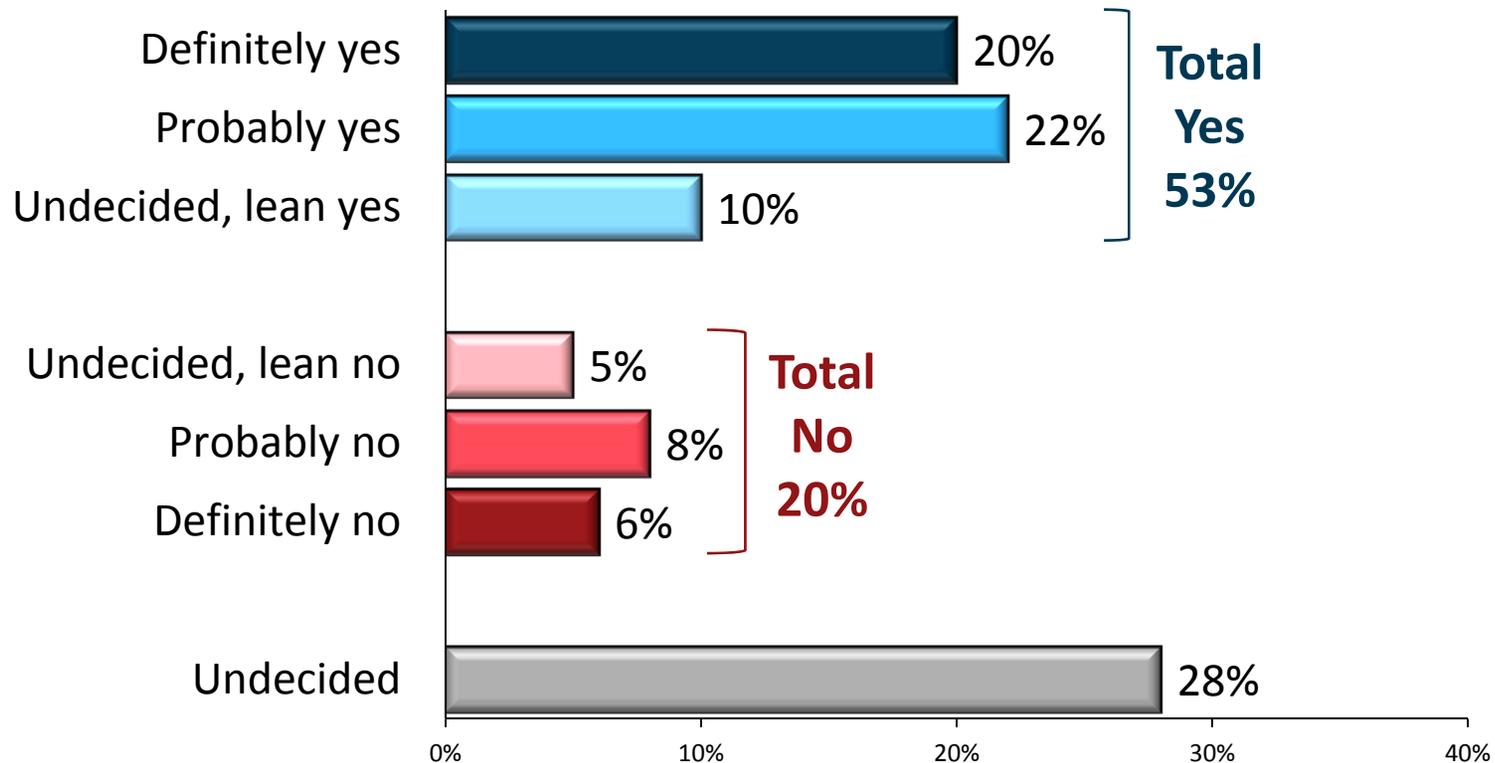
(Reviewed/Approved by City Attorney Nagel)

City of Sunnyvale Utility Users Tax and Essential City Services Protection Measure.

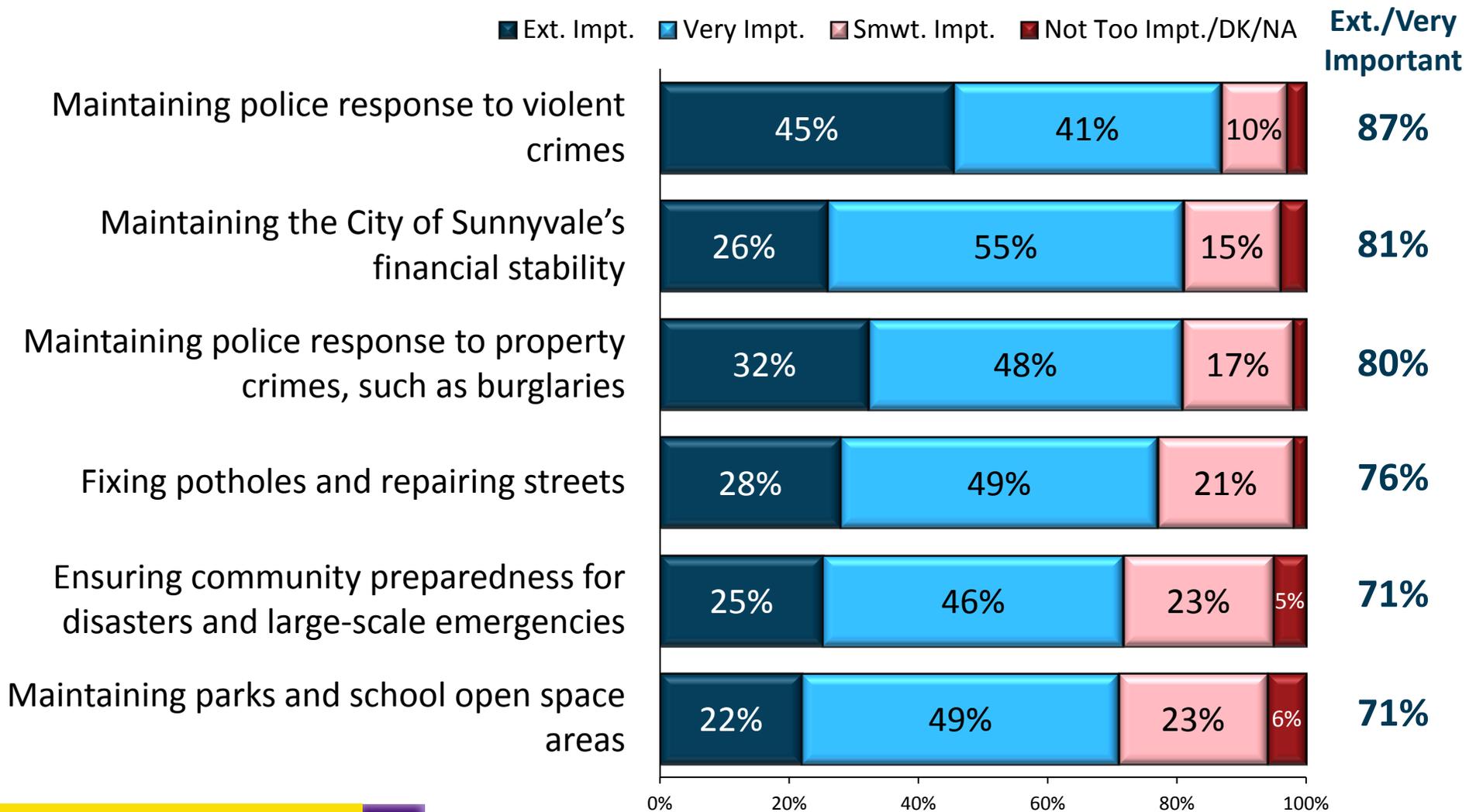
To maintain Sunnyvale's financial stability without increasing tax rates and fund essential City services, such as police, fire and 911 emergency response and pothole, street, sidewalk and neighborhood park repairs, shall Sunnyvale modernize its existing utility users tax to treat taxpayers equally regardless of telecommunications technology used, providing \$1.5 million annually on an ongoing basis, until ended by voters, with independent audits, and all funds used locally?

A majority initially indicated they would vote “yes” on UUT modernization, with more than one-quarter undecided.

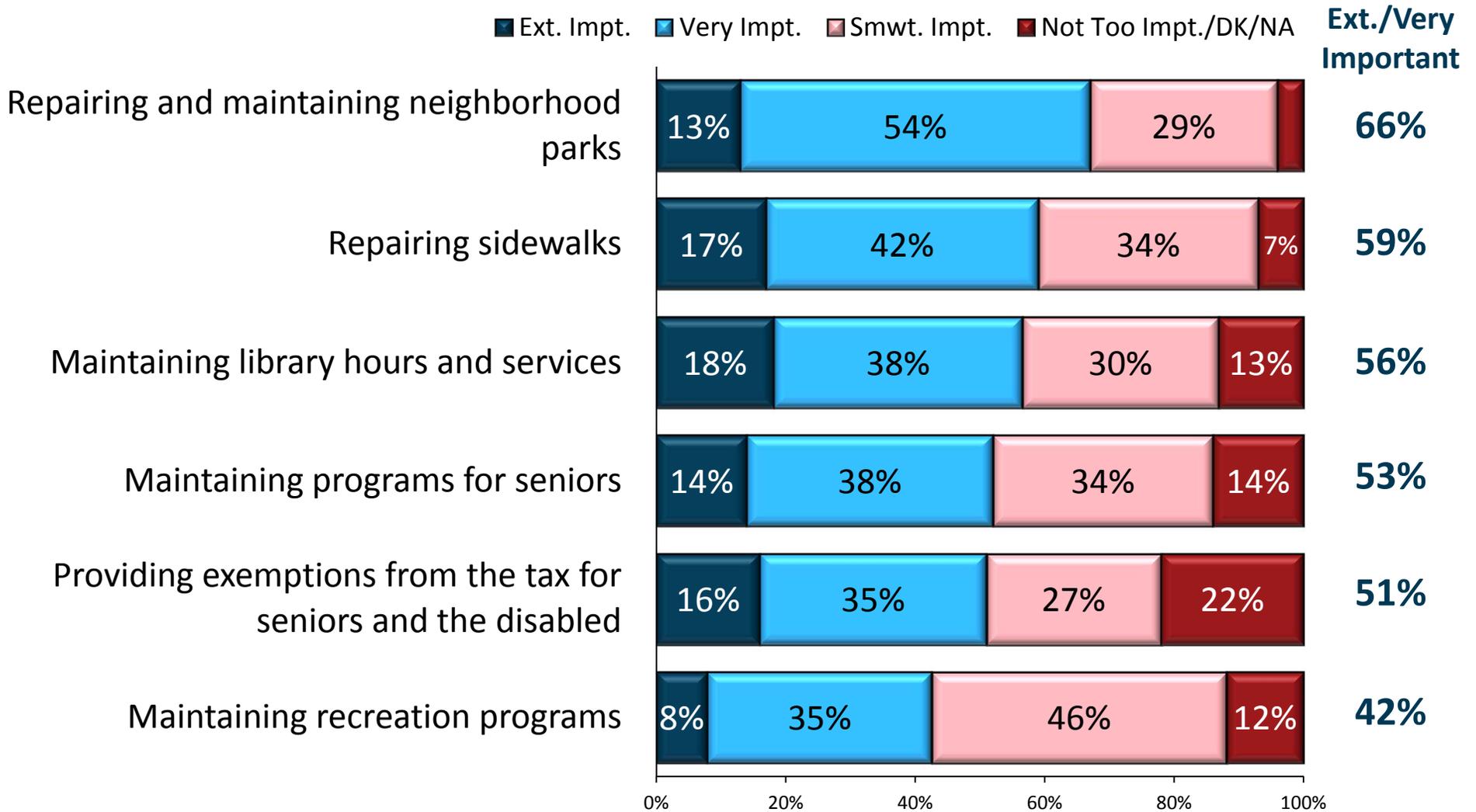
(Simple Majority Vote Threshold)



Maintaining fiscal stability and public safety were high priorities for funding.



Other spending areas were seen as comparatively lower priorities.



The top priorities for a UUT measure outpaced bond measure items by more than 20 points.

(Extremely/Very Important, Top Three)

Bond Measure

Improving earthquake safety (60%)

Building an Emergency Operations Center for police, fire and 911 dispatchers (58%)

Installing modern fire protection and safety systems in Civic Center buildings (57%)

UUT Modernization

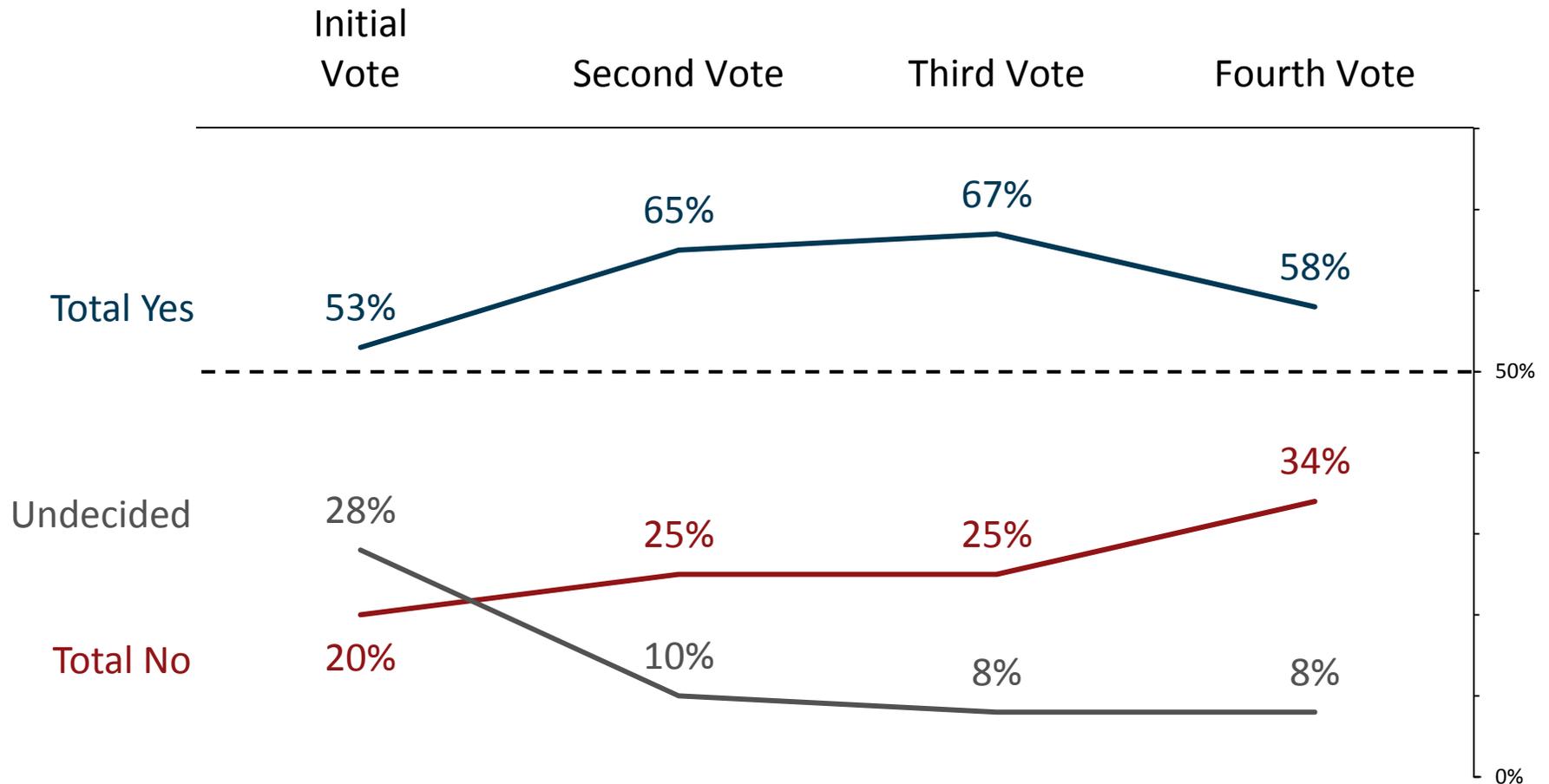
Maintaining police response to violent crimes (87%)

Maintaining the City's financial stability (81%)

Maintaining police response to property crimes, such as burglaries (80%)

UUT Measure Vote Progression

(Simple Requirement Measure)





General Purpose Sales Tax

General Purpose Sales Tax Measure Tested

(Reviewed and approved by City Attorney Nagel)

City of Sunnyvale Essential City Services and Facilities Measure.

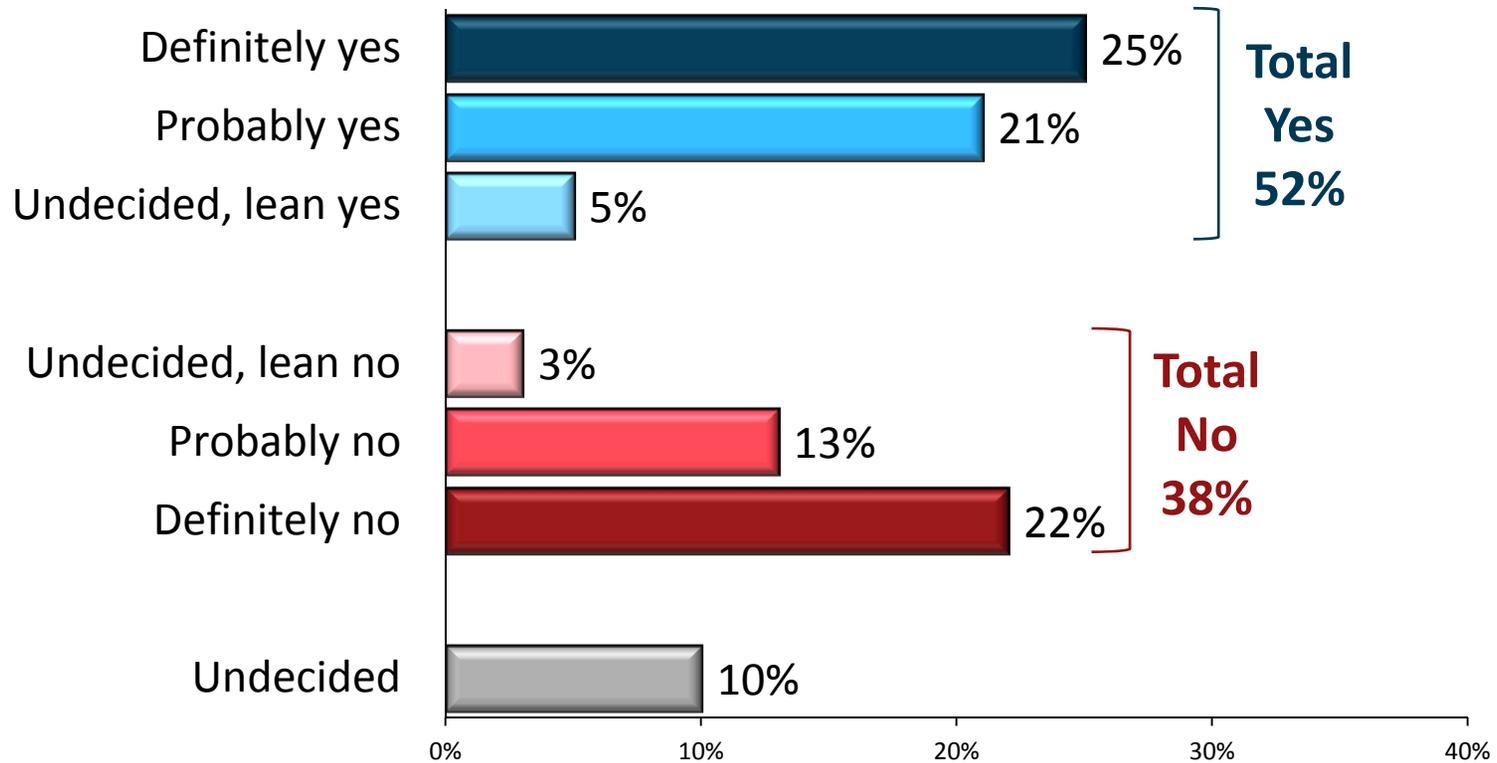
To repair and upgrade old Civic Center buildings, expand library services, parks and community meeting spaces, and to fund and improve City services such as:

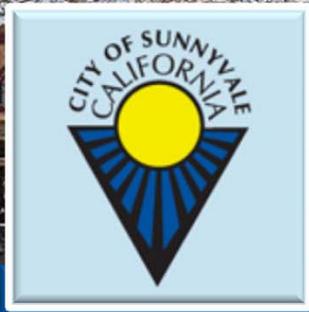
- *Police and fire protection;*
- *911 emergency response;*
- *Pothole, street and sidewalk repair; and*
- *Neighborhood park maintenance and recreation programs;*

Shall the City of Sunnyvale enact a one-quarter cent sales tax for 30 years, providing about \$5 million annually, with independent audits, public spending review, and all funds used locally?

While a majority supported a general-purpose sales tax, it was within the survey's MOE of the vote threshold.

(Simple Majority Vote Threshold)





Conclusions

Conclusions

- ▶ The Civic Center Modernization bond started above its vote threshold, but dipped below over the course of the survey.
- ▶ A no tax increase UUT modernization measure started off with a significant share of undecided voters, but support significantly exceeded its vote threshold after more information was provided.
- ▶ Both measures ended up in the same place by the end of the survey. Given the UUT's simple-majority vote threshold, this is the consulting team's recommended course.
- ▶ As drafted in the survey – with an emphasis on Civic Center funding – the general purpose sales tax measure had support from a bare majority of respondents and was within the margin of error of its vote threshold.



Civic Center Next Steps

Financing Alternatives

**Current City Assets
and Revenues**



**Varies based on
Council direction**

**Potential of
Approx. \$116 M**



**New Revenue
Bond**



**Varies based on ask
(set by Council)**

\$0 M



**Total Civic Center
Project Costs**

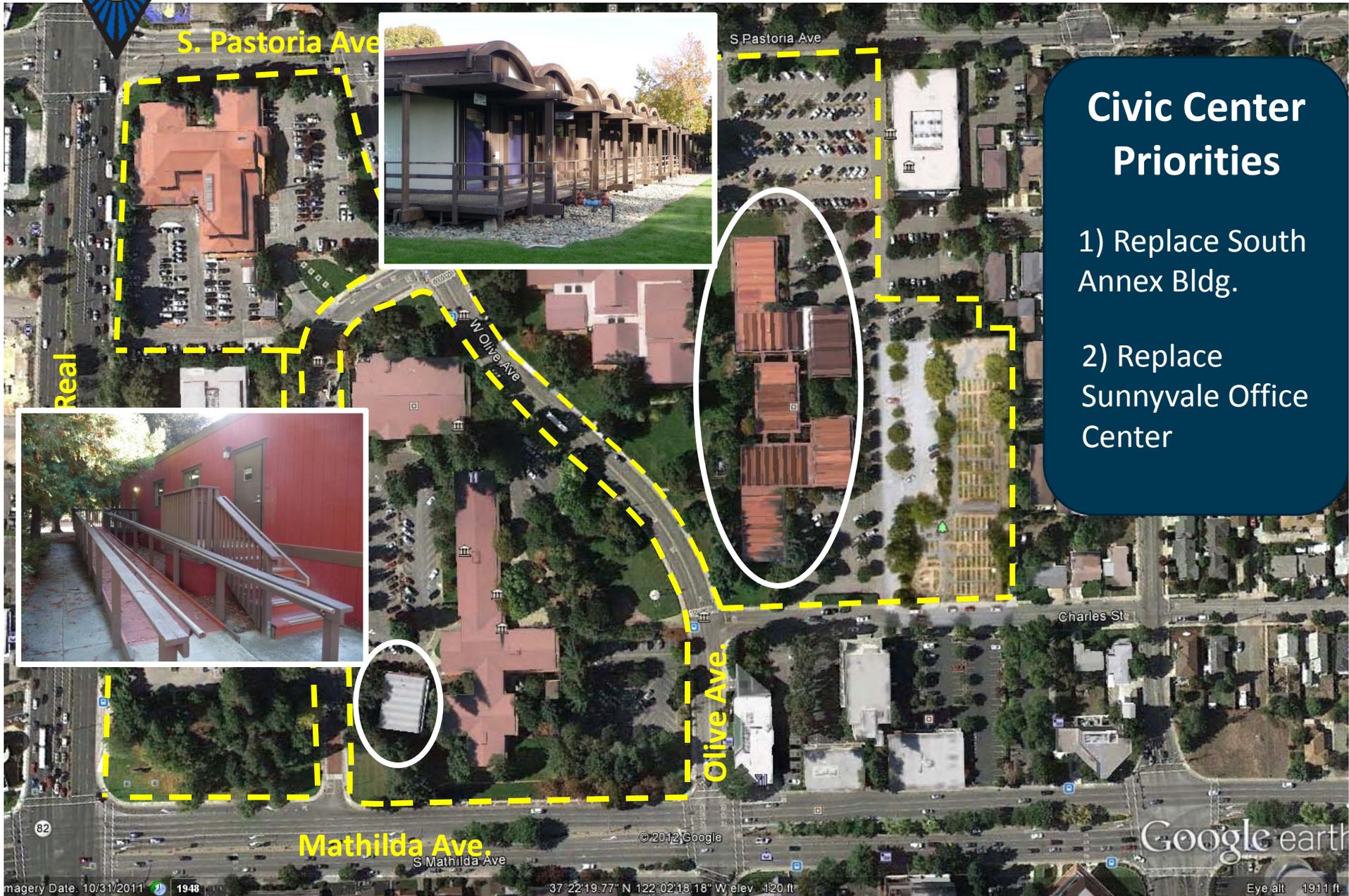


**Varies based on
option selected**

**Prelim. Est.
\$277 M - \$320 M**



Civic Center Next Steps



Civic Center Priorities

- 1) Replace South Annex Bldg.
- 2) Replace Sunnyvale Office Center



Civic Center Next Steps

- ✓ Replace South Annex Bldg.
- ✓ Replace Sunnyvale Office Center

Services Displaced

- NOVA Workforce Services
- Human Resources
- Environmental Services Department
 - Solid Waste
 - Environmental Programs
- Public Works Department
 - Engineering Division
- City Manager's Office
 - City Clerk's Office
 - Communications
- Public Safety Department
 - Fire Protection

Focus for Civic Center Phase 1

- ✓ Master Plan for Entire Campus
- ✓ City Hall – renovate and add on or replace
- ✓ Annex Building – renovate or replace (IT and Finance)
- ✓ Parking and site improvements



Financing Alternatives

Current City Assets
and Revenues



Varies based on
Council direction

Potential Funding

Existing Revenues

- Infrastructure Fund
- Facilities Fund
- NOVA Space Rental

\$36M

Land

- Onizuka & Unilever
- Downtown (Charles St.)
- Civic Center (\$0)

\$36M

Use of Current Reserves

- CIP Reserve
- Infrastructure Fund

\$17M

Other

- Park Dedication Fees
- Enterprise Funds
- PEG (TV Broadcasting)

\$27M

\$116M



Staff Recommendations

- 1) Direct staff to return to Council with ballot language for the November 2016 election that would modernize the City's Telecom Utility User Tax without increasing rates.
- 2) Approve Budget Modification 35 for \$92,500 from the General Fund Stabilization Fund to fund services needed to provide public education materials related to a Utility User Tax ballot measure.
- 3) Direct staff to return to Council with project alternatives for the Civic Center Modernization Project that would establish priorities and use a phased approach for project implementation.
- 4) Direct staff to return to Council with a resolution that would declare City-owned properties located at former Onizuka Air Force Station (5.02 acres) and 1484 Kifer Road (4.74 acres) as surplus property.



CIVIC CENTER

QUESTIONS ?