

## Possible Update to Measure O Ordinance

### Feb. 14 RHFD Regular Board Meeting, Agenda Item 16

The Measure O Oversight Ad Hoc took direction from the Board at the January regular meeting to find a consultant to assist the Board in determining whether it would be financially viable to convert the existing per-parcel tax to a per-unit tax.

Converting the Measure O Ordinance to a tax on dwelling units provides the following advantages:

- Stabilizing the District's funding while increasing revenue.
- Resolves fairness issue: the current parcel tax means a large multi-unit apartment complex pays the same amount as a single-family home, even though the apartment complex is likely to generate more calls for service than the single-family home. Measure O should apply the tax for Fire and EMS services to each household within the RHFD.
- Direction from State is to increase density by building apartments and condominiums rather than single-family homes. Hercules has approved and is building high-density complexes with a slower density growth in Rodeo. Multi-unit complexes tend to have a greater need for services due a higher rate of residents.
- Adding to the tax base helps to offset the senior exemptions to Measure O tax.

Hercules City Manager in 2016 suggested to then-Chief Craig that the District change the proposed measure from a parcel tax to a unit tax in order for the District to obtain additional resources. The District was under pressure to keep both stations open, and did not make the change before getting Measure O to voters.

A court case, Leland Traiman v. Alameda Unified School District, makes it possible for District to move in this direction. The appeals court ruled that the school district could convert a parcel tax to a unit tax, so long as the tax applied uniformly for all classes of taxpayers, with no distinction between residential and commercial properties or between homes and apartments.

#### RECOMMENDATION:

Ad Hoc solicited quotes from 4 potential consultants within this highly specialized field. We are recommending for the Board's consideration the Lew Edwards Group -- who successfully assisted the RHFD in passing the Measure O ballot measure in 2016 -- to begin Phase 1:

- Assess if it is financially viable to convert Measure O Ordinance from a parcel to unit tax.
- Poll District (Communities of Rodeo and Hercules)

They are familiar with the Hercules City Council, County Board of Supervisors, County Elections Department (staff, policies, procedures), our Community and Labor, County Assessor's Office,

District Counsel; in short all of the key players, policies and procedures to conduct a successful campaign.

The Lew Edwards Group is the California leader in successful sales tax measures and provides a full range of Ballot Measure Preparation and Informational Communications services for counties, cities, and special district measures of all types.

They have enjoyed 26 years of success, passing over \$42 Billion in California finance measures at a 95%+ win rate for repairing K-12 classrooms, expanding college facilities, protecting funding for local city services, and improving libraries, parks and infrastructure. Catherine Lew prides herself on her firm's award-winning service to every client, diverse agencies that range dramatically in size and strategic needs.

The Lew Edwards group is the only consultant that brings a complete team to the Board to assess the viability of modifying the Measure O ordinance from parcel to unit to deliver a successful campaign (if approved for Phase 2) on the November 2024 ballot.

Funds can be allocated from reserves should the Board make the decision to modify the Measure O ordinance. We also received a bid from SCI Consulting Group, a solid company but without the track record of managing the Measure O campaign for our District.

Respectfully submitted,

Directors Bowman and Davidson  
Measure O Oversight Ad Hoc

Attachments: 3

January Presentation to Board

Measure O Ordinance

Information on Lew Edwards Group

SCI Consulting Group Bid

## Phase 1

- Assess if it is financially viable to convert Meas O from a Parcel to
- Poll District (Communities of Rodeo and Hercules)

Link to Measure O Ordinance

Add Jan Presentation/document as supporting documentation

<https://www.rhfd.org/files/9067ab182/Full+Text+of+Measure+O.pdf>

## Phase 2

- Assessing community support through public opinion research
- Developing an informational communications plan to expand community awareness of fiscal/service needs
- Finalizing a planning timeline and budget
- Draft ballot measure
- Helping to identify other professionals as needed for our team
- Assist the Board in making presentation to City of Hercules and CCC BOS for approval of ballot measure
- Training Board and staff on external Speakers' Bureau activities and other informational outreach
- Developing an earned/social media/web-based strategy and content
- Developing informational collaterals
- Providing Rapid Response services
- Providing input to the Board on voter handbook materials

Here are the names of possible consultants ; am awaiting cost to perform initial analyses:

Lew Edwards Group

<https://lewedwardsgroup.com/>

SCI Consulting Group

<https://sci-cg.com/>

Spectrum Campaigns

<https://www.spectrumcampaigns.com>

Probolsky Research

<https://www.probolskyresearch.com>