



# Survey of Likely Voters in The City of Pacific Grove

*March 2018*

# Purpose & Methodology

## ▶ Purpose:

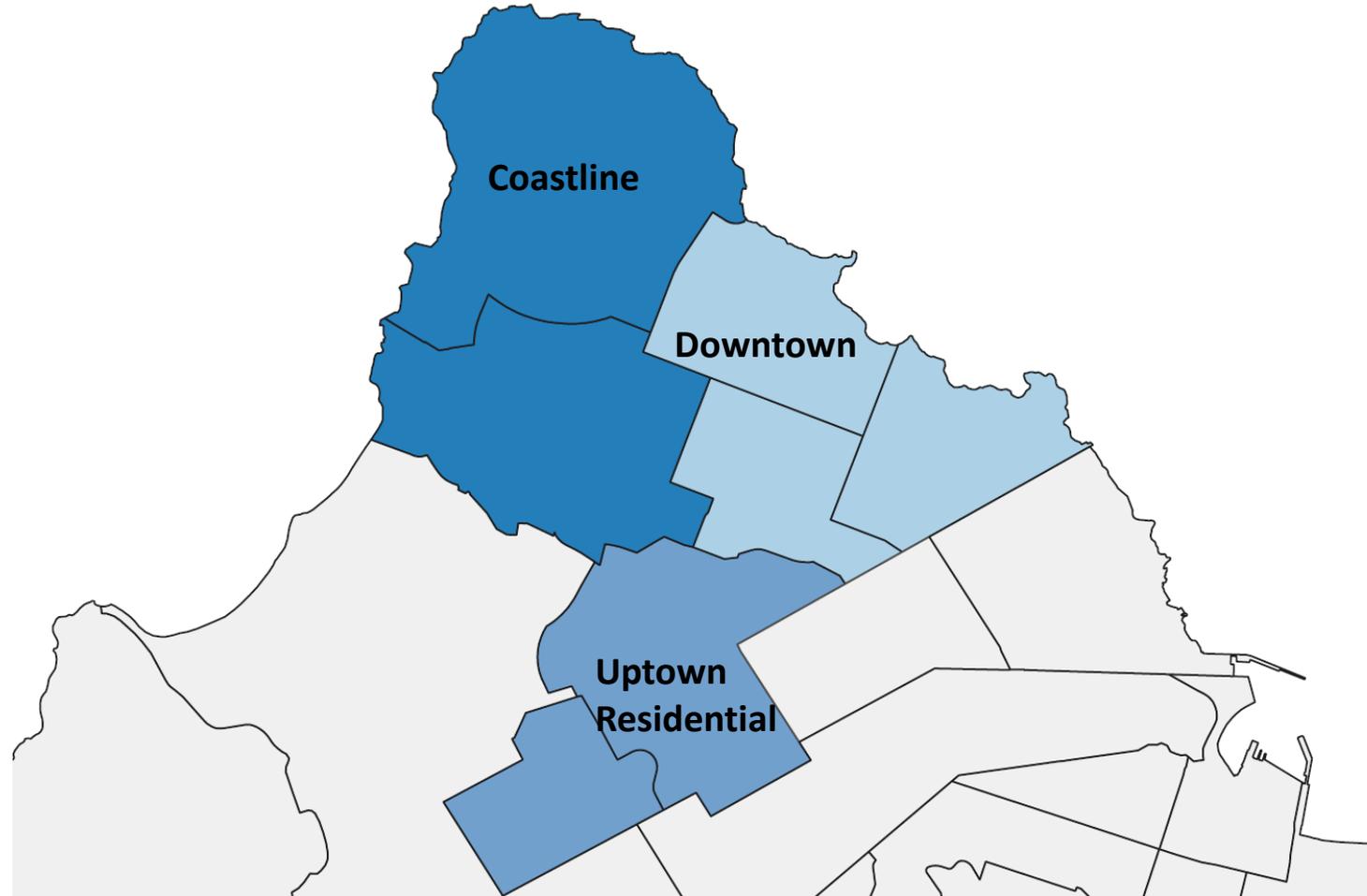
- Provide the City with updated feasibility information for a November 2018 revenue measure
- Understand voter reaction to the concept of a TOT measure, and test updated ballot language
- Assess any changes in attitudes since 2016

## ▶ Methodology:

- Random sample survey of 375 likely November 2018 Pacific Grove voters
- Margin of Error  $\pm 5.0$  percentage points at the 95% confidence interval
- Data collected February 28 – March 8, 2018 by cell phones, landline phones, and online
- Results compared with prior research in Pacific Grove, from 2016 and 2007

Please note that due to rounding, some percentages may not add up to exactly 100%.

# Map of Pacific Grove



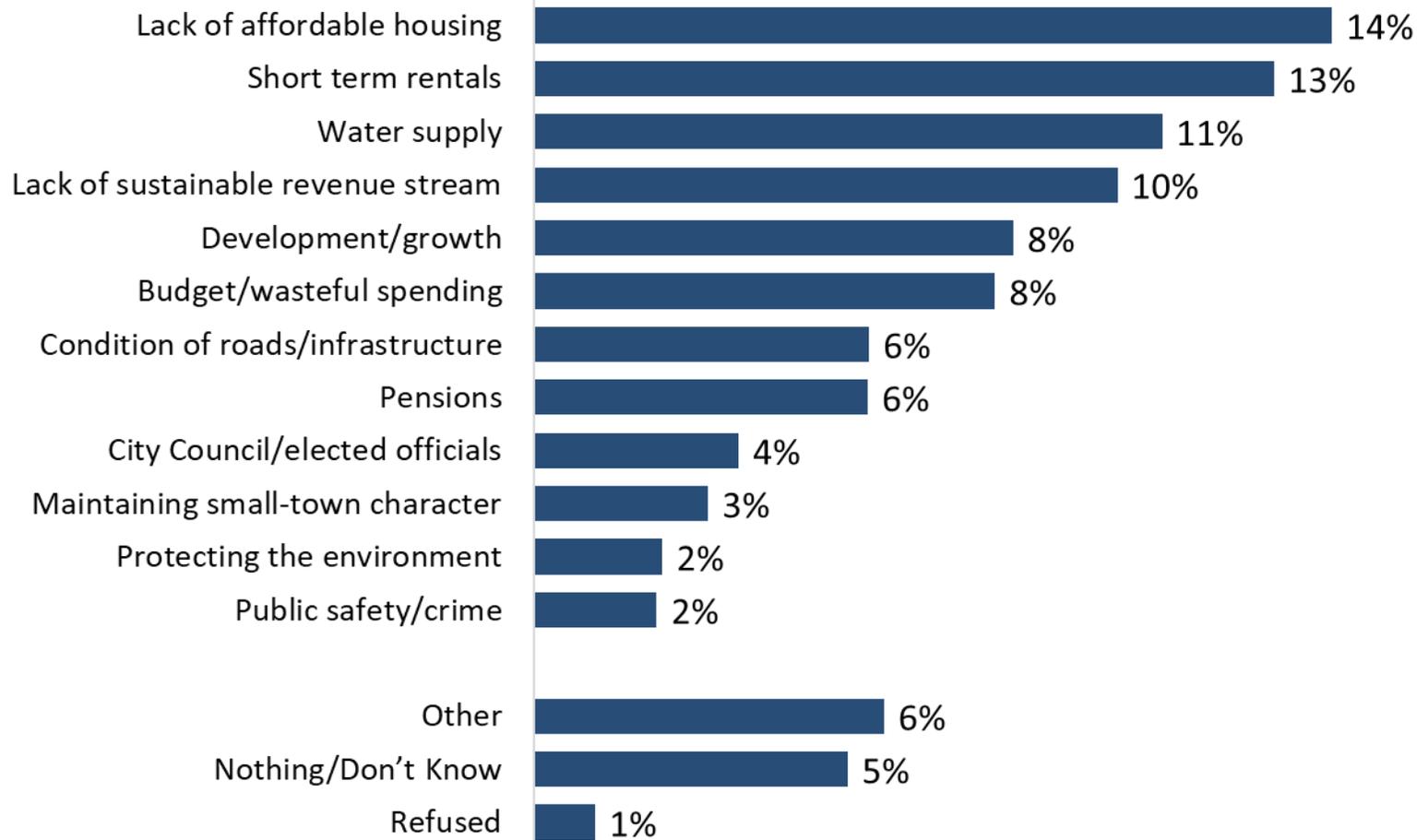
\*Drawn by precinct

# Key Findings

- ▶ Voters in Pacific Grove have a positive view of the overall job the City is doing, and recognize that the City has a need for additional revenue
- ▶ A transient occupancy tax is supported by three-quarters of likely voters
- ▶ Protecting the City's financial stability and maintaining service levels are important components of voter support for the measure
- ▶ While hearing information in opposition to the measure does erode support slightly, it remains comfortably above the threshold needed to be successful

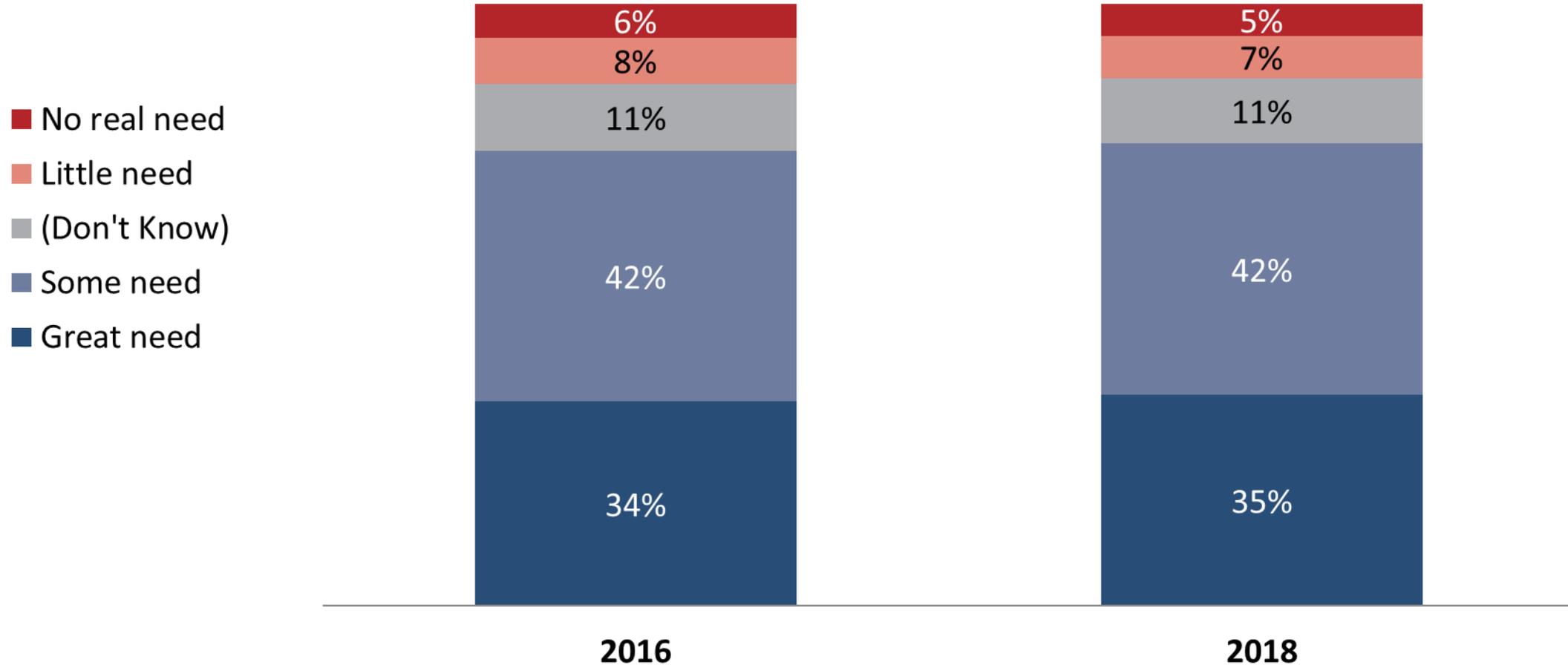
# Most Important Problem

*Housing challenges are viewed as the biggest problem facing Pacific Grove.*



# Need for Revenue

*Over three-quarters of voters recognize the City's need for additional revenue.*



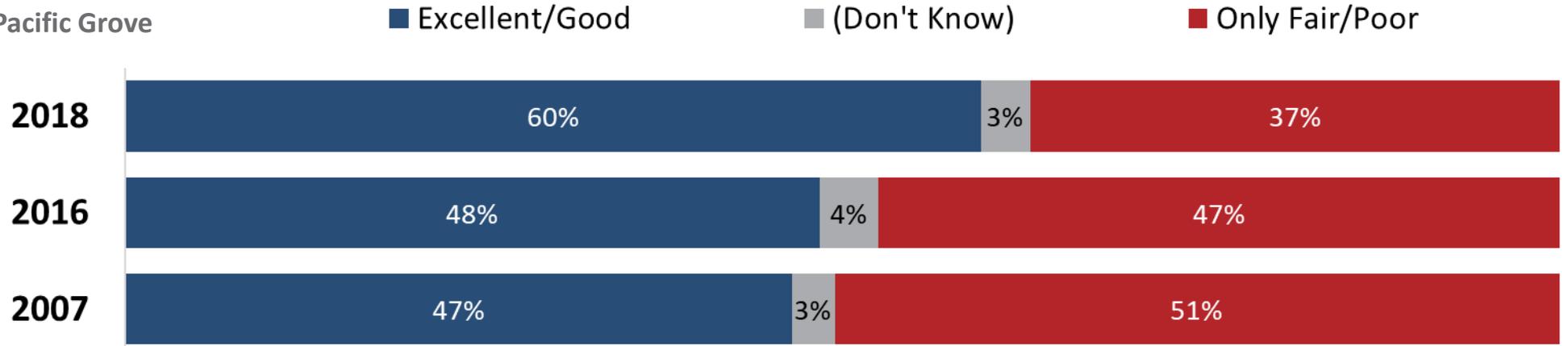
Q8. Would you say that the City of Pacific Grove has a great need for more revenue, some need for more revenue, little need for more revenue, or no real need for more revenue?

# City Job Ratings

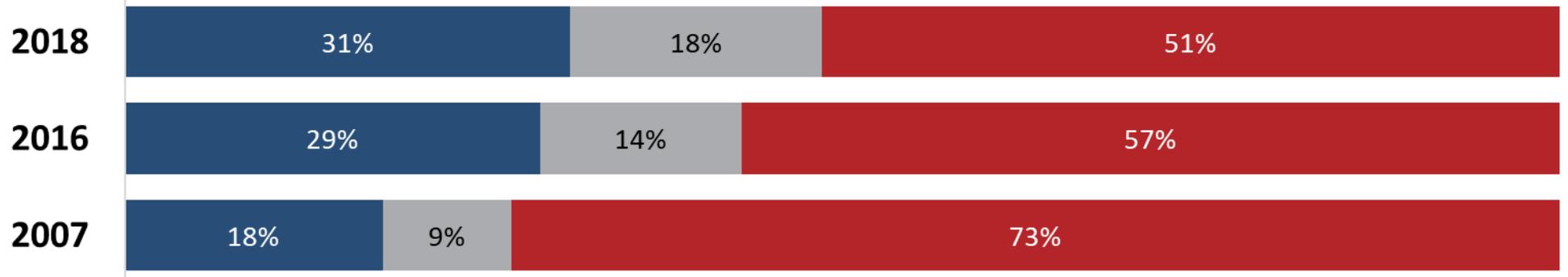
*Voters' opinions of the overall job the City is doing has improved over time.*

Please rate the job the City of Pacific Grove does on...

The overall job providing services and taking care of the needs of local residents



Managing the city's budget and finances

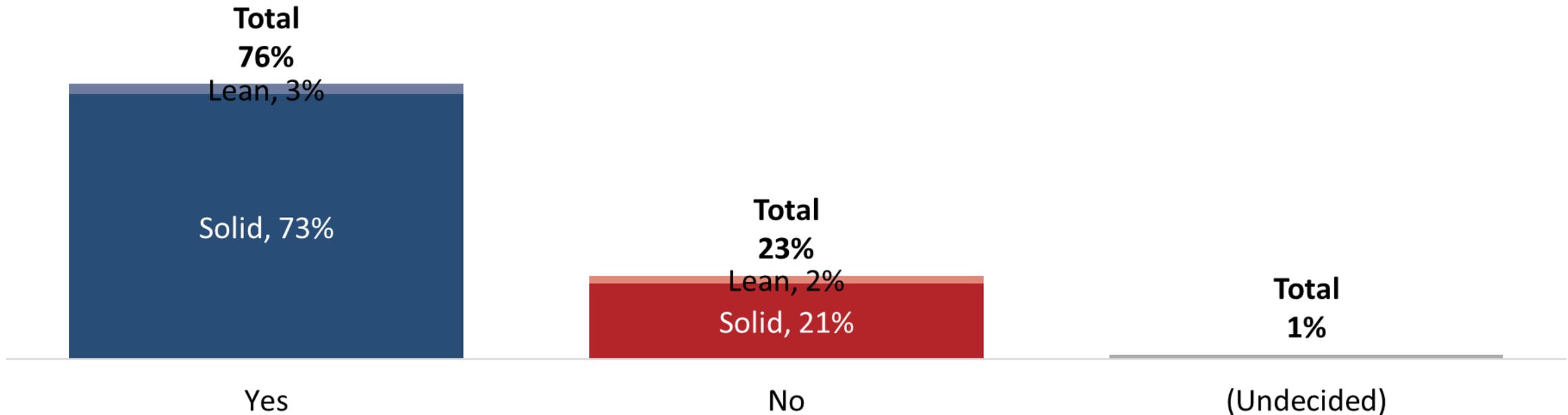


Q9-12. Using a scale of excellent, good, only fair, or poor, please rate the job the City of Pacific Grove does on each of the following.

# Initial Support

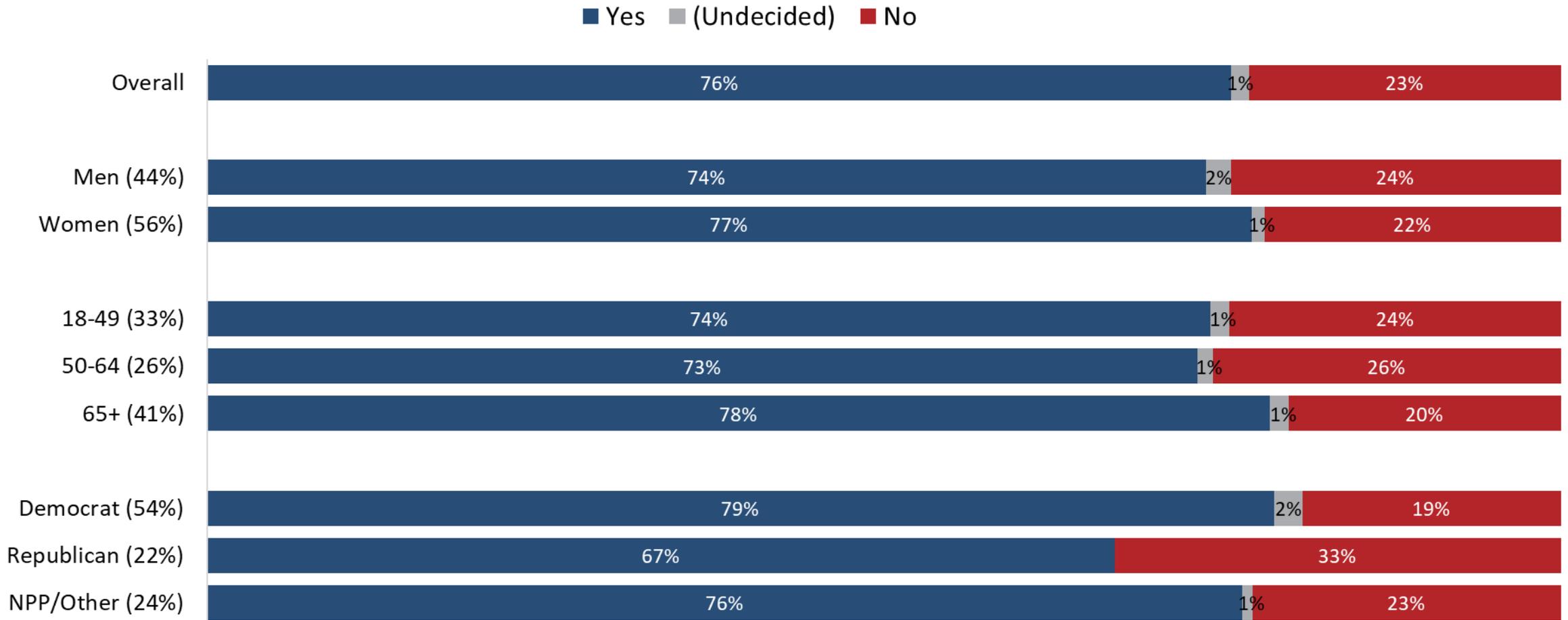
*Initial support for the measure is well above the majority threshold needed for passage.*

**City of Pacific Grove Vital Services Measure.** *To protect vital City services including maintaining rapid 911 emergency fire, police, and medical response, repairing streets and sidewalks, upgrading storm drains, and maintaining parks and coastal pathways, shall the City of Pacific Grove adjust the existing transient occupancy tax from 10% to 12% for hotels and motels and 15% for short-term rentals, providing \$1.37 million annually, with independent financial audits and all funds to be used within the City of Pacific Grove?*



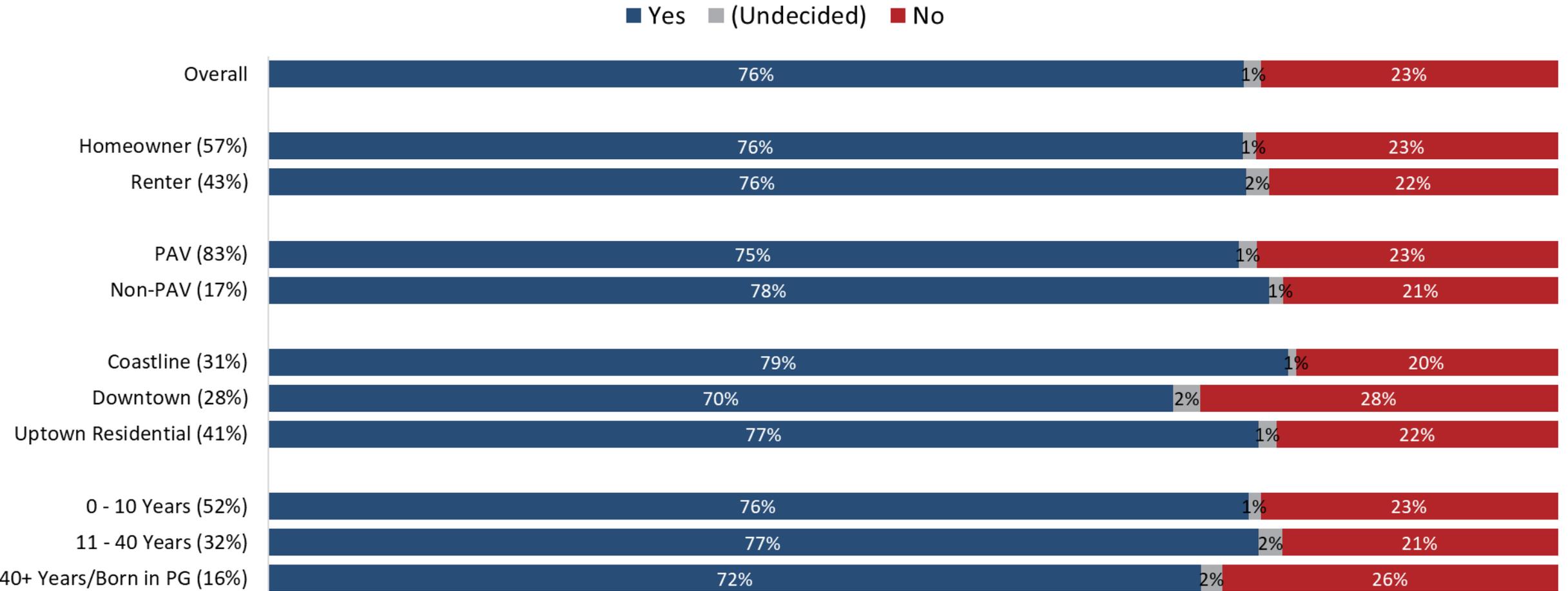
# Initial Support by Demographics

*Support for the measure is widespread across demographic groups.*



# Initial Support by Demographics

*Downtown residents are somewhat less supportive of the measure.*

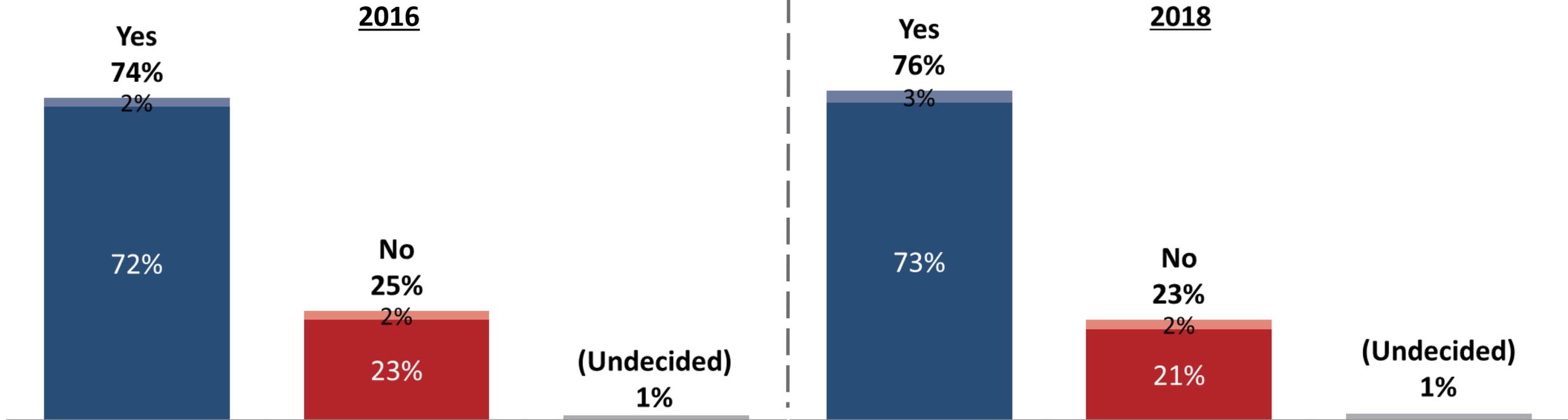


# Transient Occupancy Tax Support

Support for a TOT measure is similar to what was measured in 2016, even with some changes to the measure.

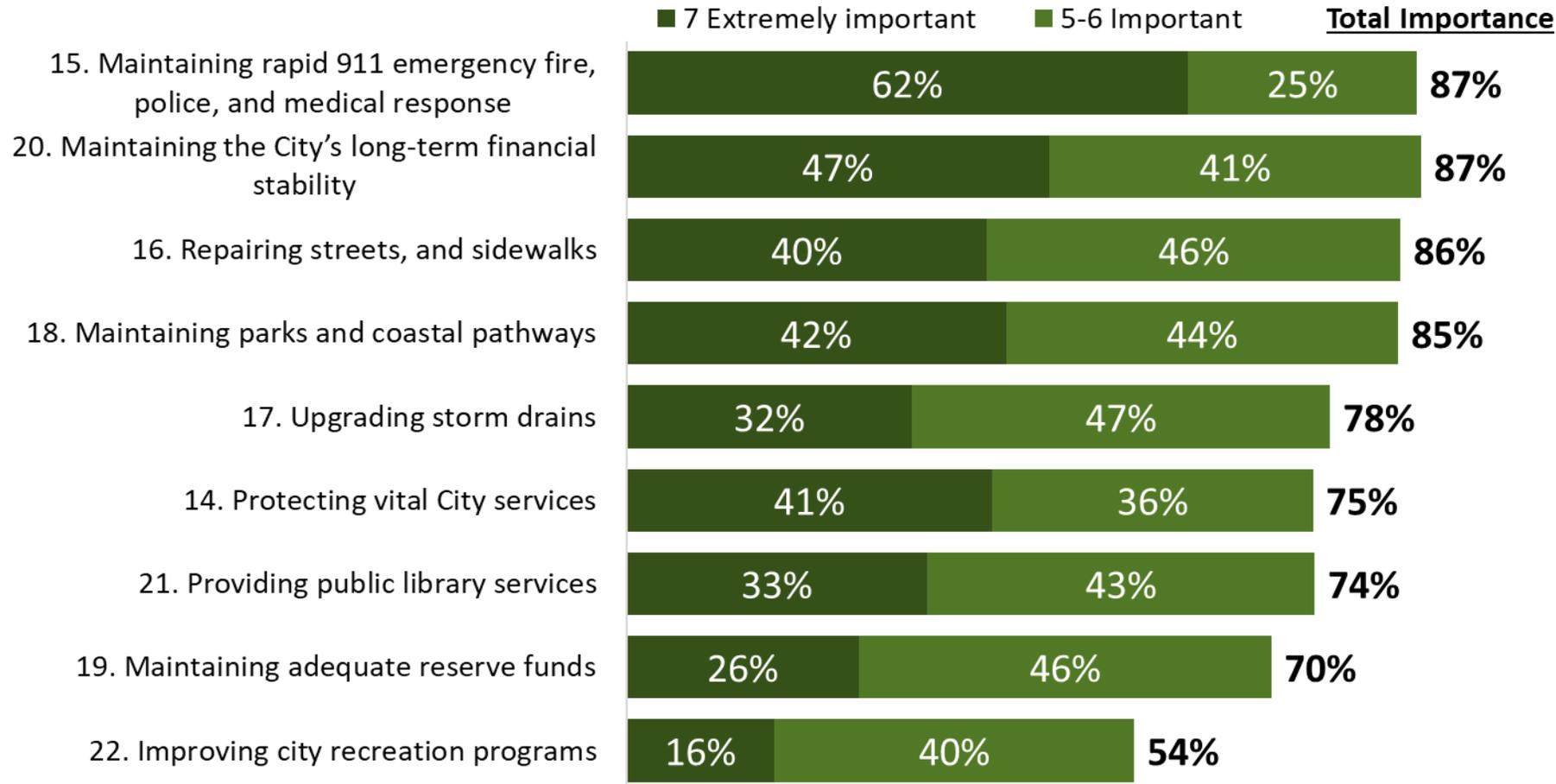
**City of Pacific Grove Vital Services Measure.** To protect vital City services including maintaining rapid 911 emergency response, repairing deteriorating streets and potholes, upgrading obsolete storm drains, improving water conservation, maintaining neighborhood police patrols, and improving parks, shall the City of Pacific Grove adjust the existing transient occupancy (hotel) tax from 10% to 12%, providing \$746,000 annually, requiring citizens' oversight, annual independent audits, that can only be ended by voters, and all funds for Pacific Grove?

**City of Pacific Grove Vital Services Measure.** To protect vital City services including maintaining rapid 911 emergency *fire, police, and medical response*, repairing *streets and sidewalks*, upgrading storm drains, and maintaining *parks and coastal pathways*, shall the City of Pacific Grove adjust the existing transient occupancy tax from 10% to 12% *for hotels and motels and 15% for short-term rentals*, providing *\$1.37 million annually*, with independent financial audits and all funds to be used within the City of Pacific Grove?



# TOT Components

*Maintaining the City's emergency response, financial stability, and streets, parks, and coastal pathways are top priorities for voters. Emergency response was also the top priority in the 2016 poll.*



Top Projects (2016)	Extremely + Important
Providing clean drinking water	92%
Providing quality fire service	88%
Providing quality police service	88%
Providing Rapid Crime Responses	86%
Protecting and maintaining nature preserves in Pacific Grove	85%

Q14-22. I'm going to read you a list of items that could be funded with this measure. After each one, please rate how important that item is to you, using a scale 1 to 7, where 1 means not at all important, and 7 means extremely important.

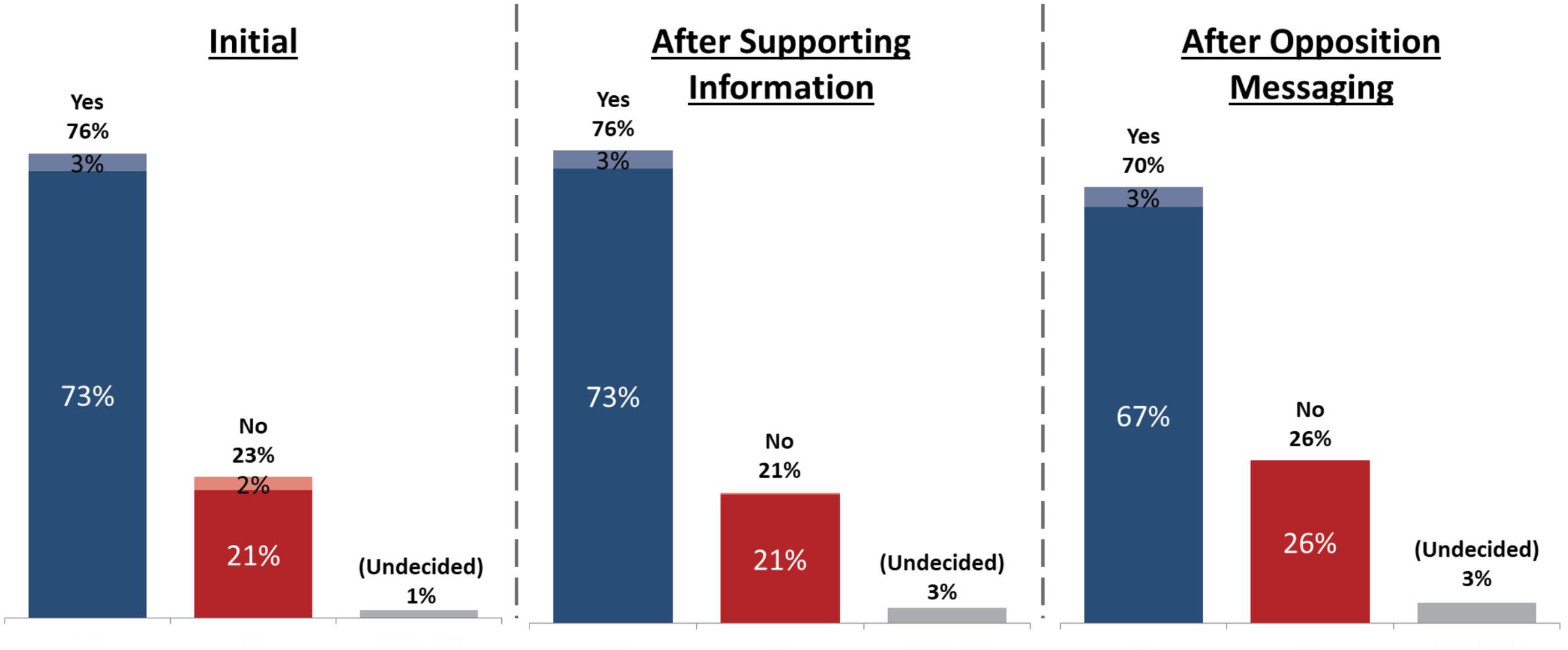
# Potential Messaging

*Additional information may have some impact on support for a measure.*

Top Supporting Information	Convincing
<p>Delaying maintenance and repairs to Pacific Grove’s local streets and roads only increases costs in the long-run, by as much as 10 times. This measure will help the City repair our deteriorating streets before the costs become even more expensive in the future.</p>	77%
<p>This measure includes strict accountability provisions such as public spending reports and annual independent financial audits. This measure will provide our City with a dedicated local source of funding to maintain city services that by law cannot be taken by the state, and all funds must be used only in Pacific Grove</p>	74%
<p>Pacific Grove’s streets are in disrepair, riddled with cracks, and in need of maintenance and repaving. This measure is needed to fix these hazardous road conditions and ensure our streets are safe.</p>	72%
<p>Every year, hundreds of thousands of visitors come to our area causing traffic gridlock, straining public safety services, impacting local natural habitats, and affecting our quality of life. This measure will ensure visitors pay their fair share for the services they use. Pacific Grove homeowners and property owners who are not guests would NOT be taxed under this measure.</p>	71%
Top Opposition Messages	Convincing
<p>There are no guarantees with this measure on how the funds will be spent. The money just goes into the City’s general fund where the City Council can use it for whatever they want.</p>	53%
<p>Hotels and short-term rentals are both part of the same tourism industry, they should be treated and taxed the same.</p>	49%
<p>Pacific Grove’s local inns and bed &amp; breakfasts are already suffering because of the rapid growth of short term rental properties here. Increasing the hotel tax will make it even worse for these valued local businesses.</p>	48%
<p>Too much of our hard-earned taxpayer money is going to pay for bloated public employee pensions. The City should tighten its belt and enact pension reform, not ask Pacific Grove voters to raise local taxes.</p>	48%

# Vote After All Information

After hearing all information, support for the measure remains well above the threshold needed for passage.



# Survey Conclusions

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- ▶ With awareness of the need and appreciation of the services the City provides, the environment for a revenue measure is favorable.
- ▶ The City has the support needed to consider moving forward with a transient occupancy tax measure in 2018.
- ▶ Key feasibility indicators have remained consistent since 2016, and the updated ballot language receives a similar level of support.
- ▶ Stakeholder and opinion leader engagement, coupled with a robust public information effort, will ensure the community has the opportunity to participate in the conversation as you consider whether or not to move forward with placing a measure on the ballot.



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