



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: CEO  
Department No.: 012  
For Agenda Of: January 27<sup>th</sup>, 2009  
Placement: Departmental  
Estimated Tme: 40 minutes  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Michael F. Brown, County Executive Officer  
Director  
Contact Info: Terri Nisich, Assistant County Executive Officer, 568-3412  
Xenia Tihomirova, Fiscal & Policy Analyst, 568-3421  
**SUBJECT:** **New County Jail – Northern Branch and Public Safety Services Tax Measure  
Increase Population Survey**

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**Other Concurrence:** Sheriff

As to form: Yes

**Recommended Actions:**

1. Receive and file the results of North County Jail/ Public Safety polling.
2. Set hearing for February 3, 2009 to consider ballot language and to consider possible placement on the May 12, 2009 or a future ballot.

**Summary Text:**

On November 4<sup>th</sup>, 2008, the Board was presented with a Fiscal Analysis report examining funding and financing options for the operations and construction of a new County Jail – Northern Branch. The analysis revealed that unless new revenues are found, in order to operate the new facility, the County's General Fund Allocations to other services would have to be reduced by 7% to 8%. Potential new revenue streams, generating the requisite amount of funds, were presented to the Board. Based on feasibility considerations to specifically fund the jail operations, sales tax and parcel tax were selected for further consideration. The construction cost of the proposed 304 bed facility is \$80.2 million and the annual operating cost of the facility is approximately \$13.2 million in today's dollars.

Per the direction of the Board on November 4<sup>th</sup>, 2008, to conduct polling and return to the Board with options regarding jail and broader public safety scenarios for consideration, a population survey regarding taxation for the new jail facility and public safety in general was conducted in January of

2009. The survey included a random sample of 600 Santa Barbara County registered voters and was conducted via a phone interview over a three day period. The following types of questions were posed to gather overall sentiment on issues.

1. Voter understanding of jail overcrowding conditions and consequences.
2. Voter willingness to tax themselves to fund additional jail construction and operation, Blue Ribbon Commission on Jail Overcrowding recommendations, and other public safety services.
3. Effect of the economy and State budget situation on the voter sentiment, including potential State sales tax increase.
4. Voter sentiment for a sales tax, parcel tax or blended program.
5. Voter sensitivity to magnitude of additional taxation.
6. Voter willingness to fund general public safety services including Sheriff, Fire, trauma care, etc.

The survey results showed the following trends in voter sentiment.

1. 60% of the voters say they have heard about jail overcrowding but far fewer link jail overcrowding with the necessity of early releases or alternative sentencing.
2. Inclusion of all Blue Ribbon Commission on Jail Overcrowding recommended actions regarding treatment and prevention programs increases voter approval rate.
3. Economic factors, such as the creation of new jobs due to construction and operation of the new jail and lower cost during this economic downturn, increase voter approval.
4. Current economic and State budget conditions, including potential State sales tax increase, negatively impact voter approval.
5. Sales tax or a combination of a lower rate sales tax and a parcel tax receive significantly higher approval than parcel tax alone.
6. A general tax measure incorporating public safety items is more likely to receive the requisite 50% approval than a special tax measure for jail only or a targeted public safety measure requiring super majority of 67%.
7. Significant education and outreach on issue is necessary to realize the requisite percent approval, regardless of pursuit of a special tax or a general tax.

All options pose significant challenges, given the polling results the following options are presented for consideration:

### General Tax Options

<b>OPTION 1: GENERAL 1/2 CENT SALES TAX INCREASE</b>
<p style="text-align: center;"><b>Description</b></p> <p>A general tax measure available to fund services including but not limited to general public safety services including fire prevention and suppression services, improved emergency services, Emergency Operations Center, emergency trauma care facilities, additional policing and a new, additional County jail facility.</p>
<p style="text-align: center;"><b>Election Consolidation Opportunities</b></p> <p>Can place measure on a General Election only. First available June 2010 but future elections are available.</p>
<p style="text-align: center;"><b>Fiscal Impact</b></p> <p style="text-align: center;">Increase of 1/2 cents Generates: \$30 M</p>
<p style="text-align: center;"><b>Pros</b></p> <ul style="list-style-type: none"> <li>• Provides full funding for jail, operations, augmentation to public safety services and trauma care</li> <li>• Provides opportunities for additional public safety funding i.e. fire, emergency operations, trauma care</li> <li>• Could be presented as a fully discretionary general tax available to fund public safety among other needs</li> <li>• Potential for a more favorable economic climate and greater certainty of State budget situation in out years</li> <li>• Sufficient time provided to fully examine measure, identify resources and develop comprehensive education and outreach program in preparation for a future election and thus more likely to meet with favorable voter approval</li> <li>• Feasible option given the January 2009 poll indicators regarding level of taxation</li> </ul>
<p style="text-align: center;"><b>Cons</b></p> <ul style="list-style-type: none"> <li>• June 2010 is the first general election for consideration of the measure</li> <li>• Board may be required to make decision regarding jail funding prior to next general election or later (uncertain given fluid nature of AB900)</li> <li>• General tax increase measures have not been well received by California voters in recent elections. (Note: the measure can also be proposed as a special tax on a general election)</li> </ul>

<b>OPTION 2: GENERAL SALES TAX AND PARCEL TAX COMBINATION</b>
<p style="text-align: center;"><b>Description</b></p> <p>A general measure available to fund services including but not limited to general public safety improvements including fire prevention and suppression services, improved emergency services, including an Emergency Operations Center, emergency trauma care facilities, additional policing and a new, additional County jail facility.</p>
<p style="text-align: center;"><b>Election Consolidation Opportunities</b></p> <p>Can place measure on a General Election only. First available June 2010 but future elections are available.</p>
<p style="text-align: center;"><b>Fiscal Impact</b></p> <p>Sales Tax increase of 1/4 cent &amp; a Parcel Tax increase of approx 0.25 cents per square foot. Generates: \$30 M</p>
<p style="text-align: center;"><b>Pros</b></p> <ul style="list-style-type: none"> <li>• Provides full funding for jail, operations, augmentation to public safety services and trauma care</li> <li>• Provides opportunities for additional public safety funding i.e. fire, emergency operations, trauma care</li> <li>• Could be presented as a fully discretionary general tax available to fund public safety among other needs</li> <li>• Potential for a more favorable economic climate and greater certainty of State budget situation in out years</li> <li>• Sufficient time provided to fully examine measure, identify resources and develop comprehensive education and outreach program in preparation of a future election and thus more likely to meet with favorable voter approval</li> <li>• Feasible option given the January 2009 poll indicators regarding level of taxation</li> <li>• Preserve larger portion of sales tax for additional needs in future years</li> </ul>
<p style="text-align: center;"><b>Cons</b></p> <ul style="list-style-type: none"> <li>• June 2010 is the first general election for consideration of the measure</li> <li>• Board may be required to make decision regarding jail funding prior to next general election or later (uncertain given fluid nature of AB900)</li> <li>• General tax increase measures have not been well received by California voters in recent elections. (Note: the measure can also be proposed as a special tax on a general election)</li> <li>• Inherent complexity of linking a sales tax and a parcel tax on a single measure</li> </ul>

## Special Tax Options

<b>OPTION 3: SPECIAL 1/2 CENT SALES TAX INCREASE</b>
<p style="text-align: center;"><b>Description</b></p> <p>A special tax measure providing for a new County jail facility operations funding, Jail Overcrowding Prevention Commission, drug and other rehabilitative programs, and targeted public safety enhancements.</p>
<p style="text-align: center;"><b>Election Consolidation Opportunities</b></p> <p>Place measure on a General Election or a Special Election. First two available elections are June 2009 Special Election and a June 2010 Special Election but future elections are available.</p>
<p style="text-align: center;"><b>Fiscal Impact</b></p> <p style="text-align: center;">Increase of 1/2 cent Generates: \$30 M</p>
<p style="text-align: center;"><b>Pros</b></p> <ul style="list-style-type: none"> <li>• Provides full funding for jail, operations, augmentation to public safety services and trauma care</li> <li>• Ability to participate in Spring 2009 State Special Election</li> <li>• Polling reflects support of rehabilitative and public safety components in conjunction with jail</li> <li>• Engages municipalities and provides opportunity for direct funding of safety services</li> </ul>
<p style="text-align: center;"><b>Cons</b></p> <ul style="list-style-type: none"> <li>• Significant education outreach required to achieve 67% voter approval</li> <li>• Time constraints (4 months until election)</li> <li>• Resources not identified for the election and public outreach</li> <li>• Board action to consolidate with proposed State Special Election as well as adopted ballot language required on February 3rd, 2009</li> <li>• State likely to place 1 ½ cent sales tax increase measure on the same ballot</li> <li>• Current economic crisis shown to have direct impact on voter approval</li> </ul>

<b>OPTION 4: SPECIAL 1/4 CENT SALES TAX INCREASE</b>
<p style="text-align: center;"><b>Description</b></p> <p>A special tax measure providing for an additional new County jail facility operations funding.</p>
<p style="text-align: center;"><b>Election Consolidation Opportunities</b></p> <p>Place measure on a General Election or a Special Election. First two available elections are June 2009 Special Election and a June 2010 Special Election but future elections are available.</p>
<p style="text-align: center;"><b>Fiscal Impact</b></p> <p style="text-align: center;">Increase of 1/4 cent Generates: \$15 M</p>
<p style="text-align: center;"><b>Pros</b></p> <ul style="list-style-type: none"><li>• Provides full funding for jail operations</li><li>• Ability to participate in Spring 2009 State Special Election</li><li>• Lower sales tax option receives higher approval rating based on poll yet still significantly below 67% requirement needed</li><li>• Preserve larger portion of sales tax for additional needs in future years</li></ul>
<p style="text-align: center;"><b>Cons</b></p> <ul style="list-style-type: none"><li>• Significant education outreach required to achieve 67% voter approval</li><li>• Time constraints (4 months until election)</li><li>• Resources not identified for the election and public outreach</li><li>• Board action to consolidate with proposed State Special Election as well as adopted ballot language required on February 3rd, 2009</li><li>• State likely to place 1 ½ cent sales tax increase measure on the same ballot</li><li>• Current economic crisis shown to have direct impact on voter approval</li><li>• Poll indicated greater opportunity for approval when linked with other public safety efforts</li></ul>

<b>OPTION 5: SPECIAL SALES TAX AND PARCEL TAX COMBINATION</b>
<b>Description</b>
A special tax measure providing for a new County jail facility operations funding, Jail Overcrowding Prevention Commission, drug and other rehabilitative programs, and targeted public safety enhancements.
<b>Election Consolidation Opportunities</b>
Place measure on a General Election or a Special Election. First two available elections are June 2009 Special Election and a June 2010 Special Election but future election are available.
<b>Fiscal Impacts</b>
Sales Tax Increase of 1/4 cent & a Parcel Tax increase of approx 0.25 cents per square foot. Generates: \$30 M
<b>Pros</b>
<ul style="list-style-type: none"> <li>• Provides full funding for jail, operations, augmentation to public safety services and trauma care</li> <li>• Ability to participate in Spring 2009 State Special Election</li> <li>• Preserve larger portion of sales tax for additional needs in future years</li> <li>• Engages municipalities and provides opportunity for direct funding of safety services</li> </ul>
<b>Cons</b>
<ul style="list-style-type: none"> <li>• Significant education outreach required to achieve 67% voter approval</li> <li>• Time constraints (4 months until election)</li> <li>• Resources not identified for the election and public outreach</li> <li>• Board action to consolidate with proposed State Special Election as well as adopted ballot language required on February 3rd, 2009</li> <li>• State likely to place 1 ½ cent sales tax increase measure on the same ballot</li> <li>• Current economic crisis shown to have direct impact on voter approval</li> <li>• Complexity of linking a sales tax and a parcel tax on a single measure</li> <li>• Composing feasible ballot measure with blended funding for February 3, 2009 deadline highly unlikely. Full data not available to structure.</li> </ul>

In assessing the pros and cons of the options explored, it is recommended that additional research be conducted on the feasibility of both a general tax measure including public safety options and that further research be conducted on a special tax for jail operations and public safety services for placement on a future ballot. Further, it is recommended that staff return to the Board of Supervisors 90 days with a

comprehensive strategy and identification of resources required to pursue such measures. It is not recommended that a special tax measure, requiring 67% voter approval be initiated for the proposed May 2009 Special Election. Given the polling data on multiple options explored, the need for extensive outreach, identification of resources, the requisite super majority required for a special tax and, finally, the time constraints to affect a campaign, it is recommended that consideration of any measure be forwarded to a future election.

Overall, the following rules apply to the Board's discretion to join or hold an election for a special tax or a general tax measure. An initiative for a sales tax increase or a parcel tax may be placed on a ballot by a Board of Supervisors Resolution requiring four votes. The Board may call for a County Special Election or join either the anticipated State Special Election in May 2009 or a future General Election.

A Special Tax initiative may be placed on a Special Election or a General Election. "Special tax" is defined by Proposition 218 as any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund. A Special Tax requires 2/3 voter approval.

A General Tax initiative may be placed on a General Election only, where a Supervisor is on the ballot for election, or on any other election (including Special Elections) if the Board declares an emergency. "General tax" is defined by Proposition 218 as any tax imposed for general governmental purposes. A General Tax requires a majority vote.

The State has not yet announced the date but has indicated that it will hold a Special Election in May or June of 2009. Given the anticipated election dates, in order to ensure compliance with statutory requirements of notice, if the Board elects the options to consolidate with the 2009 State Special Election, it will be required to pass a Resolution to consolidate with the Special Election and the ballot language by February 3<sup>rd</sup>, 2009.

**Background:**

Due to overcrowded conditions of the jail, in 2007, the Sheriff convened a Blue Ribbon Commission on Jail Overcrowding consisting of professionals from the community who work with the local at risk population impacting the jail population. The Blue Ribbon Commission made the following statement and recommendations:

"A blended strategy, which includes prevention, intervention and recovery programs as well as enforcement, is the core of the Commissions' recommendations. Key social issues such as mental illness, homelessness, substance abuse and gang involvement directly impact jail overcrowding, but cannot be dealt with by building more jail capacity alone. Therefore, the Commission recommends a strategy that addresses both the capacity of the jail system and implementation of effective means to deal with these social issues. Recommendations 1 through 4 address this strategy.

1. Increase jail system capacity by building a 300-bed jail facility in the North County.
2. Invest in prevention, intervention, and recovery programs that address key factors contributing to crime and imprisonment.
3. Invest in new and enhance existing community corrections programs.



4. The Commission recommends an initial \$5.8 million per year be invested in jail overcrowding prevention funding (for Recommendations 2 and 3)

In March 2008, an application was submitted for AB 900 State grant to fund a proposed 304 bed facility in the North County, addressing recommendation 1 of the Blue Ribbon Commission. A land site for the project was acquired and the County has received a conditional award in the amount of \$56.3 million for construction of the facility, which amounts to approximately 75% of the total \$80.2 million construction cost.

The grant opportunity, if the State proceeds with AB 900, presents a valuable contribution toward the construction cost of the project; however, one of the conditions of the grant is that the County is obligated to begin operation of the facility within 90 days of completion of the project. The operating cost, estimated at \$13.2 million in today's dollars and rising to approximately \$17.4 million by the time operation is expected to begin in Fiscal Year 2013-2014, remains to be the most significant challenge.

Given the Board direction to further examine funding options for ongoing operations of the new jail and other public safety, emergency needs, and recidivism prevention needs, the population survey was conducted.

The survey evaluated the public's opinion on increasing taxes in general as well as parcel tax and sales tax in particular. The survey also evaluated the public's opinion and willingness to increase taxes to fund additional jail construction, operations and recidivism prevention programs as well as willingness to fund emergency operations, trauma care, fire protection services, and public safety in general.

**Fiscal Analysis:**

- The cost of consolidating with a State Special Election is estimated at approximately \$200,000 but may vary based on pool of contest. The cost of consolidating with a General Election is approximately \$80,000 and the cost of holding a countywide election only is approximately \$1.5 million. These estimates do not include public outreach education expenses which could reach \$400,000.
- The amounts of sales tax generated are estimates and will vary based on market conditions. The amount of parcel tax generated may be linked to the Consumer Price Index and will vary accordingly.

**Attachments: Authored by:** Xenia Tihomirova, Fiscal & Policy Analyst, 568-3421

**cc:**