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FUTURE

Potential Tax Measures and Polling Efforts

OCTOBER 10, 2023

BOARD OF SUPERVISORS

Presentation Overview

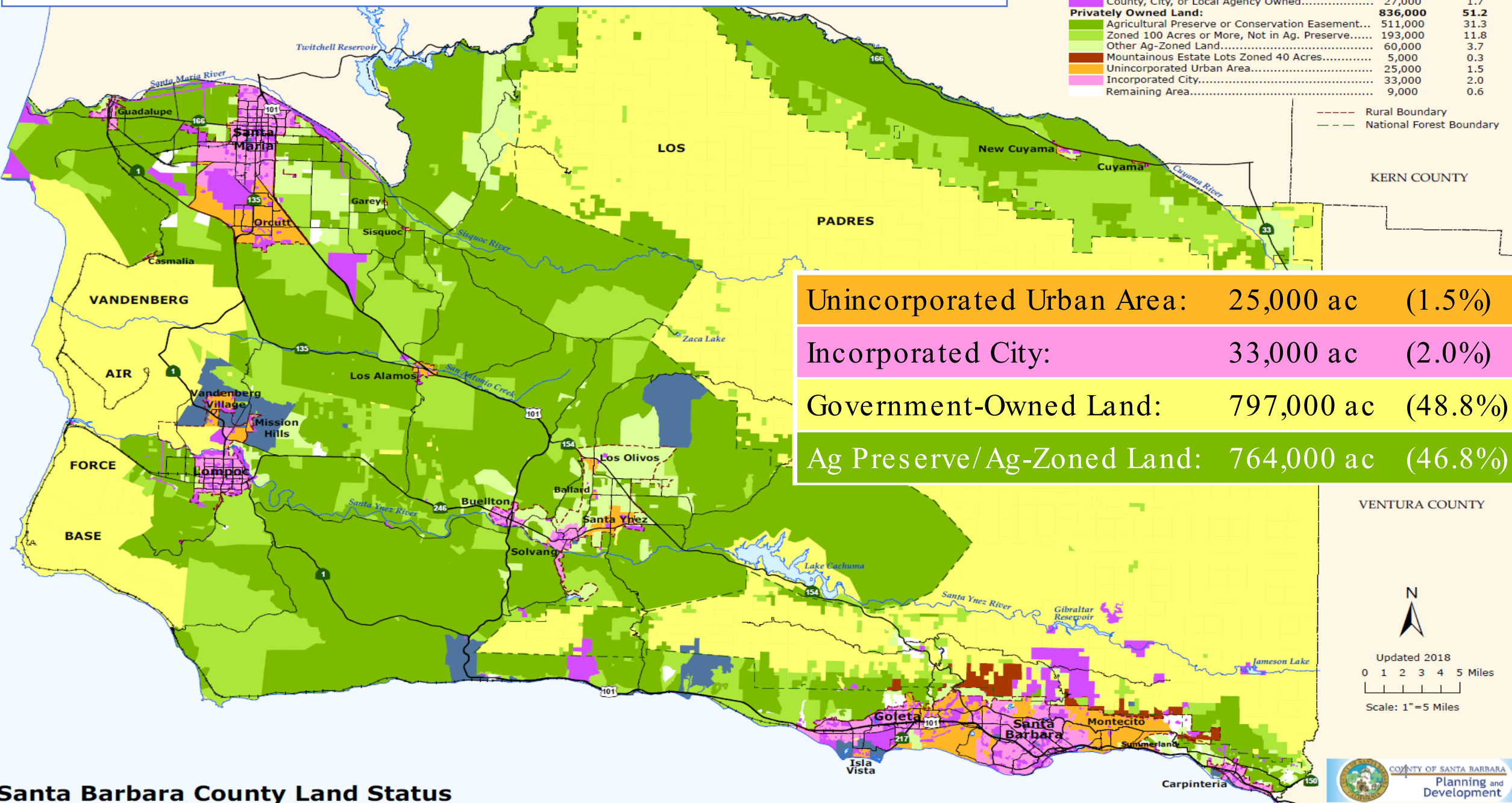
- Background
- Board Direction Overview
- Tax Measure Options
 - 3 Options:
 1. A **general** purpose **sales** tax in the unincorporated county for general purposes
 2. A **special** countywide **sales** tax to fund libraries
 3. A **special** countywide **parcel** tax to fund libraries
- Process/Timeline

Background

- Continued financial needs faced by the county for facilities, including operation of the Northern Branch Jail, fire safety improvements, reduction of deferred maintenance backlog, and increased employee costs
- Finances are stable; revenue is just keeping pace
- It's increasingly more expensive to operate
- Need to look for potential new revenue

County land is largely agricultural or federally-owned.

	Acreage	% of County
Government Owned Land:	797,000	48.8
Federally Owned.....	749,000	45.9
State or UC Owned.....	21,000	1.3
County, City, or Local Agency Owned.....	27,000	1.7
Privately Owned Land:	836,000	51.2
Agricultural Preserve or Conservation Easement....	511,000	31.3
Zoned 100 Acres or More, Not in Ag. Preserve.....	193,000	11.8
Other Ag-Zoned Land.....	60,000	3.7
Mountainous Estate Lots Zoned 40 Acres.....	5,000	0.3
Unincorporated Urban Area.....	25,000	1.5
Incorporated City.....	33,000	2.0
Remaining Area.....	9,000	0.6



Unincorporated Urban Area:	25,000 ac	(1.5%)
Incorporated City:	33,000 ac	(2.0%)
Government-Owned Land:	797,000 ac	(48.8%)
Ag Preserve/Ag-Zoned Land:	764,000 ac	(46.8%)

VENTURA COUNTY



Updated 2018
 0 1 2 3 4 5 Miles
 Scale: 1" = 5 Miles

Santa Barbara County Land Status

Board Direction Overview

- During the April budget workshops, staff presented a Special Issue – Tax Revenue Measures
- Board directed staff to retain a polling firm to look at viability of a new tax
- Staff received further direction from Board at May 9th hearing in support of County Library Ad Hoc Committee recommendations
- Board expressed interest in additional funding for flood control efforts
- Additional direction to review and potentially replace cannabis tax revenue structure through a ballot measure



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Tax Measure Options

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Tax Measure Option 1

General Sales Tax for General Purposes

- Requires 4/5 vote of the Board to place on the ballot
- Must be approved by a simple majority of voters
- Can be used for any purpose the County funds, examples include: libraries, address homelessness, increased workforce housing, public safety, climate change initiatives, road maintenance and capital improvements, veteran services, flood control improvements, economic development, parks, and trails

General Sales Tax in Santa Barbara County

2023 Total Tax	7.75%
State Share	6.00%
Roads/Transportation	0.25%
Measure A (SBCAG)	0.50%
Local Share	1.00%

Local Share = \$15.1M in FY 2324

Jurisdiction	Tax Rate
Santa Barbara County	7.75%
Buellton	7.75%
Carpinteria	9.00%
Goleta	8.75%
Guadalupe	8.75%
Lompoc	8.75%
Santa Barbara	8.75%
Santa Maria	8.75%
Solvang	8.75%

Sales Tax Revenue Estimates

Increase	Proposed Rate	Estimated Annual Revenue Impact	Total Estimated Sales Tax
0.25%	8.00%	\$ 3.77M	\$ 18.85M
0.50%	8.25%	\$ 7.54M	\$ 22.62M
0.75%	8.50%	\$ 11.31M	\$ 26.39M
1.00%	8.75%	\$ 15.08M	\$ 30.16M

Estimated to generate \$3.77M for every quarter-cent increase to the existing sales tax of 7.75%

Tax Measure Options 2 and 3

Special Sales Tax for Special Purpose - Libraries

- Requires 4/5 vote of the Board to place on the ballot
- Must be approved by a 2/3 of voters
- Can be only be used for a dedicated purpose

Special Parcel Tax for Special Purpose - Libraries

- Requires 3/5 vote of the Board to place on the ballot
- Must be approved by a 2/3 of voters
- Can be only be used for a dedicated purpose

Library Funding

- Local governments primary funders of California libraries since early 2010s
- The Board has provided discretionary general fund dollars to support a regional system
- Local libraries have faced chronic budget shortfalls for over a decade, County's Library Ad Hoc Committee created to address persistent budget challenges
- The countywide library system is a complex partnership between the County and the cities
- The Cities of Santa Maria, Santa Barbara, Lompoc, Goleta, and Carpinteria ("Managing Cities") each have municipal libraries funded and governed by their City Councils
- The County contributes funding to these libraries, and contracts with four of the five Managing Cities to manage libraries in the cities of Guadalupe, Buellton, Solvang, and in the unincorporated communities of Orcutt, Los Alamos, Vandenberg Village, Cuyama, and Montecito

Current Library Funding by Zone/Branch

FY 23-24 Budget			
	City	County	Measure L
Zone 1			CSA 3
City of Santa Barbara:			
Main/Eastside	\$ 4,509,664	\$ 793,765	
Unincorporated:			
Montecito	\$ 104,514	\$ 360,924	
Subtotal	\$ 4,614,178	\$ 1,154,689	\$ -
Zone 2			
City of Lompoc	\$ 992,411	\$ 434,374	
Unincorporated:			
Vandenburg Village	\$ 17,819	\$ 132,270	
Subtotal	\$ 1,010,230	\$ 566,644	\$ -
Zone 3			
City of Santa Maria	\$ 1,759,581	\$ 1,021,486	
Bookmobile	\$ 22,228	\$ -	
Unincorporated:			
Orcutt	\$ 87,656	\$ 389,544	
Cuyama	\$ 22,680	\$ 28,948	
Guadalupe	\$ 50,296	\$ 105,862	
Los Alamos	\$ 80,090	\$ 50,450	
Subtotal	\$ 2,022,531	\$ 1,596,290	\$ -
Zone 4			
City of Goleta	\$ 798,100	\$ 562,397	\$ 600,000
City of Buellton	\$ 228,830	\$ 161,891	
City of Solvang	\$ 254,967	\$ 186,265	
Unincorporated:			
Isla Vista	\$ -	\$ 238,594	
Subtotal	\$ 1,281,897	\$ 1,149,147	\$ 600,000
Zone 5			
City of Carpinteria	\$ 575,676	\$ 146,831	
Subtotal	\$ 575,676	\$ 146,831	\$ -
TOTAL	\$ 9,504,512	\$ 4,613,601	\$ 600,000

Total Funding = \$14.7M

Countywide Sales and Parcel Tax Revenue Estimates

Jurisdiction	Estimated Revenue Increase (.125%)	New Tax Rate
City of Santa Maria	\$2,000,334	8.875%
City of Santa Barbara	\$1,816,092	8.875%
Unincorporated – County	\$1,885,213	7.875%
City of Goleta	\$545,379	8.875%
City of Lompoc	\$408,832	8.875%
City of Buellton	\$442,010	7.875%
City of Carpinteria	\$332,911	9.125%
City of Solvang	\$123,789	8.875%
City of Guadalupe	\$34,340	8.875%
Countywide Totals	\$7,588,898	

Jurisdiction	No. of Parcels (2022)	Estimated Revenue \$60/parcel
City of Santa Maria	24,575	\$1,474,500
City of Santa Barbara	25,268	\$1,516,080
Unincorporated - County	49,847	\$2,990,820
City of Goleta	10,094	\$605,640
City of Lompoc	11,052	\$663,120
City of Buellton	2,164	\$129,840
City of Carpinteria	5,013	\$300,780
City of Solvang	2,348	\$140,880
City of Guadalupe	2,123	\$127,380
Countywide Totals	132,484	\$7,949,040



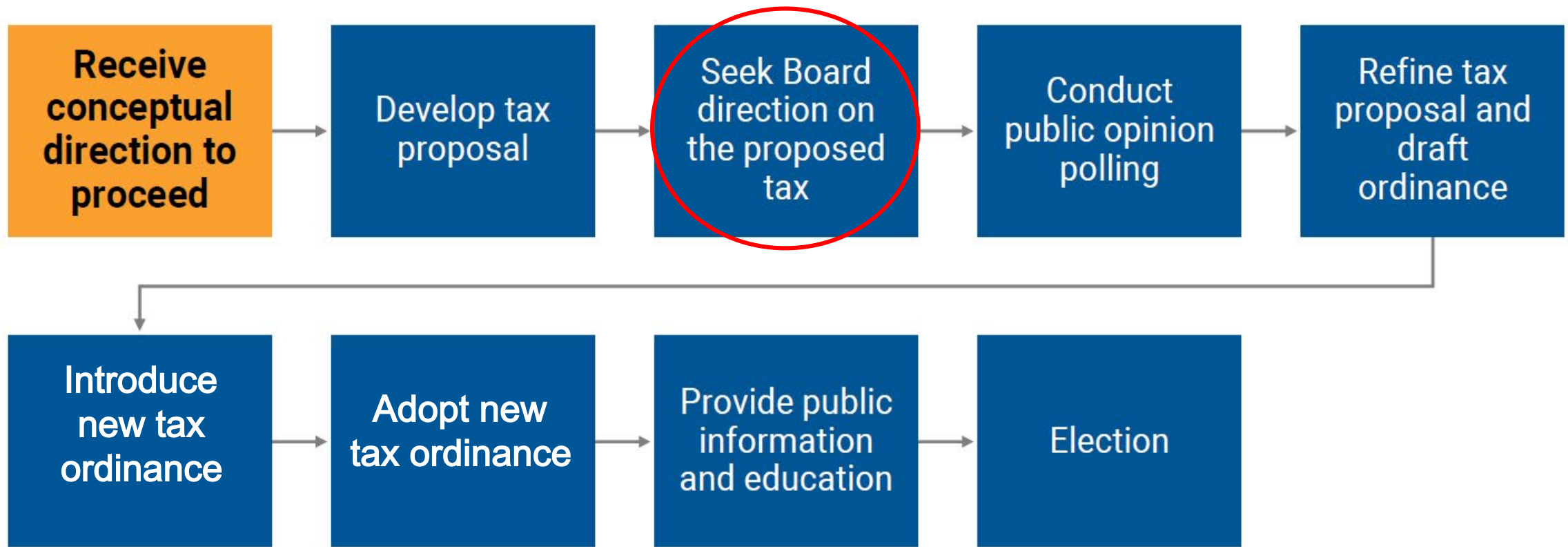
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Process and Timeline

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BOARD OF SUPERVISORS

Tax Measure Development Process



Timeline

October 10, 2023:	Seek Board direction on the proposed tax*
November 2023:	Conduct public opinion polling
<i>December 2023</i>	<i>Provide update to Library Ad Hoc Committee and city managers regarding library polling results; solicit input and recommendations for next steps</i>
January 2024:	Refine tax proposal and draft ordinance*
<i>Jan – April 2024:</i>	<i>Coordinate with city staff and councils on any countywide tax measure proposals</i>
May 7, 2024:	Introduce new tax ordinance(s)*
May 21, 2024:	Adopt new tax ordinance(s)*
June – October 2024:	Provide public information and education
November 7, 2024:	Election

*Board Decision Points/ Action

Italicized items indicate external coordination with cities and Library Ad Hoc Committee

Polling

- Hired polling firm Fairbank, Maslin, Maullin, Metz & Associates Research (FM3 Research)
- Conduct survey research to examine voter attitudes toward various funding measures
- Polling for a general sales tax with likely voters in the unincorporated County; will indicate interest in paying additional sales tax, up to one-percent and for which purposes
- Purposes can be for anything the county funds:
 - libraries
 - address homelessness
 - increased workforce housing
 - public safety
 - climate change initiatives
 - flood control
 - veteran services
 - economic development
 - parks and trails
 - road maintenance and capital improvements
- Polling for a special sales or parcel tax for libraries with likely voters countywide; will indicate interest in paying various rates of additional sales tax, up to one-eighth percent; or a flat parcel tax up to \$60 per parcel.

Recommendations

That the Board of Supervisors:

a) Receive an update on efforts to develop a tax measure(s) to be placed on the November 2024 general election ballot;

b) Direct staff to conduct polling for the following potential sales or parcel tax measures:

1. **Sales tax** measure for **special** revenue purposes – libraries; countywide, and
2. **Sales tax** measure for **general** revenue purposes; unincorporated county,
3. **Parcel tax** measure for **special** revenue purposes – libraries; countywide, or

c) Provide other direction, as appropriate; and

d) Determine that pursuant to CEQA Guidelines section 15378(b)(5) the above actions are not a project subject to CEQA review because they are administrative activities that will not result in direct or indirect physical changes in the environment.



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Questions?

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