



Agenda Report

23-913

Agenda Date: 7/18/2023

REPORT TO COUNCIL

SUBJECT

Action on a Written Petition (Council Policy 030) Submitted by Councilmember Jain to Appropriate Funds to Support the Work of the Charter Review Committee as well as Strategic Policy Analysis, Voter Research, Community Engagement and Other Related Costs Associated with Election Activities and Potential Ballot Measures in 2024

COUNCIL PILLAR

Enhance Community Engagement and Transparency

BACKGROUND

At its meeting of July 11, 2023, the City Council took action to consider the 030 Written Petition submitted by Councilmember Jain to establish a budget for the Charter Review Committee as well as funding for research, community engagement, and other costs associated with the potential placement of measures on the ballot in March 2024. In considering this petition, the City Council requested that staff return on July 18, 2023 with a proposed budget amendment to fund these, and other related outreach efforts, in support of potential election activities for 2024.

The purpose of this report is to provide the City Council with an overview of the projected costs as well as related budget amendment information should the City Council wish to take that action.

DISCUSSION

On July 6, 2023, the City Council voted to establish a Charter Review Committee ("Committee") for the purposes of evaluating and recommending whether an amendment to the City Charter to change the positions of Police Chief and City Clerk from elected to appointed positions should be placed before the voters on a March 2024 ballot.

At its July 11, 2023 meeting, the City Council voted to consider a written petition from Councilmember Jain to prepare a budget amendment that would establish funding to support the work of the Committee as well as other outreach and election costs related to the possible placement of two measures before the voters in March 2024. As part of its discussion, the Council also requested that staff include costs for similar expenses for the November 2024 election.

Election Costs

The Santa Clara County Registrar of Voters is responsible for projecting the costs for placement of items on the ballot. Should the City decide to proceed with an election in March 2024 to amend the City Charter, that election would be considered a special election.

As noted in the July 6, 2023 staff report (RTC 23-748), the ROV has estimated the cost for two

measures on the March 5, 2024 ballot to be approximately \$362,000. In addition to this amount, the City would incur approximately \$60,000-70,000 for costs associated with printing, translation services, the publication of notices, another other related costs for a total of approximately \$432,000.

The Adopted FY 2023/24 Budget includes funding in the amount of \$360,000 to support election costs. Based on the preliminary information provided by the Registrar of Voters, an additional \$72,000 will be needed should the Council decide to place two measures on the March 2024 ballot. It is important to note that the costs of a special election tend to be higher as there are fewer agencies with whom costs are shared. It is also important to note that the projected cost of \$432,000 is a preliminary estimate subject to change should other agencies choose to place items on a March ballot.

For the November 2024 regular election, costs will be shared among a greater number of agencies. While the Registrar of Voters has not yet provided an estimate of costs for a November 2024 ballot, the cost for the City's November 2022 ballot which included Mayoral and Council elections, two ballot measures and related legal publications was \$398,137. The Adopted FY2024/25 Budget includes funding in the amount of \$420,000 which should be sufficient to cover the November 2024 election-related costs.

Outreach, Engagement & Policy Analysis

During deliberations on the proposed budget, the Council indicated a desire to consider revenue measures on the November 2024 ballot. In the fall, a study session will be held to provide the City Council with updated information on unfunded needs as well as various policy options should the Council wish to pursue potential revenue measures on the November 2024 ballot.

Given the Council's prior direction to ensure that there is sufficient funding to conduct the strategic policy analysis, voter research, and the community engagement necessary to ensure the proper vetting of proposed ballot measures as well as the current request to consider a budget amendment to support the work of the Charter Review Committee, the following table provides a summary of potential costs for Council's consideration.

It is important to note that the proposed schedule of costs for the November ballot measures includes costs for a follow-up voter research poll that is not included in the projected costs for a March election. This is based on the assumption that an initial poll may be needed to evaluate community preferences on revenue options and a follow-up survey to evaluate the need for additional voter education once specific revenue measures have been identified.

Expense	
Strategic consulting services for elections	\$93,840
Subtotal	\$93,840
March Election*	
Voter Research Initial Polling	\$67,850
Community Engagement	\$28,750

Graphic Design/Other Services	\$11,500
Subtotal	\$108,100
November Election*	
Voter Research Initial Polling	\$67,850
Voter Research Follow-Up Poll - If Needed	\$48,415
Community Engagement	\$28,750
Graphic Design/Other Services	\$11,500
Subtotal	\$156,515
Total	\$358,455

*Actual costs will depend on future decisions by the City Council on voter polling and final decisions to place measures on the March and/or November ballots.

The line item funding is based on the expenses incurred in the most recent voter education and outreach efforts, escalated by 15% to allow for both increased cost and a contingency should additional services be required.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

Should the Council wish to appropriate funding to place two measures on a March 2024 ballot, an additional \$72,000 should be appropriated. In addition, should the Council wish to appropriate funding for the outreach, engagement and policy analysis activities noted above, an additional \$358,455 should also be appropriated. With this in mind, a total budget amendment in the amount of \$430,455 would be needed. Funding is available in the General Fund FY 2023/24 Budget Balancing Reserve for this purpose.

Budget Amendment FY2023/2024

	Current	Increase/ (Decrease)	Revised
General Fund (001)			
<u>Expenditures</u>			
City Clerk’s Office	\$1,947,261	\$72,000	\$2,019,261
City Manager’s Office	\$5,410,204	\$358,455	\$5,768,659
FY 2023/24 Budget Balancing Reserve	\$911,944	(\$430,455)	\$481,489

COORDINATION

This item has been coordinated with the Finance Department and the offices of the City Clerk and City Attorney.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

ALTERNATIVES

1. Provide direction, and approval of a FY 2023/24 budget amendment in the General Fund, if appropriate, to increase the City Clerk's Office budget by \$72,000, increase the City Manager's Office budget by \$358,355, and decrease the FY 2023/24 Budget Balancing Reserve by \$430,455 to support strategic policy analysis, voter research, community engagement (including support for the Charter Review Committee) as well as related costs for potential March and November 2024 ballot items. **(five affirmative Council votes required for the use of unused balances).**
2. Provide direction on a proposed FY 2023/24 General Fund budget amendment from the FY 2023/24 Budget Balancing Reserve solely to increase the City Clerk's FY2023-24 budget appropriation for election related costs from \$360,000 to \$432,000. This alternative would not provide funding for outreach, engagement or policy analysis. **(five affirmative Council votes required for the use of unused balances).**
3. Take no budget amendment action.
4. Other action as deemed appropriate by Council.

RECOMMENDATION

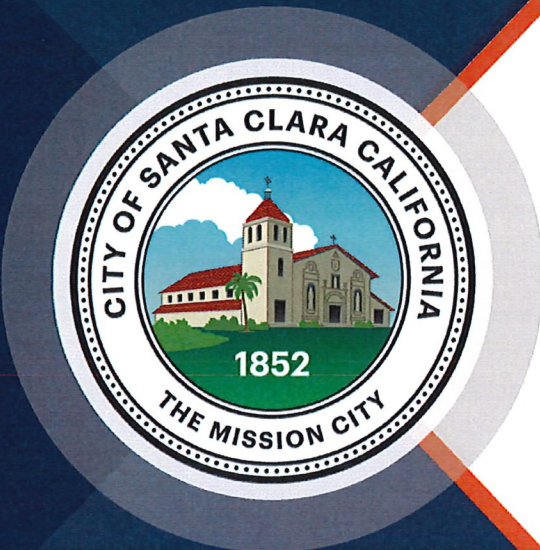
1. Alternative 1: Provide direction, and approval of a FY 2023/24 budget amendment in the General Fund, if appropriate, to increase the City Clerk's Office budget by \$72,000, increase the City Manager's Office budget by \$358,355, and decrease the FY 2023/24 Budget Balancing Reserve by \$430,455 to support strategic policy analysis, voter research, community engagement (including support for the Charter Review Committee) as well as related costs for potential March and November 2024 ballot items. **(five affirmative Council votes required for the use of unused balances).**

Reviewed by: Cynthia Bojorquez, Assistant City Manager

Approved by: Jōvan D. Grogan, City Manager

7/18/2023

ITEM 7



City Council


Item 7 RTC 23-913

Action on Written Petition (Council Policy 030) to Appropriate Funds to Support the Work of the Charter Review Committee as well as Strategic Policy Analysis, Voter Research, Community Engagement & Other Related Costs Associated with Election Activities and Potential Ballot Measures in 2024

July 18, 2023

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CB1



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Background

- **June 11 Council Action**
 - Bring forward for consideration the written petition to establish a budget for the Charter Review Committee as well as strategic policy analysis, voter research, community engagement and other related costs to support a March 5, 2024 election should the City Council decide to call for an election in November 2023
 - At the July 18 meeting, the City Council also discussed bringing forward appropriation actions to support this work as well as work related to potential ballot measures and elections in November 2024

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POST MEETING MATERIAL

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Slide 2

CB1

Cynthia Bojorquez, 7/17/2023




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Background

- Election costs set by Registrar of Voters (ROV) based on number of participating agencies and items to be considered on the ballot
- Special elections tend to be more expensive as there are fewer agencies with whom to share the cost. March 2024 would be a special election
- Cost estimates for a March election assume up to two measures and associated costs for outreach and legal publication
- Estimates for a November 2024 election assume a regular general election with up to two ballot measures and district Council elections

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Cost Overview

Item	Cost Est.	Budgeted	Variance
Special March 2024 election (two measures & associated legal publications & outreach)	\$432,000	\$360,000	(\$72,000)
Community Engagement and Research for March 2024 election	\$108,100	0	(\$108,100)
Special November 2024 election (two measures, district elections & associated legal publications & outreach)	\$420,000	\$420,000	TBD*
Voter Research, Community Engagement for November 2024 election	\$156,515	0	(\$156,515)
Strategic Consulting Services for both elections	\$93,840	0	(\$93,840)
Total	\$1,210,455	\$780,000	\$430,455

*Subject to change based on charges from the Registrar of Voters

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Considerations

- The City's adopted two-year budget includes partial funding for both a March and a November 2024 election
 - FY2023/24 budgeted amount assumed subsequent funding request in the fall should Council ultimately decide to place measures on a March 2024 ballot
- Projected costs for November 2024 have not yet been calculated by ROV
 - Estimates are based on 2022 election costs, adjusted by 15% to account for cost increases and contingencies
 - Assumes additional voter research related to potential revenue measures
 - Staff plans to submit a request for funding in the fall to support potential measures for the November 2024 ballot including consultant services to conduct voter research, strategic policy analysis and community engagement
- Funding for the additional need of \$430K is available in the General Fund FY2023/24 Budget Balancing Reserve

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Alternatives

- **Option 1:** Provide direction and approval of a FY2023/24 budget amendment in the General Fund, if appropriate, to increase the City Clerk's Office budget by \$72,000, increase the City Manager's Office budget by \$358,355 and decrease the FY 2023/24 Budget Balancing Reserve by \$430,455 to support strategic policy analysis, voter research, community engagement (including Charter Review Committee) as well as related costs for potential March and November 2024 ballot items. **(five affirmative votes required for the use of unused balances)**
- **Option 2:** Provide direction on a proposed FY2023/24 General Fund budget amendment from the FY 2023/24 Budget Balancing Reserve solely to increase the City Clerk's budget appropriation for election-related costs from \$360,000 to \$432,000. This alternative would not provide funding for outreach, engagement or policy analysis. **(five affirmative Council votes required for the use of unused balances)**
- **Option 3:** Take no budget amendment action
- **Option 4:** Other action as deemed appropriate by Council

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Recommendation

- **Option 1:** Provide direction and approval of a FY2023/24 budget amendment in the General Fund, if appropriate, to increase the City Clerk's Office budget by \$72,000, increase the City Manager's Office budget by \$358,355 and decrease the FY 2023/24 Budget Balancing Reserve by \$430,455 to support strategic policy analysis, voter research, community engagement (including Charter Review Committee) as well as related costs for potential March and November 2024 ballot items. **(five affirmative votes required for the use of unused balances)**