To: City of Santa Clara
From: Lew Edwards Group with EMC Research
Date: June 29, 2018
Re: Brief Overview of Revenue Opinion Research pending July 5th Public Report of Findings

Summary of Revenue Measure Survey of November 2018 Likely Voters: The survey conducted by EMC Research this month assessed the viability of two potential local, City of Santa Clara funding options. Survey results indicate that a Commercial Cannabis Revenue Measure (simple majority requirement) is potentially viable for November 2018. Unfortunately, results also show that a potential City Bond measure (2/3s requirement) is not viable this year as it does not surpass a majority of support outside the Margin of Error by the end of the study.

Throughout the survey, viability of a potential simple-majority requirement Commercial Cannabis Revenue Measure resonates in excess of the required passage rate--reaching nearly 70% viability at its high-water mark.

Consistent with other recent surveys conducted in the City, the June study shows that respondents have positive perceptions about the City. Sixty-three percent of respondents believe the City is headed in the right direction; 64% believe that the City does an excellent/good job overall. Majorities believe the City is spending local tax dollars responsibly and say that the City focuses on resident priorities. Finally, 65% of respondents perceive that the City has great/some need for additional funding. Priorities identified by the public for use of cannabis measure revenue include the following:

- ✓ Maintaining rapid 9-1-1 emergency response times (90% important)
- ✓ Prevent cuts to the number of firefighters and police officers (87% important)
- ✓ Repairing streets and fixing potholes (84% important)
- ✓ Maintaining essential city services (81% important)

Summary of Scientific Focus Groups: At the City's request, two scientific focus groups of randomly selected November 2018 voters were conducted on the evening of June 28th to further evaluate voter perspectives on overall city and commercial cannabis revenue-related issues. Commercial Cannabis Revenue Measure issues identified by focus group participants included, among others: very positive reactions that this type of funding mechanism is not otherwise a tax on homeowners, property owners or residents; a desire that Measure revenue supports community priorities for services; and questions about how this type of mechanism affects small businesses. In addition to these scientific focus groups, Dr. Shawn Spano will be convening community outreach meetings on these issues in mid-July, which will be of benefit to the City's planning and informational efforts.

Conclusion: LEG/EMC acknowledges and thanks Tulchin Research for its participation and support on this project. LEG/EMC look forward to delivering our Final Report to the City Council and public at next week's July 5th meeting, and further elaborating on our Professional Recommendation that the City consider placing a Commercial Cannabis Revenue Measure on the upcoming November ballot.