



MEMORANDUM

DATE: June 17, 2015

TO: Governing Board
San Francisco Bay Restoration Authority

FROM: Sam Schuchat
Executive Officer
State Coastal Conservancy

SUBJECT: Recommendations for Ballot Measure: Type of Revenue-Raising Measure,
Date of Election, and Consultants

Attachment: Tables comparing features of a parcel tax measure with an *ad valorem* tax/general obligation bond measure

Introduction

This memo presents recommendations for the type of revenue-raising measure to place before voters, the preferred date of the election, and obtaining outside counsel and technical assistance. By making decisions now about the type of and target date for the ballot measure, Governing Board members, staff and community allies will be in a better position to communicate a specific proposal to stakeholders, obtain feedback, and assemble commitments to fund ballot costs over the next several months. Obtaining specialized outside counsel and technical advice will enable the Governing Board to be prepared to adopt election resolutions in early winter 2015-2016.

Recommendation #1: That the Governing Board pursue a parcel tax measure. The principal reasons that a parcel tax measure is preferable to a general obligation bond measure financed by ad valorem taxes are as follows:

- Greater voter support.
- Greater flexibility in the use of the funds, especially in allowing use of revenue for operation, maintenance and monitoring of Bay restoration projects and for administration of the Restoration Authority.
- Comparable revenue-generating capacity.
- The option exists for the Restoration Authority to issue revenue bonds on the basis of anticipated parcel tax receipts in order to finance accelerated restoration efforts in ways that would be comparable to the potential revenue stream benefits of issuing general obligation bonds.

Additional information is provided in the attached tables.

Recommendation #2: That the Governing Board work toward placement of the revenue measure on June 2016 ballots. The principal reasons that the June 2016 election is preferable to the November 2016 election are as follows:

- Less competition for the attention of voters.
- Less competition from other revenue measures.
- Deciding now to target the June 2016 election could yield revenue for Bay restoration sooner and would not preclude shifting to the November 2016 election if needed.

Recommendation #3: That the Governing Board direct staff to retain qualified outside counsel and technical advisors. In order to be fully informed about legal matters and technical issues related to the revenue measure and to ensure that the measure is properly crafted, the Governing Board needs to have its own qualified outside consultants, including counsel and financial advisors. Staff of the public agencies and community allies with which the Restoration Authority has been working closely does not have the necessary expertise.