



GODBE RESEARCH
Gain Insight



City of Lafayette

**2010 Real Property Transfer Tax
Feasibility Survey**

February 2010

Overview and Research Objectives

The City of Lafayette commissioned Godbe Research to conduct a survey of voters to assess potential support for two measures:

- To make the City of Lafayette an independent charter city; and
- To increase the real property transfer tax by \$7 dollars per \$1,000 dollars of the sales price when a property is sold.

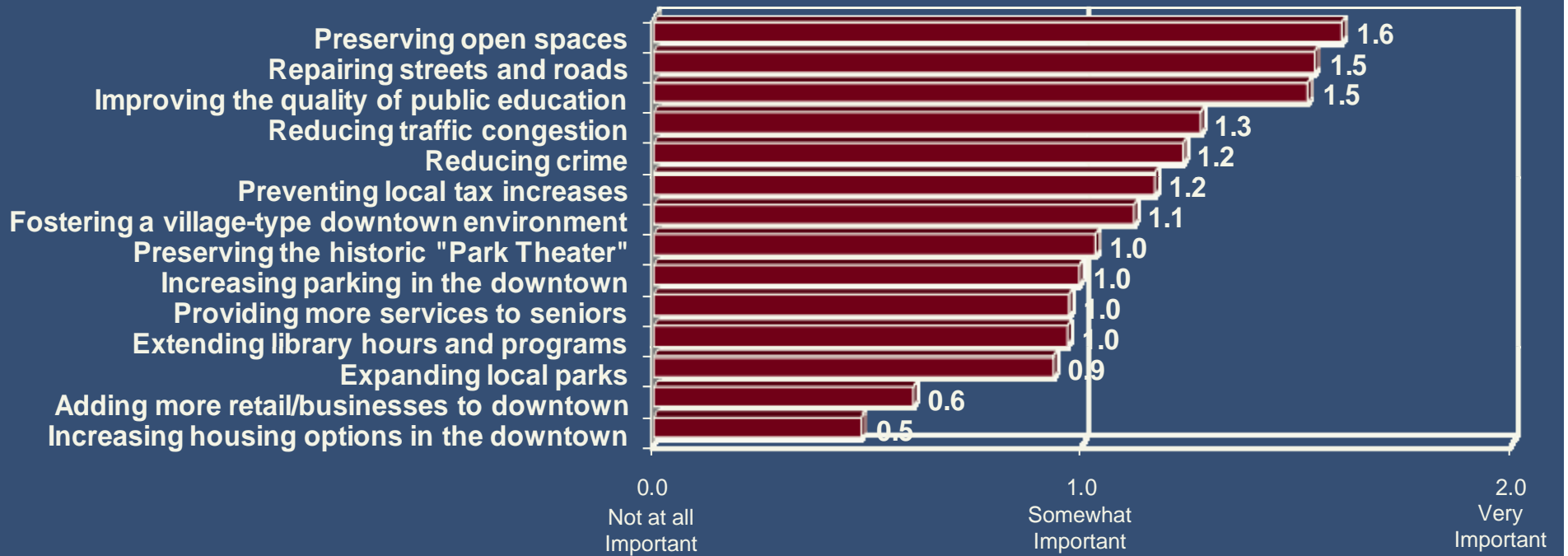
The survey was also designed with the following research objectives:

- Test voter satisfaction with the quality of life and city job performance
- Identify the optimum real property transfer tax rate at which voters will support the measure;
- Prioritize potential projects to be funded based on voter reception;
- Test the influence of supporting and opposing arguments on potential voter support; and
- Identify any differences in voter support due to demographic and/or voter behavioral characteristics.

Methodology Overview

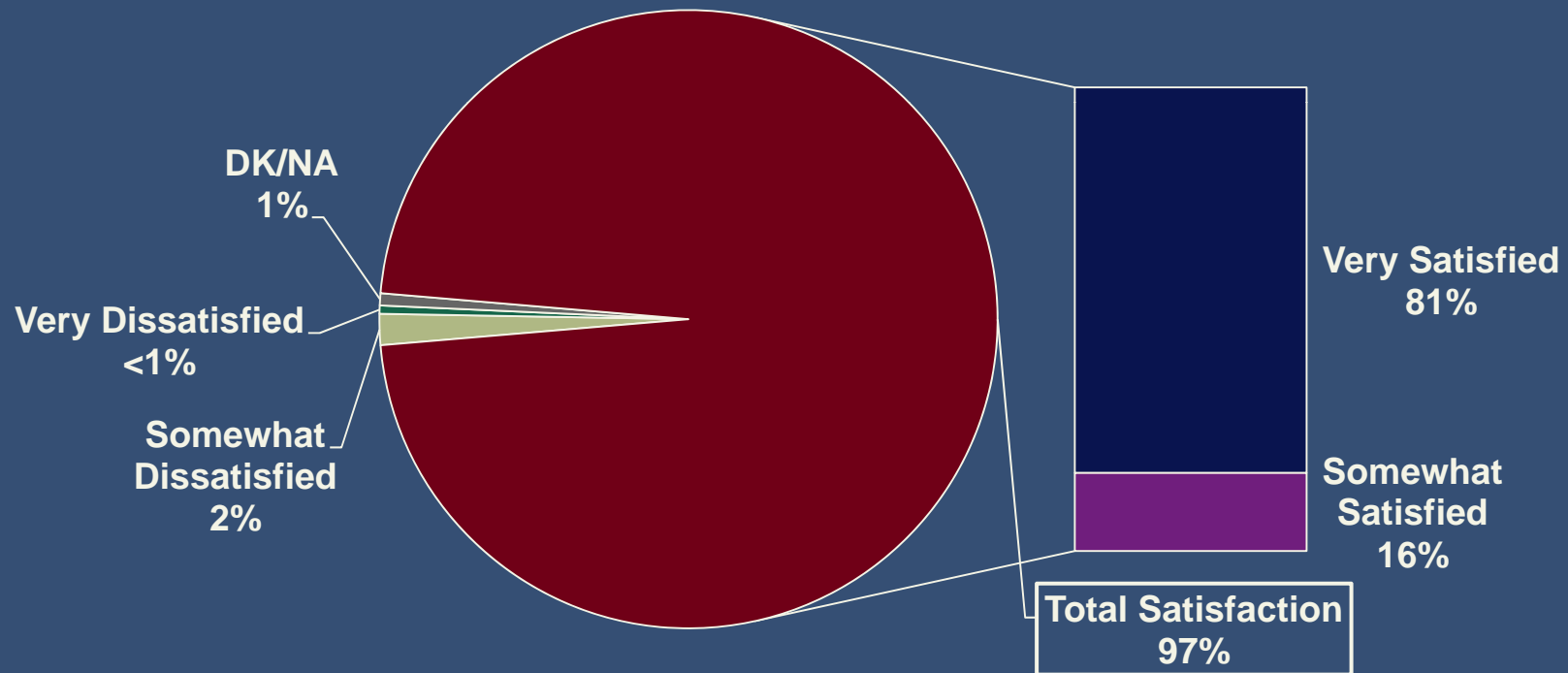
- Data Collection Telephone Interviewing
- Universe Approximately 11,773 voters in the City of Lafayette who are estimated to be likely voters in the November 2010 election
- Fielding Dates January 10 to 18, 2010
- Interview Length 20 minutes
- Sample Size 400
- Margin of Error $\pm 4.8\%$

Voter Priorities

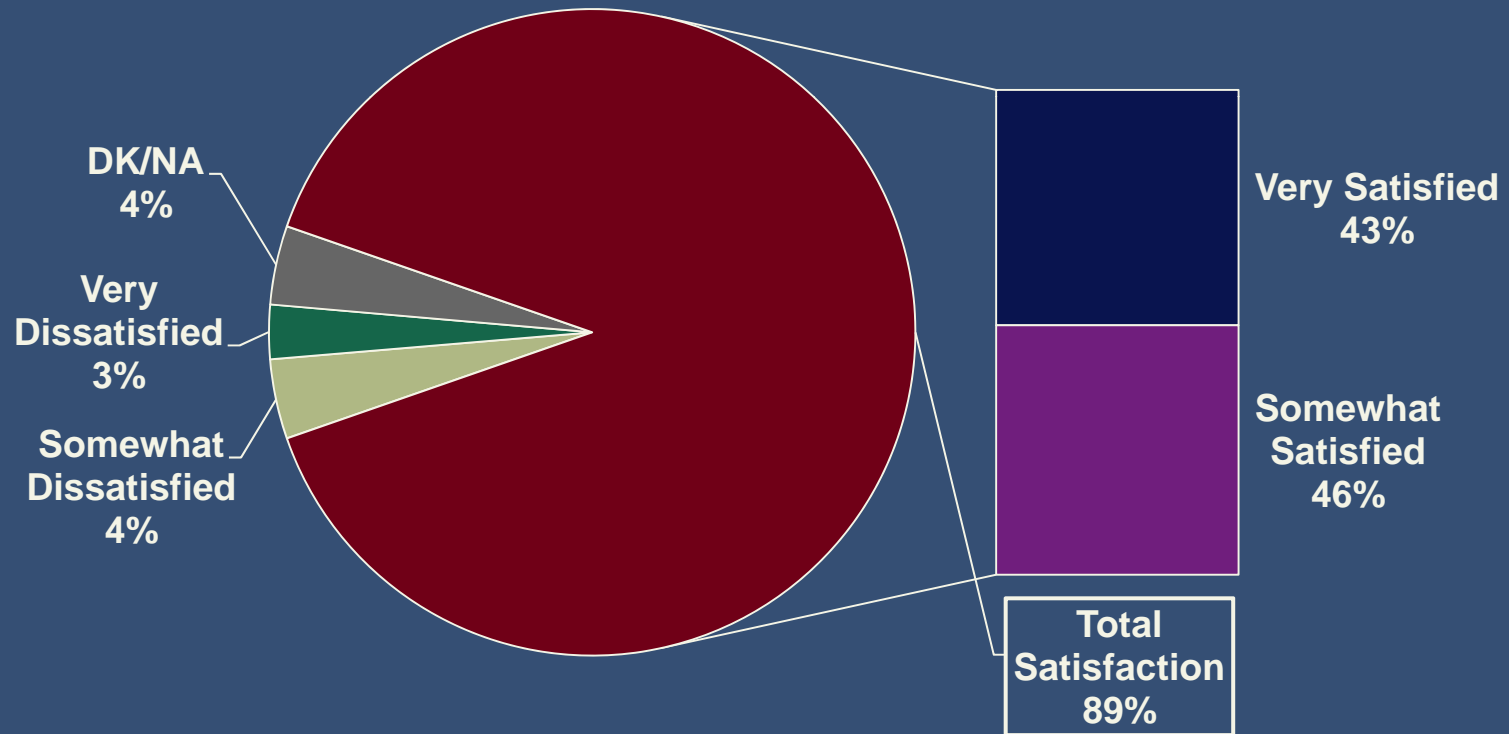


Note: The above rating questions have been abbreviated for charting purposes. For the exact wording, please see Appendix D. The responses were recoded to calculate mean scores: "Very Important" = +2, "Somewhat Important" = +1 and "Not Important" = 0.

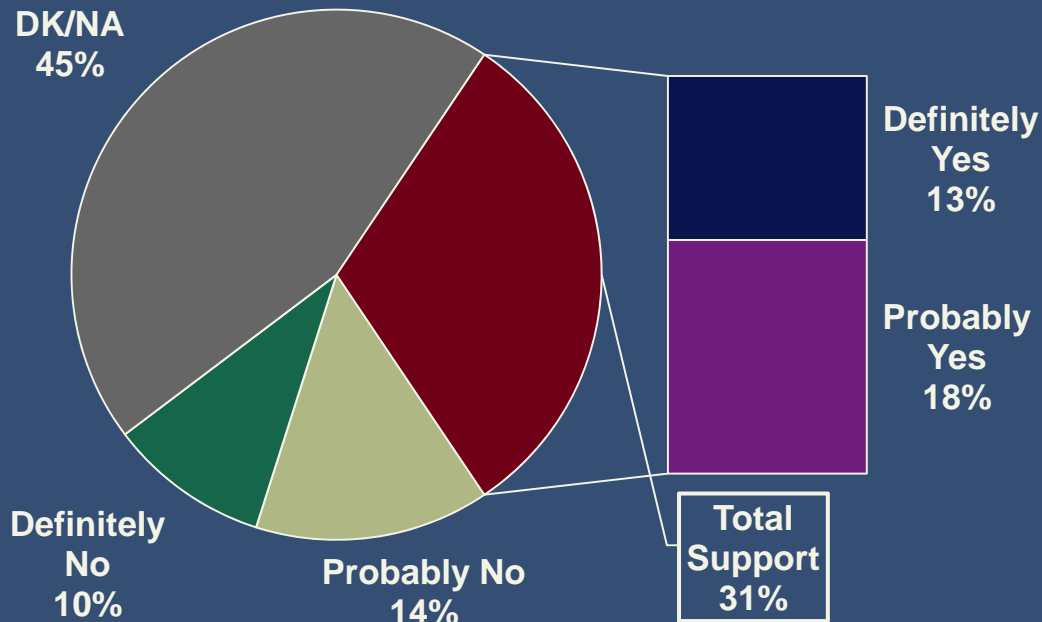
Satisfaction with Quality of Life



Satisfaction with City Services



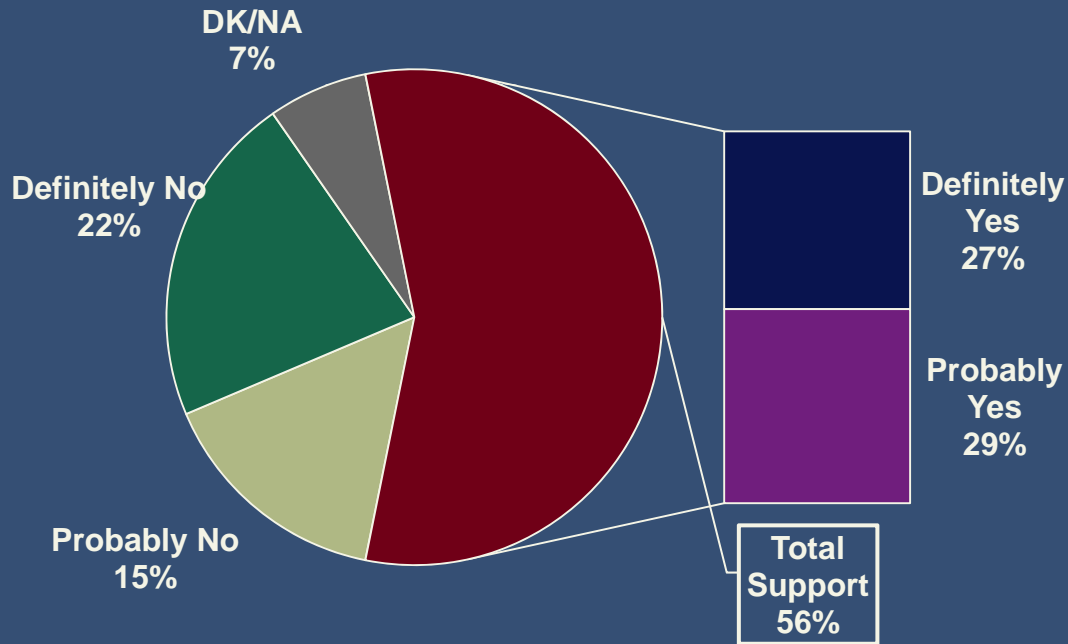
Initial Ballot Test – Charter City Measure



In order to reclaim local autonomy from the State and to preserve the economic and fiscal independence of our city, shall the City of Lafayette become an independent charter city, instead of remaining a general law city?

If the election were held today, would you vote yes or no on this measure?

Initial Ballot Test – Real Property Transfer Tax

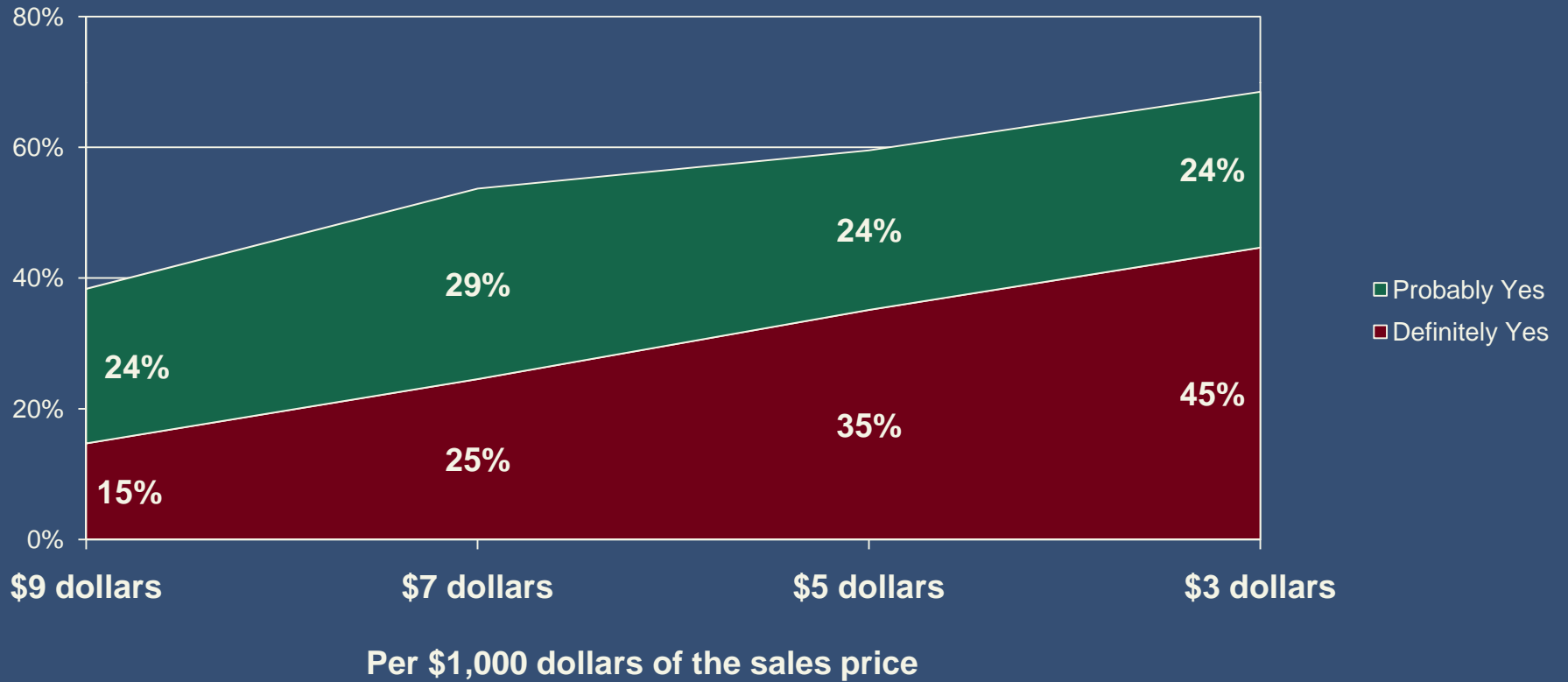


To maintain and improve city services, including:

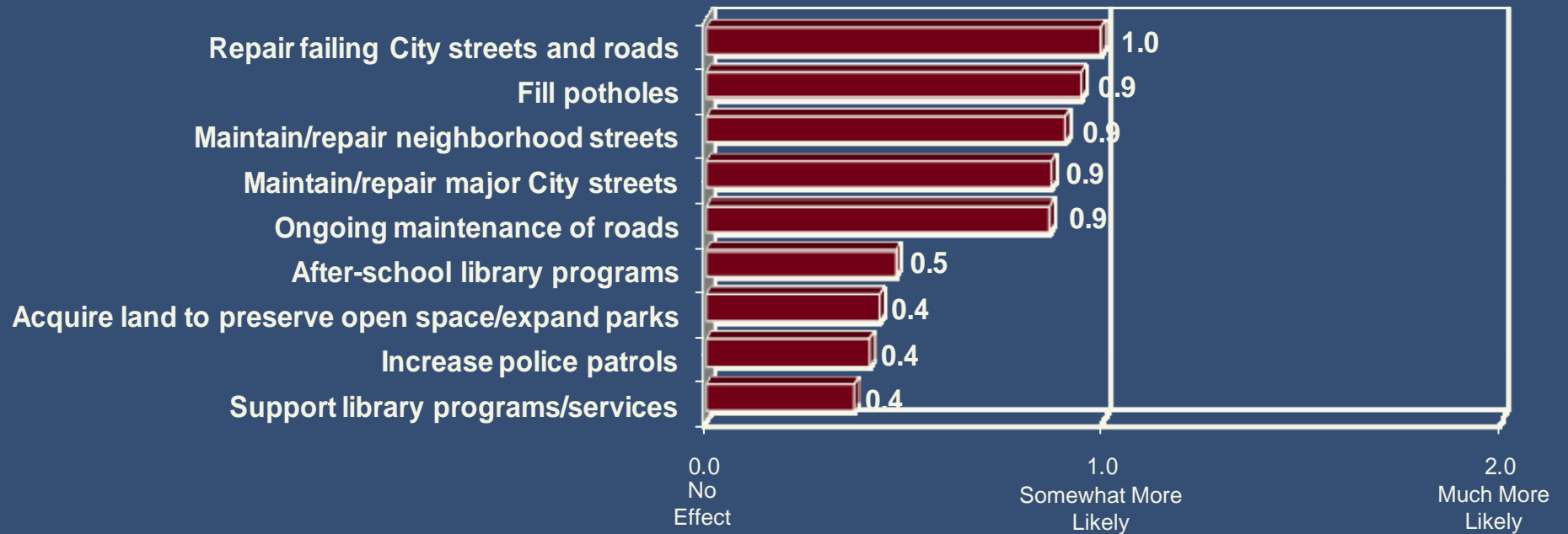
- Repairing and maintaining local streets;
- Extending library hours and services;
- Maintaining police services, patrols, and crime prevention officers;
- Preserving open spaces and expanding local parks; and
- Maintaining downtown landscaping and increasing parking;

Shall the City of Lafayette increase the Real Property Transfer Tax, which is collected when a property is sold, by \$7 dollars per \$1,000 dollars of the sales price?

Support for Different RPTT Rates

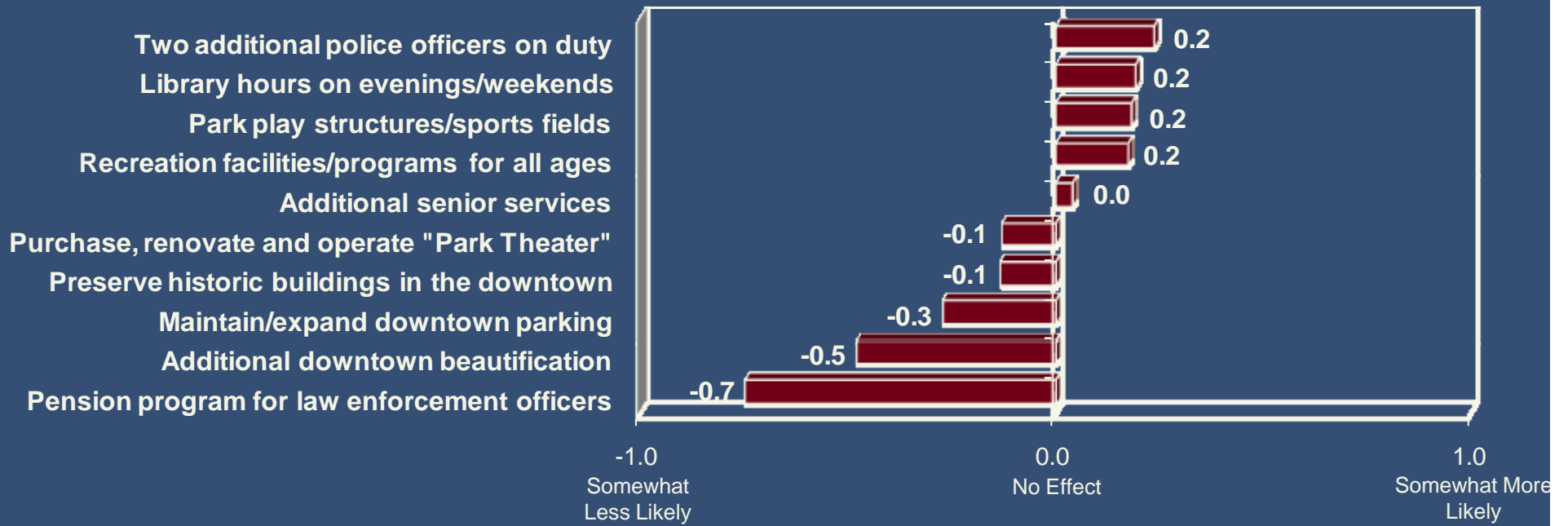


Measure Features I



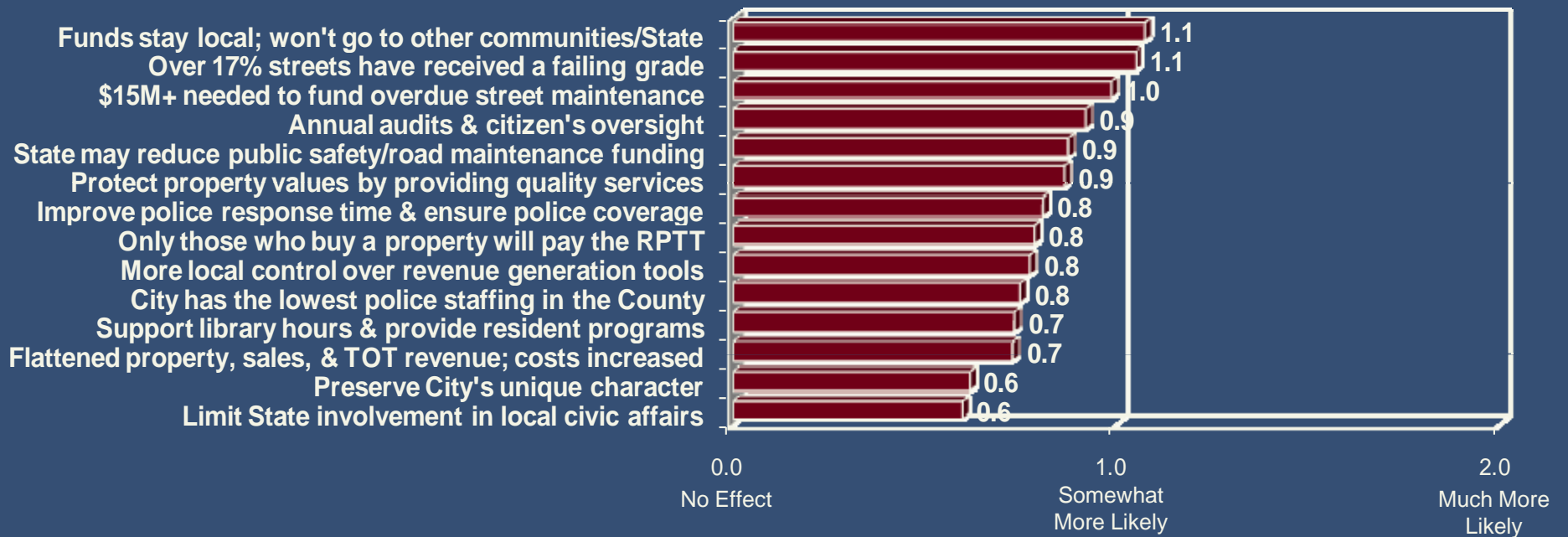
Note: The above rating questions have been abbreviated for charting purposes. For the exact wording, please see Appendix D. The responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, "No Effect" = 0, "Somewhat Less Likely" = -1, and "Much Less Likely" = -2.

Measure Features II



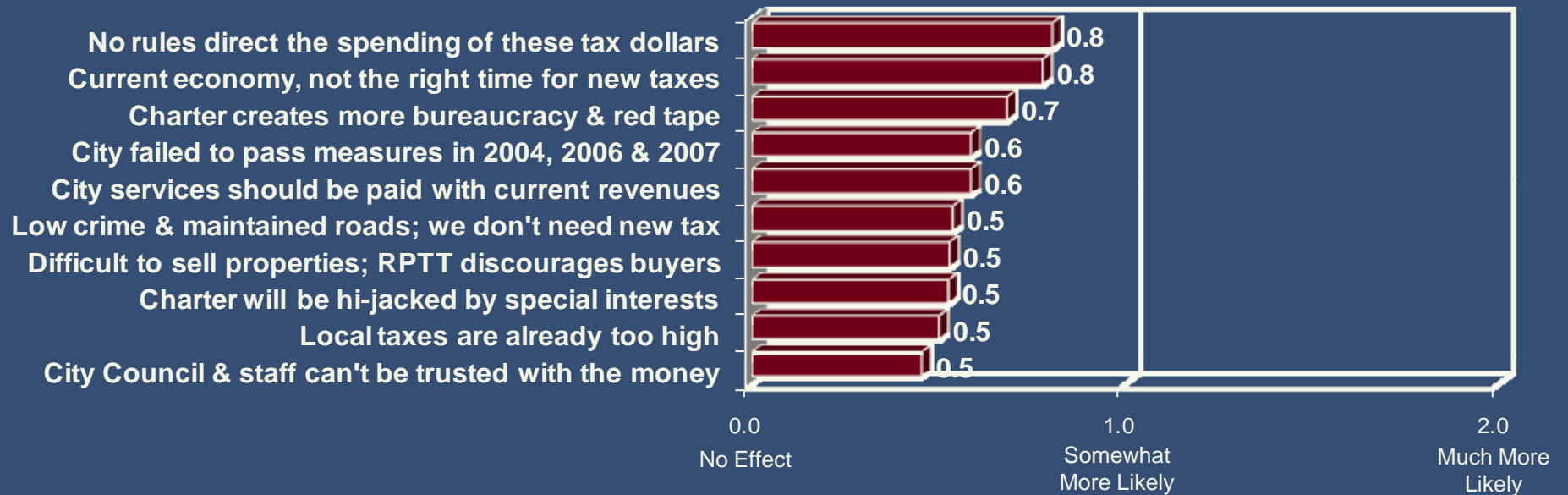
Note: The above rating questions have been abbreviated for charting purposes. For the exact wording, please see Appendix D. The responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, "No Effect" = 0, "Somewhat Less Likely" = -1, and "Much Less Likely" = -2.

Positive Arguments



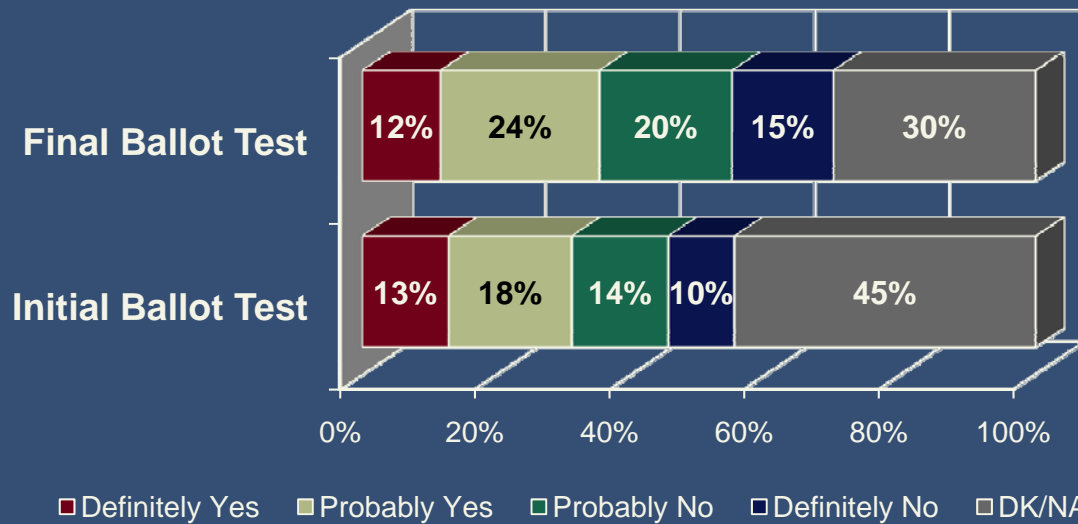
Note: The above rating questions have been abbreviated for charting purposes. For the exact wording, please see Appendix D. The responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, and "No Effect" = 0.

Negative Arguments



Note: The above rating questions have been abbreviated for charting purposes. For the exact wording, please see Appendix D. The responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, and "No Effect" = 0.

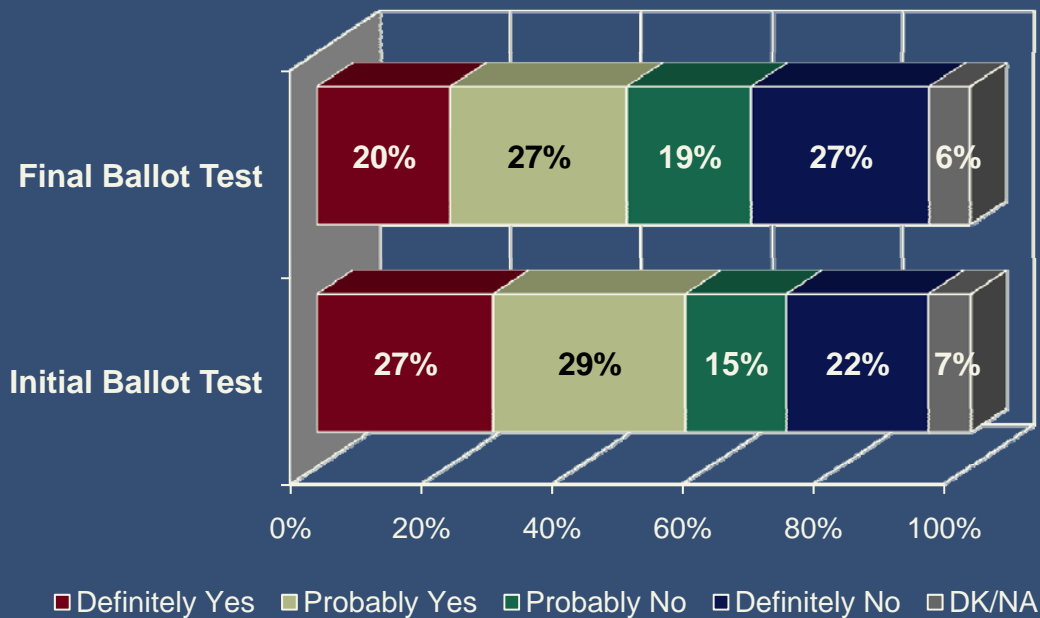
Final Ballot Test – Charter City Measure



In order to reclaim local autonomy from the State and to preserve the economic and fiscal independence of our city, shall the City of Lafayette become an independent charter city, instead of remaining a general law city?

If the election were held today, would you vote yes or no on this measure?

Final Ballot Test – Real Property Transfer Tax

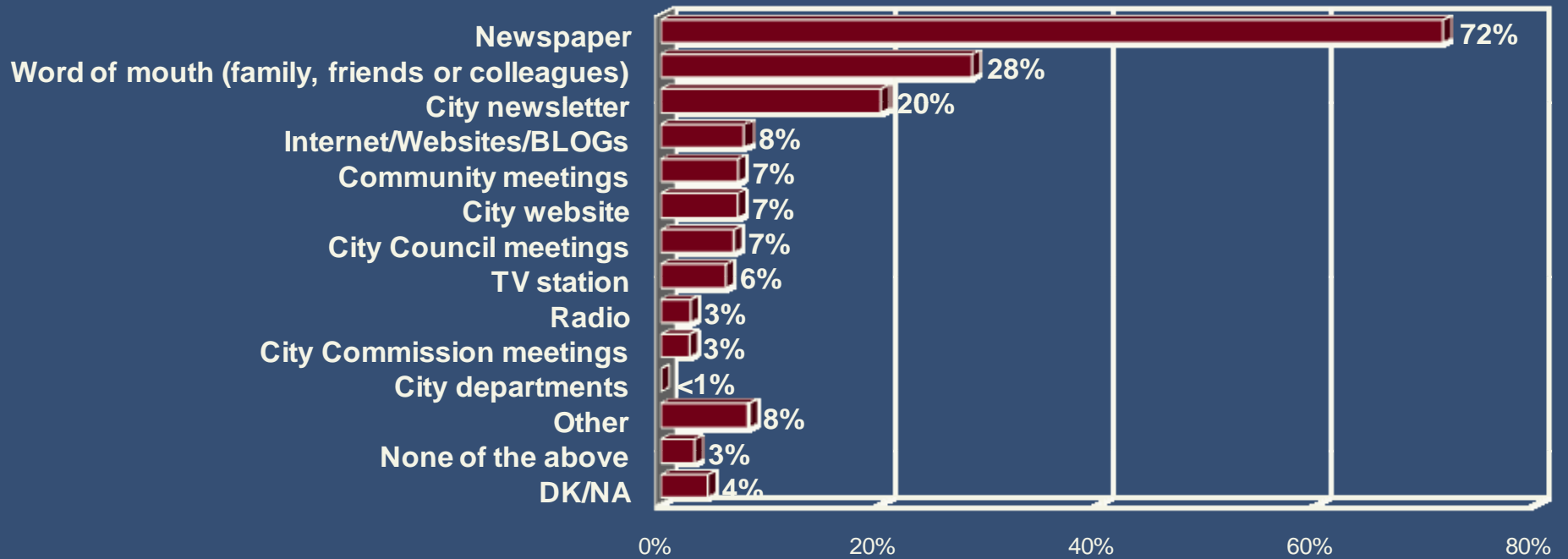


To maintain and improve city services, including:

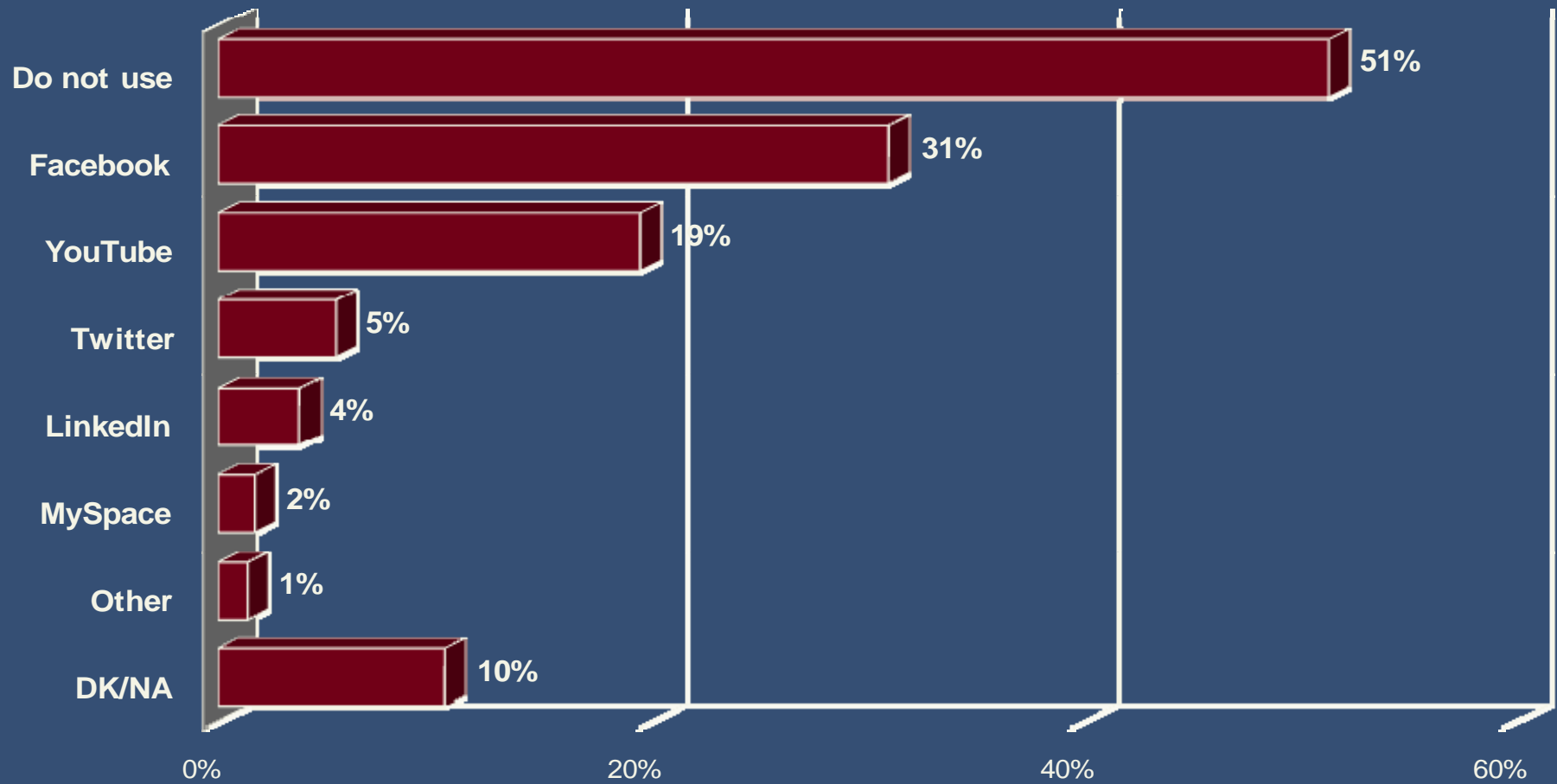
- Repairing and maintaining local streets;
- Extending library hours and services;
- Maintaining police services, patrols, and crime prevention officers;
- Preserving open spaces and expanding local parks; and
- Maintaining downtown landscaping and increasing parking;

Shall the City of Lafayette increase the Real Property Transfer Tax, which is collected when a property is sold, by \$7 dollars per \$1,000 dollars of the sales price?

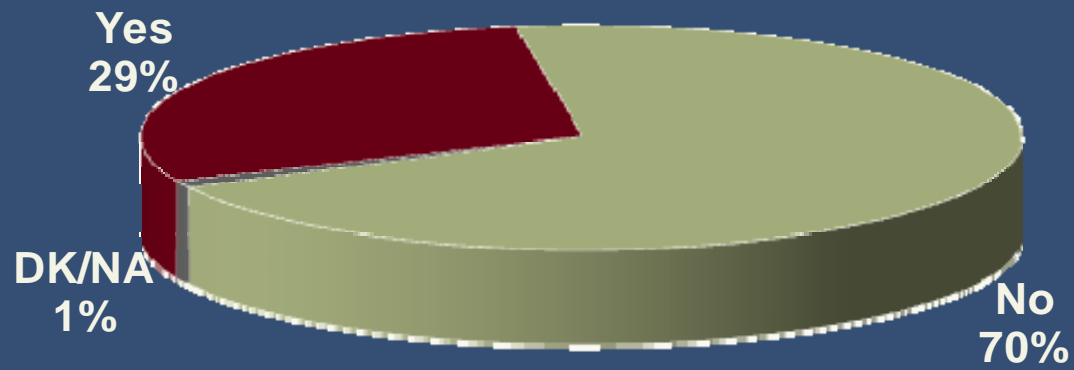
Information Sources



Social Media Use



Potential Use of Social Media



Summary and Recommendations I

- Overall, Lafayette voters placed major City services including preserving open spaces, repairing streets and roads, reducing traffic congestion, and reducing crime at the same or higher level of importance than preventing local tax increases.
- The survey results highlight the need for extensive public education to inform the voters about the actual nature and benefits of a charter city.
 - After the simulated campaign, 30 percent of the voters were undecided about their vote on the measure for Lafayette to become a charter city, instead of remaining a general law city.
 - Only 36 percent supported this measure, while an equal number of them were opposed to it.
- Considering the voters' sensitivity to tax rates, a conservative real property transfer tax rate of \$5 dollars per \$1,000 of the property's sales price is advisable to optimize support for the measure among the likely November 2010 voters.
 - In the final ballot test, 47 percent reported their "yes" vote on a real property transfer tax of \$7 dollars tax per \$1,000 dollar of the sales price. With a five-percent margin of error, total support could be as low as 42 percent, which is well below the requisite simple majority.
 - In the tax threshold test, total support at the tax rate of \$5 dollars per \$1,000 dollars of the sales price was at 59 percent. Accounting for the five-percent margin of error, support could be as low as 54 percent – sufficiently more than the simple majority required in an election.

Summary and Recommendations II

- The survey results indicate the following critical considerations should the City of Lafayette decide to place the two measures on the ballot:
 - Substantial communications are needed to maximize success during the pre-electoral phase and by an independent campaign committee after the measures have been placed on the ballot.
 - Head off voter concerns around new taxes in the midst of a historic financial crisis and clear any misperceptions that these tax dollars would not be used effectively.
- The ballot question should feature the funding needs that are the highest priority to the Lafayette voters:
 - Repair failing City streets and roads;
 - Fill potholes;
 - Maintain and repair public neighborhood streets;
 - Maintain and repair major City streets;
 - Provide funding for the ongoing maintenance of all 99 miles of Lafayette roads;
 - Support after-school library programs for children and teens;
 - Acquire land to preserve open space and expand local parks;
 - Increase police patrols, neighborhood watch, and crime prevention programs; and
 - Support the new Lafayette Library and Learning Center programs and services.

Summary and Recommendations III

- An education campaign should emphasize the key supporting arguments that speak to why the two measures are necessary:
 - The measure will generate local funds for local needs, and no money will go to other communities or the State;
 - Over 17 percent of city streets and roads have received a failing grade. This measure will complete road maintenance and repairs throughout the City;
 - More than \$15 million dollars is needed to fund the overdue maintenance and repair of City streets. Waiting to make these repairs will only make our streets more dangerous and more expensive to fix;
 - This measure will include annual audits and reports to the community by an independent citizen's oversight committee to ensure that all funds are spent effectively;
 - The State is facing a financial crisis and may reduce funding for local public safety and road maintenance, this measure is needed to offset those cuts; and
 - This measure will help protect our property values by providing quality City services, parks, and safe neighborhoods.



GODBE RESEARCH
Gain Insight



City of Lafayette

**2010 Real Property Transfer Tax
Feasibility Survey**

February 2010