

ATTACHMENT #2

Proposal to Conduct Public Opinion Research Regarding a Potential 2024 Revenue Measure

City of Indian Wells



FAIRBANK, MASLIN,
MAULLIN, METZ
& ASSOCIATES

Dear Chris Freeland, City Manager:

Fairbank, Maslin, Maullin, Metz & Associates (FM3 Research or FM3) is pleased to present this proposal to conduct public opinion research regarding a potential 2024 revenue measure for the City of Indian Wells. We believe our firm is an excellent choice to provide these research services for several reasons, including:

- **FM3 is a recognized leader in conducting research that helps California cities, counties, and special districts objectively evaluate the viability of passing local ballot measures to secure additional revenue.** Our research has contributed to the passage of more than 600 local finance measures approved for 160+ California agencies in every region of the state. In 2022 alone, FM3 contributed to the passage of 16 sales tax measures, six transient occupancy taxes, six cannabis taxes, three business license taxes/fees, two parcel taxes, two utility user taxes, and one tax on single-use disposable cups. For a full list of FM3’s past successful ballot campaigns, please visit fm3research.com/clients_category/ballot-measures.
- **FM3 has conducted numerous research projects in the Coachella Valley, including the City of Indian Wells and the Desert Recreation District, which includes Indian Wells.** Notably, our research has contributed to the passage of 15 local revenue measures for jurisdictions throughout the Coachella Valley. Our other previous clients have included the cities of Cathedral City, Desert Hot Springs, Indio, La Quinta, and Palm Springs; Palm Springs Unified School District; the Desert Recreation District; as well as Riverside County as a whole.
- **FM3 stays well informed on the latest issues facing local governments through its work as the public opinion research firm for the League of California Cities.** In this capacity, we regularly conduct research at the statewide level as well as in dozens of local communities throughout California. Currently, we are working with the League on a campaign to prevent the passage of a statewide ballot measure (brought to the ballot by the California Business Roundtable) that would end the ability of voters to refer taxing ballot measures to the ballot via petition at a majority vote threshold and create a two-thirds voter approval threshold for all such measures.
- **Our approach is focused on providing the best possible ongoing strategic consultation to our clients.** We do not simply conduct a poll, present the results, and leave you and your team to figure out how to put them to use. Instead, we want to be a member of your strategic team—participating fully in each of the City’s key decisions on an ongoing basis. Furthermore, our firm is large enough to turn projects around quickly, but not so large that you will not know whom to call with your questions, ideas, and concerns.

We appreciate the opportunity to be considered for this project. If you have any questions about the contents of this proposal, please do not hesitate to reach out—contact information is available on page 8.

Sincerely,



John Fairbank
Partner



Adam Sonenshein
Senior Vice President



Maya Gutierrez
Researcher

FM3 BACKGROUND

Fairbank, Maslin, Maullin, Metz & Associates (FM3 Research or FM3) has been conducting public policy-oriented opinion research since 1981 on issues of major economic and social concern. As a California-based company, we are a medium-sized research firm with 23 full-time employees working out of our Los Angeles and Oakland offices. The research FM3 conducts goes far beyond simply documenting the knowledge, views, and behaviors of various populations. Rather, our work produces actionable data that provides a strategic roadmap for policy makers and informs community outreach and communication efforts.

Each of the research projects we do is led by one of our six partners, all of whom are nationally respected authorities on public opinion research. As our client, you will have direct access to not only the partner working on your project, but also several other key staff members with advanced degrees in public policy, research methods, and/or extensive experience working in state and local government.

While our firm is not so big that you will wonder whom to call with your questions, we are big enough to have our own in-house data analysis/processing team and graphic design resources. This means we can provide our clients with a level of personal attention and service from firm partners and other senior staff more often associated with much smaller organizations, while also providing rapid project turnaround and more sophisticated data analysis and presentations tailored to client needs that one might expect from larger firms.

FM3 utilizes a variety of research tools designed to address each client's unique circumstances. Some of these tools are quantitative, such as surveys; some are qualitative, such as focus groups; and others fall somewhere in between. In any given year, FM3 conducts more than 300 surveys and 160 focus groups, in addition to providing ongoing consulting for key clients. We also actively monitor methodological developments through our industry's trade association—the American Association for Public Opinion Research (AAPOR)—and continually experiment with newly evolving online and digital research approaches.

FM3 offers a hands-on approach in which one of our partners is engaged in the research every step of the way.

When you work with us, an FM3 partner is always just a phone call away, happy to provide consultation to help keep your projects moving in the right direction.

RELEVANT EXPERIENCE

Research on Local Revenue Measures

FM3 is a recognized leader in conducting survey research that helps California cities, counties, special districts, and other jurisdictions objectively evaluate the viability of passing local ballot measures to secure additional revenue. Our research has contributed to the passage of more than 600 local finance measures approved for 160+ California agencies in every region of the state. As evidence of the accuracy of our research, election results are typically within the margin of error of what our surveys suggest will be the level of support on Election Day.

Our research identifies the feasibility of a potential ballot measure (or measures); the most appropriate tax rate and revenue mechanism (parcel tax, sales tax, transient occupancy tax, utility user tax, bond measure, etc.); how voters would prefer additional revenue to be used; and how to phrase the ballot label language. Furthermore, the finance measure research that FM3 conducts for our public agency clients not only assists in drafting the most compelling 75-word ballot label possible, but also quantitatively identifies which unique, legally permissible messages will resonate most among the agency's constituents when engaging in community outreach and education.

Our municipal clients represent a diverse cross-section of large and small cities and other jurisdictions, including suburban, urban, and rural communities, in every region of the state of California. We make it a priority to work closely with each of our clients to design the research because we know every community or region is different and requires an approach that addresses its own unique characteristics and needs.

In 2022 alone, FM3 helped more than 50 local governments across California win voter approval to fund important services for citizens. These included:

- **Sixteen sales tax measures** in the cities of Atwater, Elk Grove, Galt, Goleta, Larkspur, Malibu, Monterey Park, Ontario, Pacifica, Sausalito, Tehachapi, Torrance, Vallejo, and Westminster, as well as Fresno County and Kern County
- **Six transient occupancy tax measures** in the cities of Alameda, Imperial Beach, Paso Robles, and Sacramento, as well as Humboldt County and North Lake Tahoe
- **Six cannabis tax measures** in the cities of El Segundo, Hermosa Beach, Montclair, South Lake Tahoe, Tulare, as well as Los Angeles County
- **Three business tax/fee measures** in the cities of Culver City, Palo Alto, and Pico Rivera
- **Two parcel tax measures**, one for the City of Oakland and another for the Oakland Unified School District
- **Two utility user taxes** in the cities of Carson and Hercules
- **A tax on single-use, disposable cups** in Santa Cruz County

Research for the League of California Cities

FM3 stays well informed on the latest issues facing local governments through its work as the public opinion research firm for the League of California Cities. We have served as the League’s primary pollster for many years, and our research has contributed to numerous victories for the League and its member agencies, both in the legislature and on the statewide ballot. In this capacity, we regularly conduct research at the statewide level as well as in dozens of local communities throughout California.

Currently, we are working with the League on a campaign to prevent the passage of a statewide ballot measure (brought to the ballot by the California Business Roundtable) that would end the ability of voters to refer taxing ballot measures to the ballot via petition at a majority vote threshold and create a two-thirds voter approval threshold for all such measures. Our team also regularly conducts seminars and forums with the League to advise city leaders about how public opinion research can be used to address the concerns, needs and priorities of their residents, and to provide additional funds for city services.

FM3 has a long history of working closely with the League of California Cities on statewide initiatives on a wide range of issues and ballot measure campaigns. Past experiences include **protecting local funding** (Proposition 1A, 2004, and Proposition 22, 2010) and **local land use** (Proposition 90, 2006, and Proposition 99, 2008), as well as research to help the CA Cities’ efforts to ensure **local control provisions** were protected in 2016’s Prop 64 (Marijuana Legalization).

Coachella Valley Experience

FM3 has conducted numerous research projects in the Coachella Valley, which has provided us with a comprehensive understanding of the area’s residents and voters. In 2016, our team conducted research on potential revenue measures in Indian Wells as well as for the Desert Recreation District, which includes Indian Wells. Our other previous clients have included the cities of Cathedral City, Desert Hot Springs, Indio, La Quinta, and Palm Springs; Palm Springs Unified School District; the Desert Recreation District; as well as Riverside County as a whole. Notably, we have worked on numerous successful local revenue measures—see **Figure 11** on the next page—as well as two non-revenue-related ballot measures for the City of Cathedral City, a charter amendment (Measure HH, 2016) and limit on short-term vacation rentals (Measure B, 2021). FM3 has also conducted various surveys over the years on behalf of the Desert Recreation District.

Additionally, we’ve completed a number of research projects for the Riverside County Transportation Commission (RCTC). Notably, our research helped secure voter approval for the original countywide half-cent transportation sales tax, Measure A. More recently, between 2017 and 2019 FM3 conducted three surveys on behalf of RCTC to understand Riverside County voters’ perceptions of need for maintaining and improving the Riverside County transportation system.

Finally, FM3 also regularly conducts research among Riverside County residents on behalf of private sector clients, such as the Morongo Band of Mission Indians and Southern California Edison, as well as local elected officials and political candidates that include multiple sitting members of both the state assembly and the state senate.

Figure 1: FM3’s Successful Local Finance Measures in the Coachella Valley

Jurisdiction	Measure	Mechanism	Election
City of Palm Springs	Measure E	Cannabis Business Tax	November 2017
City of Desert Hot Springs	Measure C	Utility User Tax	November 2017
City of Indio	Measure X	Sales Tax	November 2016
City of La Quinta	Measure G	Sales Tax	November 2016
City of Palm Desert	Measure T	Transient Occupancy Tax	November 2016
City of Indio	Measure O	Transient Occupancy Tax	November 2014
City of Cathedral City	Measure B	Sales Tax Renewal	June 2014
City of Indio	Measure S	Utility User Tax	November 2010
City of Cathedral City	Measure H	Sales Tax	June 2010
City of Desert Hot Springs	Measure G	Parcel Tax Renewal	June 2010
City of Desert Hot Springs	Measure A	Utility User Tax	May 2009
City of Cathedral City	Measure L	Utility User Tax	November 2008
Palm Springs Unified School District	Measure P	\$70 Million Bond	November 1992
Riverside County	Measure K	Parcel Tax for Parks and Open Space	November 1990
Riverside County	Measure A	Sales Tax	November 1988

PROPOSED APPROACH AND ESTIMATED COSTS

Research Specifications

For this project, FM3 recommends conducting a 15- to 20-minute dual-mode (telephone and online) survey among a randomized sample of likely voters within the City of Indian Hills. Given the small size of this population (approximately 3,183 likely November 2024 voters), we will do our best to obtain 200-250 interviews. For reference, we received 208 interviews in our 2016 survey for the City. If we receive fewer than 250 completed interviews, we will prorate our costs to reflect the actual number of interviews received; any interviews beyond 250 will come at no additional cost to the City.

We recommend utilizing three different contact methods (telephone calls, emails, and text messages) to provide an array of ways for potential respondents to participate in the survey. Providing multiple forms of contact also helps us engage historically disadvantaged communities that may not have adequate broadband access and/or access to computers or smart phones. Additionally, different demographic groups often have varying communication preferences—some may be more likely to answer a phone call than open an email or text message, and vice versa.

Description of Methodology

The research process will begin with an initial kickoff meeting between FM3 and your project team. This meeting will provide an opportunity for an extensive review of relevant background information and context, as well as a detailed discussion of your objectives for the project.

In designing a survey questionnaire for the City, FM3 will draw from its knowledge of public opinion survey methodology; our comprehensive review of the City’s past survey research (including tracking past questions when appropriate); your current and future objectives and needs; and our own vast library of research on local

Figure 2: Research Specs at a Glance

Methodology	Dual-mode survey using a combination of telephone and online interviews
Respondent Contact Method	Telephone calls, email invitations, and text invitations
Population & Sample	200-250 likely November 2024 voters within Indian Hills
Margin of Sampling Error*	±6.9% for a sample of 200 ±6.2% for a sample of 250 <i>*At the 95% confidence level (i.e., in 95 out of 100 cases)</i>
Questionnaire	15-20 minutes

finance measures. We will proceed through several drafts, incorporating feedback from your team before each revision, to develop a research instrument that will successfully obtain all the desired information.

FM3 will then construct a sample by pulling a random list of voters from the voter file. Based upon the final sample specifications, FM3 will set a target number of interviews to be completed online. We will then send out email invitations to a subset of people in our sample who have a valid email address. Within several days of the initial invitation distribution, we will examine the demographic and geographic characteristics of the online completes and then begin conducting telephone interviews to balance out the sample and target underrepresented subgroups. Additionally, we will send out a number of text invitations to help reach the overall target number of online completes and complement the other contact methods.

Once the survey is complete, FM3 will generate a detailed report of the survey results in a PowerPoint presentation, including demographic breakouts and summaries of key findings. These results are typically presented in draft format to the client team and then further refined based upon feedback from that group. A version of this presentation will also be developed in a format suitable for FM3 to present in a public forum.

Deliverables

Upon conclusion of the survey project, the City will have received from FM3 each of the documents listed below. All documents can be provided in hard copy or electronic form (or both), depending on your preference.

- ✓ **Final survey questionnaire**
- ✓ **Topline survey results**
- ✓ **PowerPoint presentation** (including key findings, results, conclusions, and actionable recommendations)
- ✓ **Presentations of results to staff, board members, or other stakeholders** (in person if desired)

Finally, after FM3’s final deliverables have been completed, we will remain available to answer follow-up questions and to present results to additional key stakeholders. We view the responses to the survey as an ongoing data resource; if needed, FM3 can conduct further analysis to provide answers to any follow-up questions that may arise.

Estimated Costs

Figure 3 contains the total estimated costs for this research. These prices are comprehensive and include all costs for questionnaire design, sample acquisition and preparation, programming, survey invitations, survey hosting, telephone interviewing, data entry and analysis, and reporting.

Figure 3: Survey Costs

Survey Length	200 Interviews	250 Interviews
15 minutes	\$22,500	\$24,250
20 minutes	\$24,850	\$27,250

CONTACT INFORMATION

Thank you for taking the time to review our proposal. Please feel free to contact us with any questions.



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