Renew '22 Update

BOARD OF SUPERVISORS

February 26, 2019

About Renew '22

Transformation

- County embarked on a multi-year initiative to transform how County government does its work in 2017
- Seeks to build County's capacity for innovation and continuous improvement
- Addresses five core areas
  - **Re-visioning** the organization
  - **Re-balancing** our resources
  - **Re-designing** how we do our work
  - **Responding** to residents and customers with the highest quality of services within our means
  - **Retaining** high-performing employees and preparing the next generation of leaders

Progress
since April 2018

Measuring Progress and Creating Accountability

- Implemented quarterly reporting on supporting initiatives and strategies
- Departments have begun reporting basic information, such as lead staff, status, and barriers to implementation
- Beginning stages of implementing Cascade—strategic planning and tracking software—to create dashboards and reports

Integration into County Operations

- FY 2019-20 Budget Development
  - Departments will report on the goals and strategies completed or already underway
  - Departments will highlight Renew ‘22 goals and strategies they plan to implement in the immediate future
  - Requests for budgetary expansions that align with departmental Renew ‘22 plans and point to evidence-based findings will receive priority consideration
- New ideas and strategies
- Engage and empower employees at all levels

Employee Engagement

- Renew ‘22 Ambassadors and Liaisons
  - Selected by employee supervisors and department heads
  - Distribute information about their department’s initiatives, progress, and successes
- Decide-Change-Grow
  - 4 off-site employee engagement events hosted by the Ambassador team in October 2018
  - Educated and engaged mid-level managers about Renew ‘22
  - 325 employees attended
  - Positive feedback
    - 70% responded that they have a better understanding of Renew ‘22
    - More than half expressed that they were inspired to share their message with their colleagues

Renew ‘22 Initiative
Highlights

Initiatives

- 100 supporting initiatives and strategies implemented to date
  - **65 percent** are progressing as planned, have been completed, or are ongoing
  - Many involve the redesign of intradepartmental and cross-departmental processes to improve efficiency, reduce cost, or optimize service delivery

Highlights

- **Re-vision:** Emphasis on core organizational values
  - General Services Internal Strategic Plan
- **Re-balance:** Services to increase revenue or savings
  - Pension Cost-Sharing
  - Cannabis Tax Operations
  - Management and Operational Reviews
  - Voluntary Early Separation Incentive Program (VESIP)
  - Payment Kiosks

Highlights

- **Re-design:** Improvements for greater productivity and efficiency
  - Paperless Workflow
  - IT Governance Program
  - Telephonic Signature Feature
  - Drug Medi-Cal Organized Delivery System
  - Digital Document Management
  - Public Records Act Automation
  - Electronic Filing
  - Office Relocation

Highlights

- **Respond:** Enhanced customer service and communication to the public
  - Call Center
  - OCTOPUS Online Portal
- **Retain:** Programs to retain and develop the next generation of leaders
  - Leadership Certificate Program
  - LEAN 6/Change Management/Project Management/New Hire Orientation

Funding Allocated

- $815K in FY 2018-19 to support the implementation of countywide and departmental initiatives
- Majority of funding was targeted for the departmental operational reviews
- Currently, we have spent, or earmarked to spend, $779K on several initiatives
  - First round of departmental operational reviews
  - Paperless technology for contracts and Board Letters
  - Leadership Certificate Program
  - Software to manage public records requests

(Re)Exploring Initiatives

Sales Tax Measure

- Originally proposed a sales tax measure for the unincorporated area in the November 2018 election during the FY 2018-19 Budget Workshops
- Estimated to generate $1.89M for every quarter-cent increase to the existing sales tax rate of 7.75%
- Currently, the County receives $7.27M in revenue from the one-percent local retail sales tax

Increase	Proposed Rate	Estimated Annual Revenue Impact
0.25%	8.00%	$1.82 million
0.50%	8.25%	$3.63 million
0.75%	8.50%	$5.45 million
1.00%	8.75%	$7.27 million

Recent Developments

- Carpinteria and Santa Maria sales tax measures included on November 2018 ballot
  - Carpinteria increased its sales tax rate by 1.25 percent to 9 percent
  - Santa Maria renewed and enhanced a one percent sales tax to 8.75 percent
  - Voters approved both measures, which become effective on April 1, 2019
- Voters in Santa Barbara approved a similar measure in November 2017 that raised the sales tax by one percent to 8.75 percent

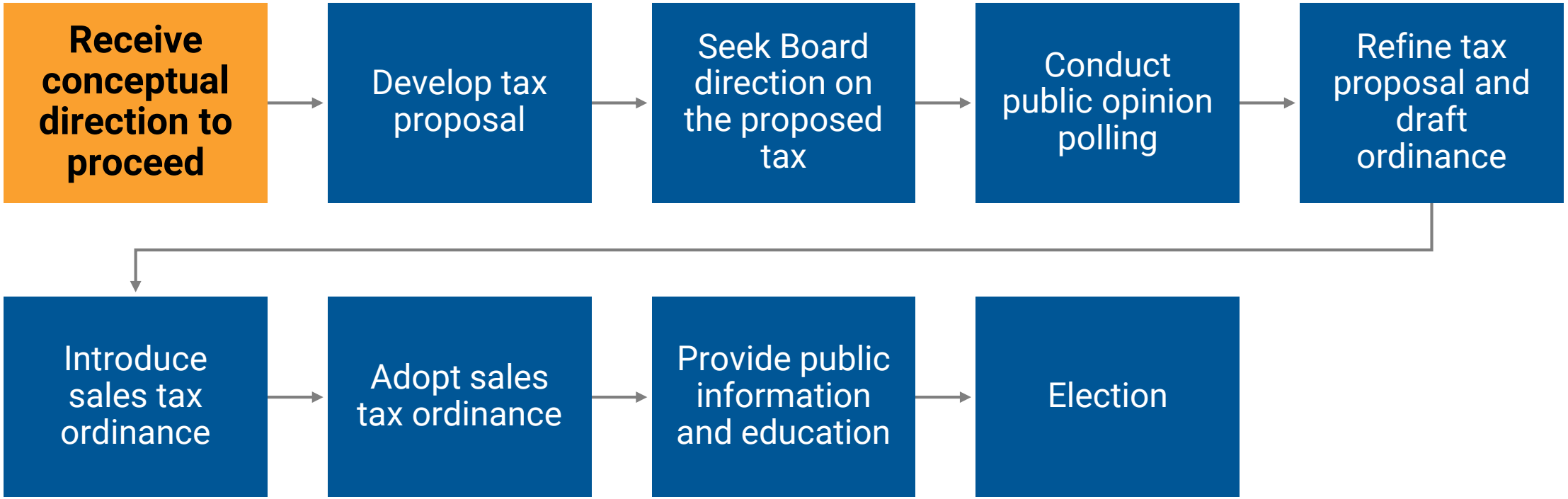
Sales Tax Rates in Santa Barbara County

	April 2017	April 2018	April 2019
Santa Barbara County	**7.75%**	**7.75%**	**7.75%**
Buellton	7.75%	7.75%	7.75%
Carpinteria	7.75%	7.75%	9.00%
Goleta	7.75%	7.75%	7.75%
Guadalupe	8.00%	8.00%	8.00%
Lompoc	7.75%	7.75%	7.75%
Santa Barbara	7.75%	8.75%	8.75%
Santa Maria	8.00%	8.00%	8.75%
Solvang	7.75%	7.75%	7.75%

Sales Tax Options

- **General Tax**
  - Must be approved by a simple majority of voters
- **Special Tax**
  - Must be approved by two-thirds of voters
  - Potential uses:
    - Public safety, in particular the radio network upgrades
    - Mental and public health facilities and programs
    - Libraries
    - Infrastructure improvements including roads, parks, facilities, and trails

Requested Direction & Anticipated Steps



Deadlines to Adopt Ordinance

Deadline	Election
November 5, 2019	March 3, 2020 - Primary Election
July 14, 2020	November 3, 2020 - General Election

Recommended Actions

A. Receive an update on the Renew ‘22 initiative;

B. Provide conceptual direction to staff on a transaction (sales) and use tax to be implemented in the unincorporated area;

C. Direct staff to return with polling data results and options for a ballot measure; and

D. Determine pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15378 that the above actions are not a project subject to CEQA review.