News

A AND B CAME TO BE THANKS TO MONEY SUPPORTERS OF SALES TAX INCREASE OUTSPENT OPPONENTS 8 TO 1, FILINGS SHOW

By **Scott Smith**December 09, 2013
Record Staff Writer

STOCKTON - A list of Stockton's who's who funding the campaign for the city's sales tax increase contributed nearly eight times as much money as those who opposed the Nov. 5 ballot measure.

The Spanos and Grupe family businesses topped the list along with Collins Electrical Co., according to campaign filings. The Bank of Stockton was the single largest donor, giving \$25,000 - more than the total sum of the opposition's war chest.

But for their money, the 3/4-cent sales tax increase called Measure A won by a slim margin with fewer than 52 percent of votes. Passage required a simple majority of 50 percent plus one vote.

While some believe the backers had no choice but to outspend the opposition and overcome a fear of giving more money to a bankrupt City Hall, critics have another take on the numbers.

"When a voter initiative lacks credibility, it takes money to brand sensationalism and then sell it to the community," said David Renison, president of the San Joaquin County Taxpayers Association, which led the opposition.

"That's what happened with Stockton's Measure A," he said.

Renison said he didn't want to sound like a sore loser. Immediately after election results came in, he publicly acknowledged that voters had spoken.

He next seeks an appointment to an oversight committee that will watchdog how the city spends an estimated \$28 million to be raised annually and used to hire more police and pay bankruptcy debt.

But Renison also said he believes certain donors backed the tax campaign to gain influence and maintain lucrative contracts with the city, he said.

"It was surprising to see so many business people who would usually oppose higher taxation turn pro-tax," he said, "especially on a poorly written ballot measure with no assurances on where the revenues will be spent."

City officials vow to spend the new tax on police and bankruptcy debt, but because it required a simple majority of voter approval, the money can legally be used on anything the council wants.

To win voters' confidence, city officials also put Measure B on the ballot, an advisory component spelling out that it will go toward police and bankruptcy. The tax increase goes into effect April 1.

Stan Devereux, a Sacramento-based spokesman for Taxpayers for Measures A and B, said it is true that he and his colleague, John Feliz, typically work on Republican campaigns, so running a tax campaign was unusual.

But he rebutted any implication by Renison that the backers bought the votes they needed. Renison continues to push his campaign message, attacking the ballot language, Devereux said.

Former state Assemblyman and Stockton resident Dean Andal unsuccessfully took the city to court, challenging the city's ballot language as misleading.

"When it comes right down to it, we were able to get more 'yes' voters out than they were able to get 'no' voters," Devereux said. "Our message was putting more police officers on the street."

Also struggling to bring itself out of bankruptcy, he said, Stockton requires "tough medicine," such as raising taxes.

The lopsided campaign figures weren't a surprise, despite the close vote count, said Mark Keppler, executive director of the Maddy Institute for Public Affairs in Fresno.

Any measure seeking to raise taxes will have a 25 percent disadvantage to begin with, and Stockton had a steeper challenge given the bankruptcy, which would make voters leery of giving city officials more money, Keppler said.

"I wouldn't over-read the numbers," he said of the pro-tax camp raising eight times more money. "They had to. It's not a one-for-one deal."

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Campaign costs

Despite out-spending the opposition, proponents of Stockton's tax hike passed by a slim margin.

"Yes" outspent "No" by an 8:1 ratio

"Yes" raised \$183,720

No raised \$24,049

Each "Yes" vote cost \$12.30

Each "No" vote cost \$1.73