

BUSINESS LICENSE TAX SURVEY

CONDUCTED FOR THE
CITY OF MANHATTAN BEACH

PRESENTED BY
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7/15/2026

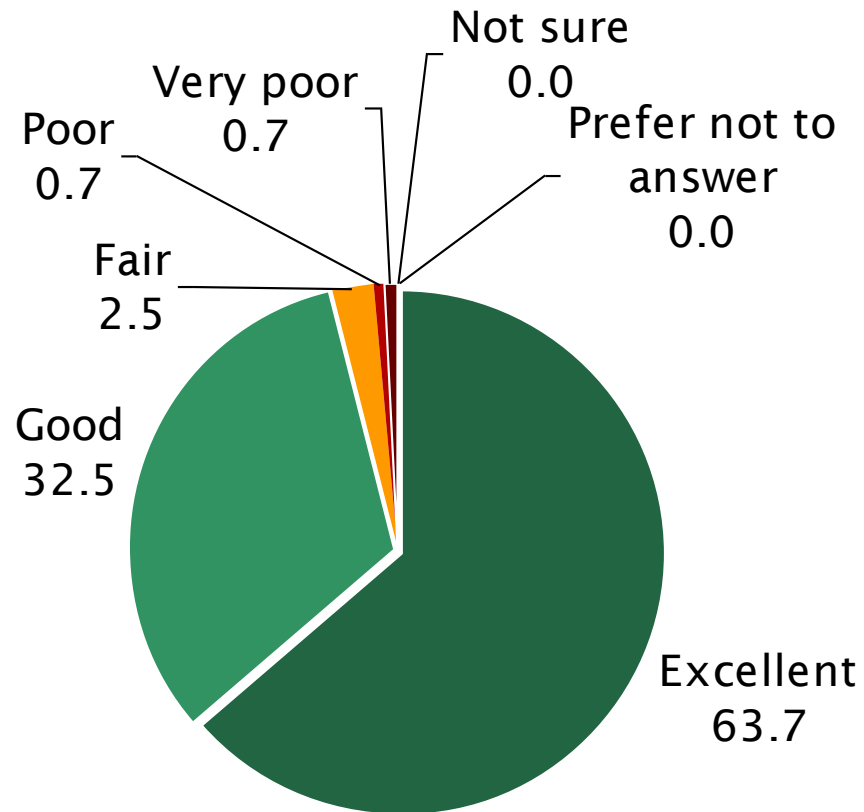




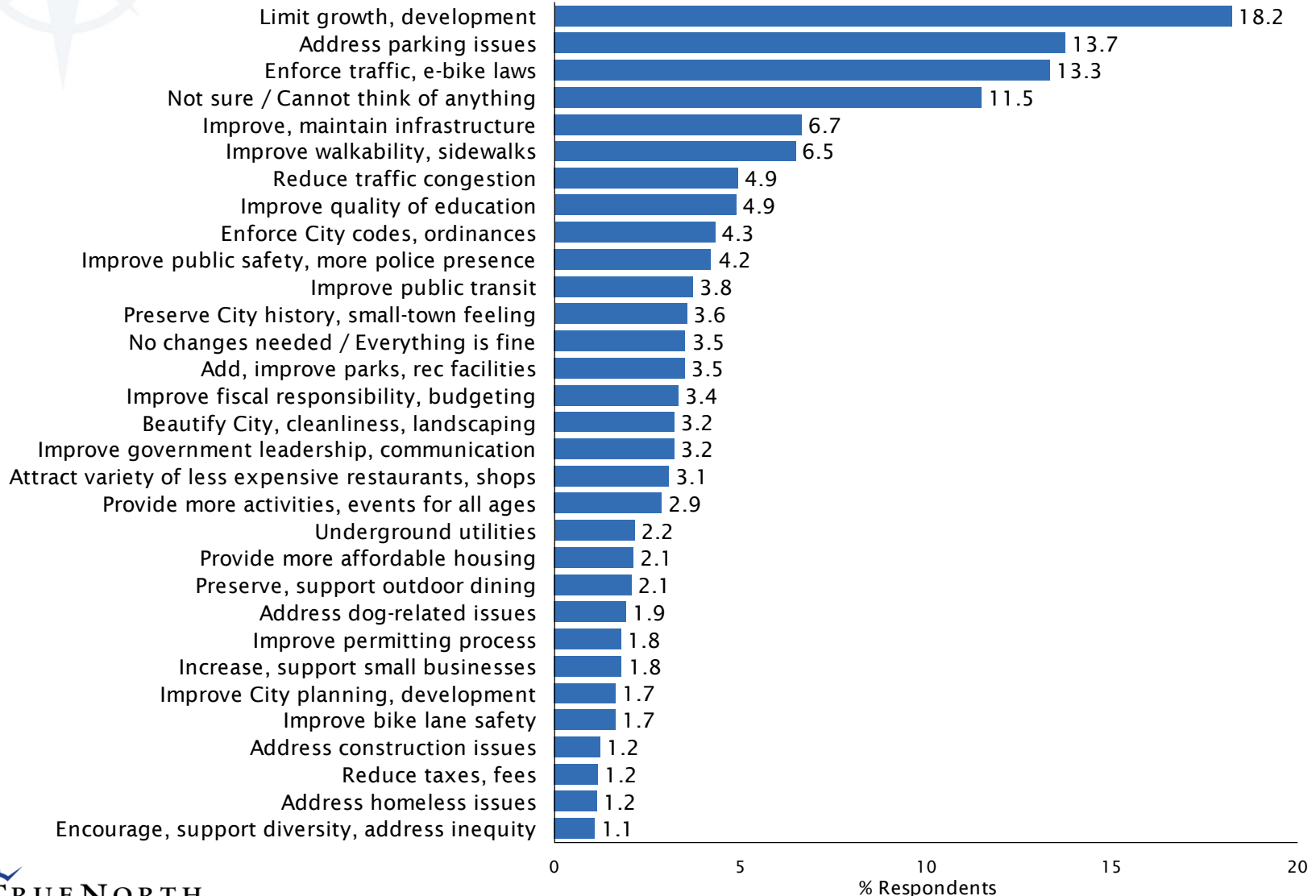
METHODOLOGY OF STUDY

- **How did we select voters to survey?**
 - Stratified & Clustered Random Sample of likely voters (November 2026) using age, gender, partisanship, household party type, and sub-geographies
 - Ensures balanced, representative sample of likely voters
- **How did we recruit participation?**
 - Personalized email, text, and telephone calls
 - PINs to restrict access and ensure one complete per respondent
- **How were voters able to share their opinions?**
 - Secure, PIN-protected website that scales to the device
 - Telephone (land line or mobile)
 - June 16th to June 24th, 2026
- **What was the sample size?**
 - 459 completed surveys
 - Overall margin of error of $\pm 4.5\%$ @ 95% level of confidence

QUALITY OF LIFE



CHANGES TO IMPROVE CITY





INITIAL BALLOT TEST

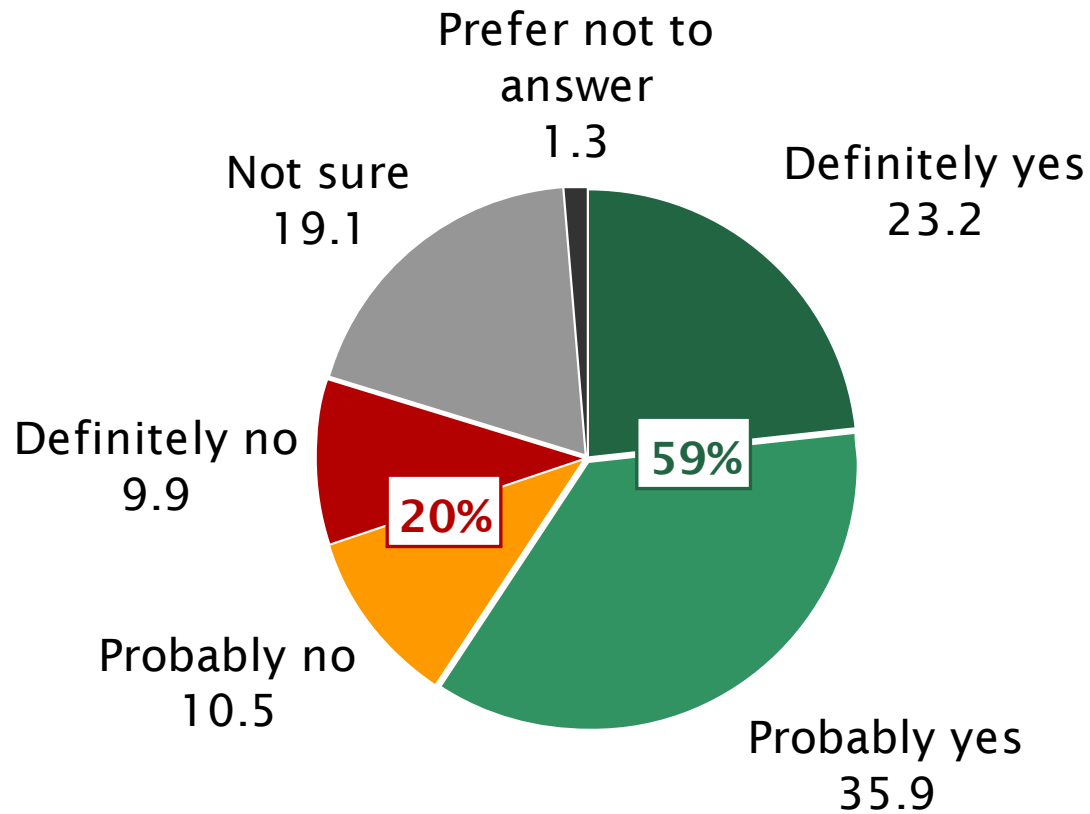
Shall the measure to simplify City of Manhattan Beach's business license tax, lower taxes for 75% of local businesses, and ensure large businesses pay their fair share for general city services such as:

- Paving streets
- Parking management
- and 911 response

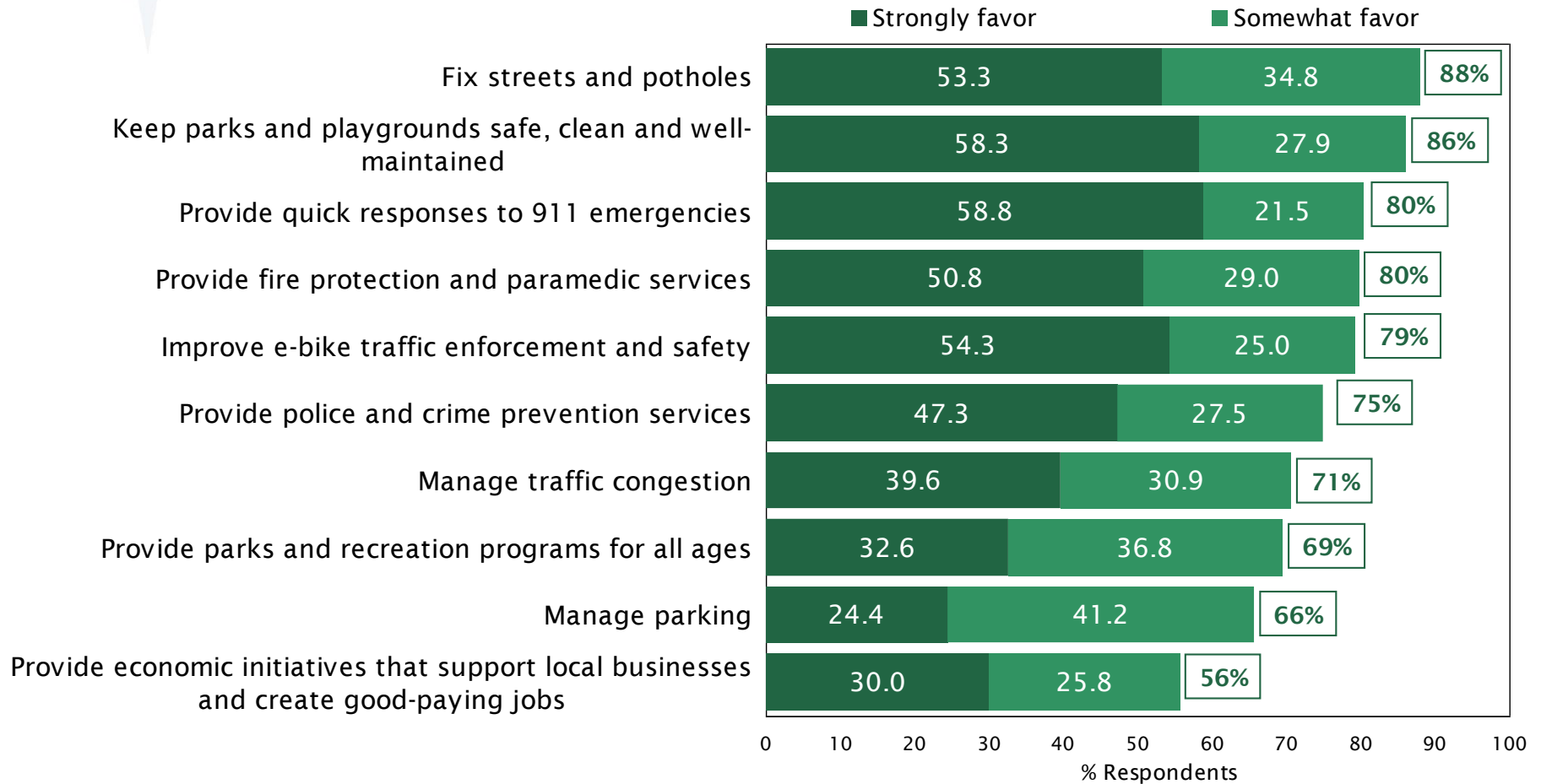
by applying a 0.26% gross-receipts rate equally to all businesses, lowering the flat rate, and raising the cap for large businesses, generating 800 thousand dollars annually in locally controlled funding for city services until ended by voters be adopted? If the election were held today, would you vote yes or no on this measure?



INITIAL BALLOT TEST



PROJECTS & SERVICES



POSITIVE ARGUMENTS

Under current rules, small business are taxed at a higher % of revenues, while larger businesses pay less; measure updates the business license tax so it applies equally to businesses

Fast emergency response times for 911 critical for saving lives; measure will help ensure enough fire fighters, paramedics, police officers to respond quickly to 911 emergencies

City maintains 100 mi of streets, 122 acres of parks, playfields; measure provides funding we need to keep streets, infrastructure, parks in good condition

Every dime raised by measure will be reinvested back into community to fund essential services, facilities in Manhattan Beach; by law, money can't be taken away by State, County, Federal gov

By keeping city safe, clean, well-maintained, measure will help protect quality of life, keep Manhattan Beach a special place to live

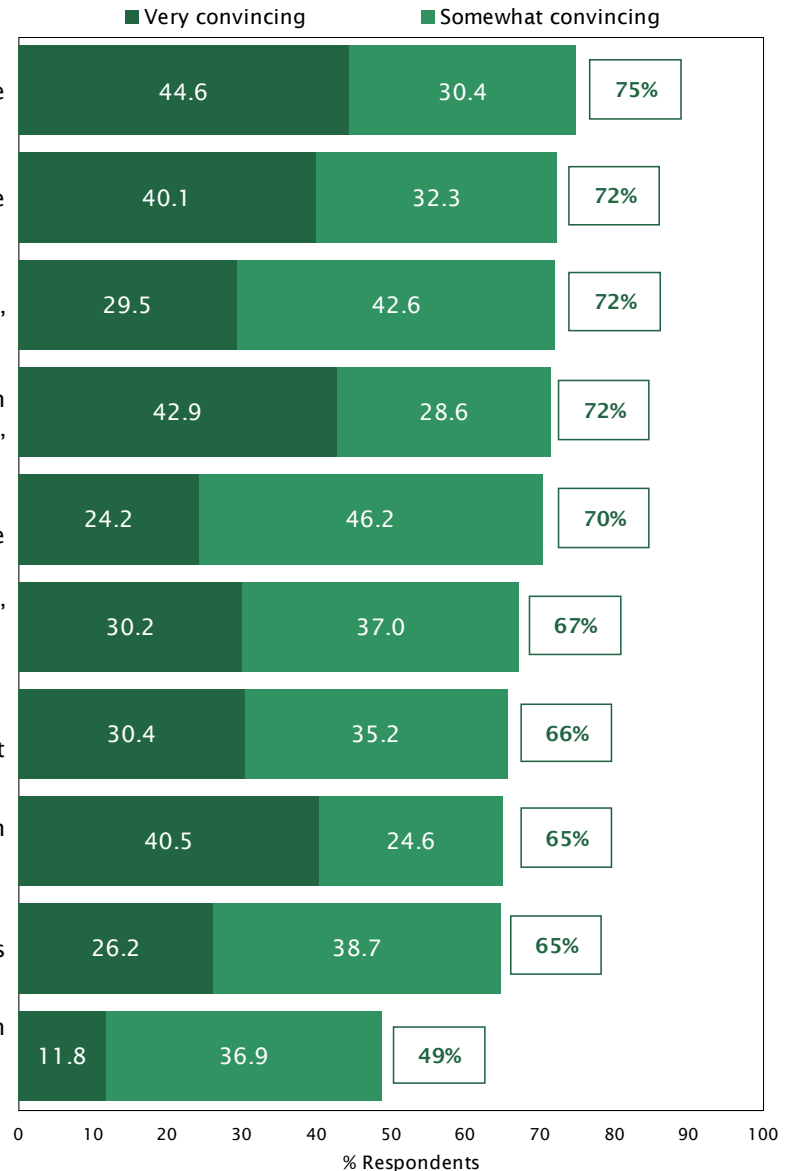
Measure reduces taxes for 75% of business in Manhattan Beach, while ensuring that largest businesses pay their fair share for essential city services

Measure includes a clear system of accountability including independent audits, public disclosure of how all funds are spent

Measure will NOT raise your taxes as a resident of Manhattan Beach; it applies only to businesses

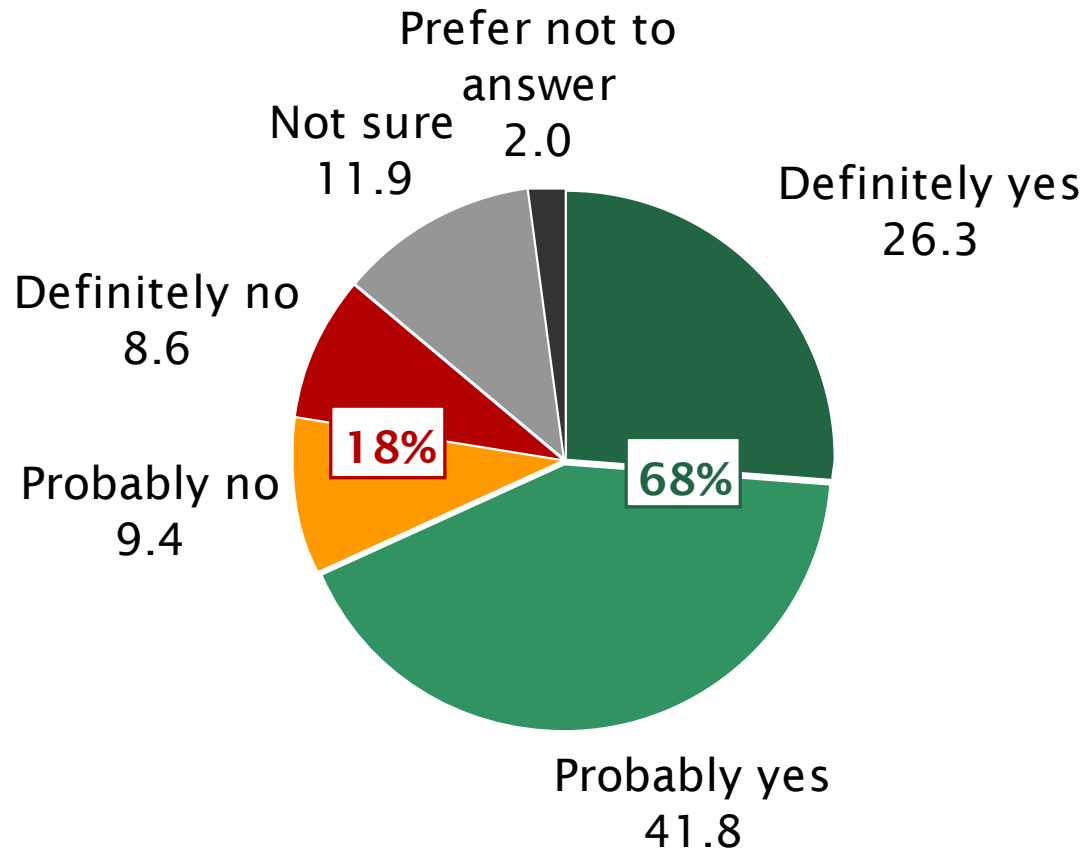
City's Business License Tax hasn't been updated in +50 yrs; measure updates ordinance and simplifies the tax so it applies equally to businesses

A portion of funds will be used to help promote Manhattan Beach as a place to visit, attract new businesses, job opportunities to City, all of which help local economy





INTERIM BALLOT TEST



NEGATIVE MESSAGES

There are no guarantees on how funds will be spent, which means City can divert money to pet projects without any say from voters; we can't trust City with local tax dollars

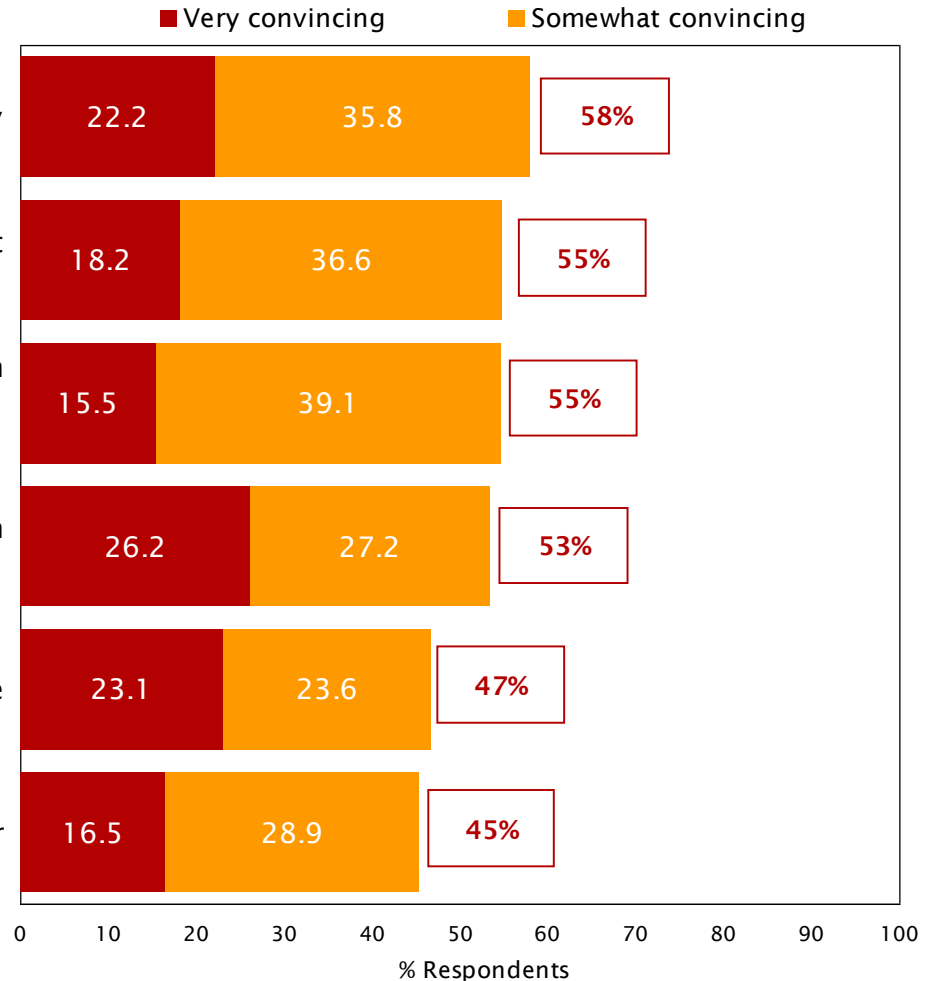
Local businesses hit hard by inflation, high interest rates, spiking gas prices; many struggling to stay afloat; now is not the time to pass tax measures that could hurt our largest employers

Local retail businesses are struggling to make it with so much shopping happening online; measure should give them a bigger tax break to help them survive and stay in business

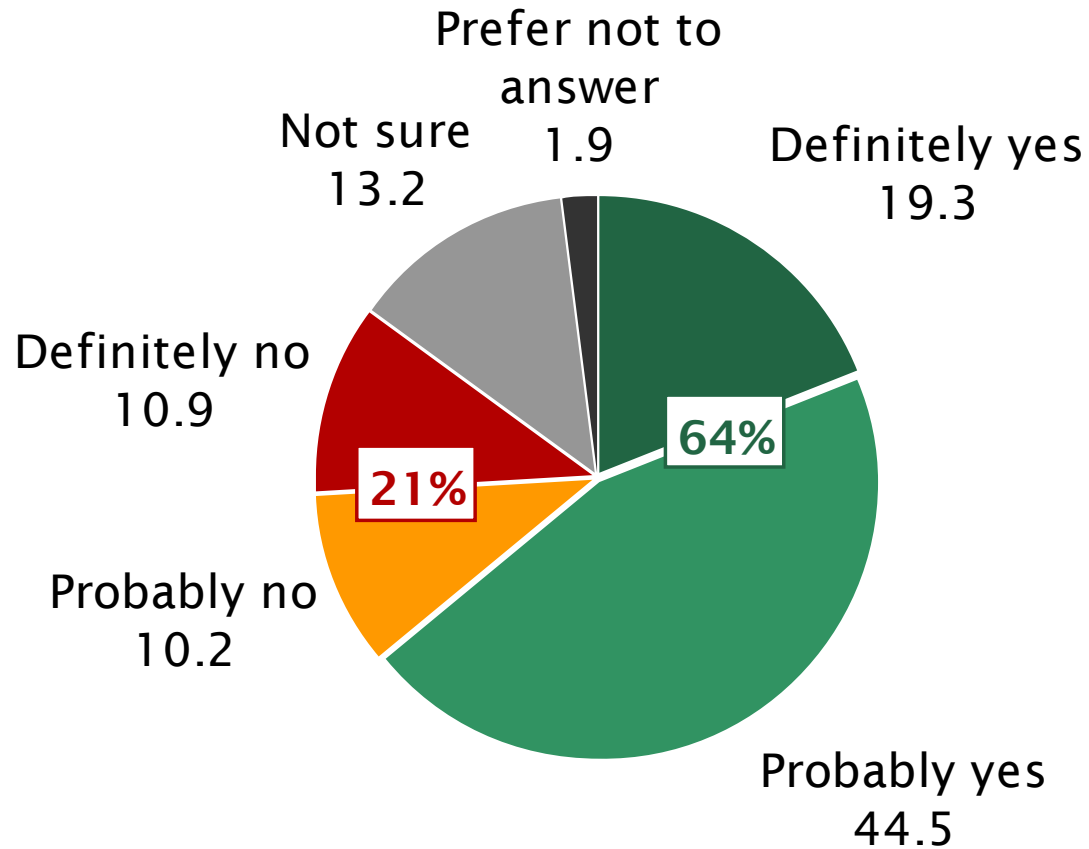
City employees are making too much money in salary, pensions, benefits, that's the problem; City needs to tighten its belt before asking for more money from the business community

This tax will last forever; there is no expiration date

Don't be fooled; most businesses won't see much of a tax break, while the largest business that provide the jobs our residents depend on will be hit the hardest



FINAL BALLOT TEST





KEY CONCLUSIONS

Does a BLT Update Measure appear feasible for the November 2026 ballot? ***Yes, but it will require robust communication & outreach.***

Positive Signs

- Voters view the quality of life in Manhattan Beach as exceptional, but also see room for service improvements
- Solid natural support for the BLT measure (59%)
- Popular projects and services
- Positive arguments resonate
- All ballot tests are well above the simple majority (50%+1) required for passage of general tax, even after opposition arguments

Challenges & External Factors

- Receptiveness to potential opposition arguments
- Challenging external conditions: war/fuel prices, cost of living, tariffs/inflation, record low consumer sentiment, hyper-partisanship, competing measures, turnout?