



Item 3
Town of Atherton

CITY COUNCIL STAFF REPORT – CONSENT AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GEORGE RODERICKS, CITY MANAGER

DATE: AUGUST 7, 2013

SUBJECT: BALLOT ARGUMENT – PARCEL TAX RENEWAL

RECOMMENDATION

Approve the attached argument in favor of the parcel tax renewal.

BACKGROUND

At the July 17 City Council Meeting the Council directed Mayor Lewis and Council Member Widmer to serve as the Ad Hoc Committee to draft the City Council's argument in favor of the parcel tax renewal.

Attached is the draft argument for Council review and approval.

ATTACHMENT(S)

Ballot Argument

ARGUMENT IN FAVOR OF MEASURE

The parcel tax is not a new tax. It is a renewal of the Town's existing parcel tax which has been supported by the residents for the last 30+ years. As before, this tax will last four years and raises approximately \$1.86M annually, equaling \$7.5M over the four year term. The tax is about about \$750 per household for most residential parcels ~~and is 100% tax deductible.~~

All parcel tax revenue goes directly to the Town, while only 9% of regular property tax revenue is received by the Town. Parcel tax revenue will continue to be allocated as a budget supplement for our public safety and crime prevention services and also fund capital improvements for street, drainage and flood control projects which have often been ignored.

While it is true, that the Town's financial situation has improved over the last two years, the parcel tax remains a critical funding source for many pressing capital improvement projects while also helping to maintain our current police services and the critical 9-1-1 capabilities.

Atherton receives little sales tax revenue and has few other sources. Whenever possible, grants are obtained to help fund capital projects; however grants are scarce in this economic climate. The Town acts prudently with your money and has received clean Audits. The Town scrutinizes budget expenditures to reduce costs where appropriate including the elimination of our long term liabilities.

Without the parcel tax our current reserves, which are for future economic uncertainties and emergencies, would be depleted.

The parcel tax renewal requires a two-third's majority. Please renew the parcel tax so that your local government can continue to provide the safety, security, road repairs, drainage and flood control work necessary to maintain the quality of life we all enjoy.

Please vote Yes for Atherton.