

To Tax or Not to Tax?

That is the question for the City Council and Lafayette residents

By Cathy Tyson



Mayor Mike Anderson at the last Breakfast with the Mayor, Chamber of Commerce Conferenc Ro Photo Andy Scheck

Residents are invited to public hearings at the next two City Council meetings on July 14 and July 28 to provide input and await a final decision to put a new tax measure on the November ballot.

Finding funding for municipal services, especially repair and maintenance of Lafayette's 99 miles of roads, to meet the demands of residents and businesses has been a daunting process.

The Council has been listening to residents complaints for some time and is well aware of the \$24 million dollar unfunded road repair backlog. In addition, it's clear that there is significant concern about the very low police staffing ratio in town, the lowest in the county.

A recent telephone survey of 600 residents by Tramutola/Godbe Research assessed potential voter support for a revenue measure to fund maintenance and other items. "Very encouraging results, this is a green light," said Charles Heath of Tramutola.

The pollsters found that a sales tax measure is generally supported by the citizenry – approximately 59% of polled residents were in favor even after hearing hypothetical arguments against the measure. With a margin of error of 5.6 % that was enough with just a little wiggle room to spare, for the simple majority needed to pass the measure. A Utility Users Tax was also surveyed but only 30% of residents were in favor of it after hearing arguments against.

A couple of things are up in the air – will the City Council support putting it on the ballot and if so, what would be the rate and duration of the tax?

Various tax levels were polled 1.0%, .75%, .50% and .25% of what is officially known as a Transactions and Use Tax to be added to our current 8.25 % sales tax. Lafayette would not be alone in Cal-

ifornia if the tax passed, sixty-two cities have voter approved Transactions and Use Taxes. Keeping the tax in place for eight, nine or ten years was discussed, but no decision was made.

Lafayette only receives 1% of the current 8.25% sales and use tax rate, the balance goes to other government agencies and uses. If this new tax is approved by voters at the 1% level, it's estimated to raise \$2,500,000 per year. If the Council decides to use a more conservative figure of .75% or .50%, obviously the amount of revenue produced would be lower. Revenue raised could be used for a number of services; fixing potholes, repair and maintenance of city streets, support of the Library and Learning Center and more.

If the tax is approved at the 1% level, what does that really mean to Lafayette residents? A \$100 shopping spree at Lafayette's Safeway, would cost \$1 more than the same cart of groceries at the Orinda or Moraga Safeway. Arguably with \$4.00 a gallon gas, it's presumed that most residents wouldn't go that far to save a buck. There is some concern however about big ticket items, for example a kitchen remodel or carpet sales.

The Chamber of Commerce Board of Directors will consider the issue on July 14. Executive Director Jay Lifson said that the Executive Committee will recommend to the Board that they not oppose the measure.

"This is our last good option; we have spent a lot of shoe leather to solve these problems. I believe this is the last shot to fix some very chronic problems. I fully support it," said Mayor Mike Anderson.

Residents are encouraged to attend the meetings and share their opinions - 7:00 p.m. at the Lafayette Community Center 500 St. Mary's Road, July 14 and July 28.