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Council Continues to Weigh Charter City and Tax Measures

By Cathy Tyson

"I didn't hear very much enthusiasm for this proposal," said Council Member Carol Federighi. She was talking about the second of three conversations with the public at City Council meetings to weigh support about potentially putting a Real Estate Transfer Tax measure and corresponding Charter City measure on the November ballot.

"I agree," said Council Member Mike Anderson, "There's not a clear indication to move forward - so far it's been very negative."

The suggestion of a Property Transfer Tax came from the independent Finance Review Committee, which thoroughly examined the city budget looking for possible revenue sources to address the \$15 million road repair backlog and lowest per-capita police staffing in Contra Costa County. They concluded a Property Transfer Tax is a way to substantially increase revenue without significantly impacting existing residents or businesses.

According to a City of Lafayette Frequently Asked Questions document, a city charter gives local voters more control over their local government and the affairs of the city. However, a city operating under a charter is still subject to the general laws passed by the state legislature on affairs that are not municipal in nature. Only charter cities can adopt a property transfer tax if approved by voters.

The Council is stuck between a rock and a hard place. "We owe all of our citizens decent roads," said Mayor Brandt Anderson, but comments from residents were overwhelmingly negative. He added that they can't kick it (the road repair backlog) down the road.

With four failed parcel tax measures, the Real Estate Transfer Tax/Charter City option with a 50% +1 threshold to pass seemed like a possibility to fix the problem. There may be a bevy of supporters for road repairs and more police in town, but only two attended the meeting.

If the Council feels the measures are ballot-worthy, then it will be up to the voters to decide their fate. One of the few proponents, Cheryl Noll said, "I'd like to see a vote put to the people"

Former Citizen of the Year and School Board Member Judy Carney concurred, "Democracy is about giving the public a voice."

Opponents however, dominated the podium. Kenneth Page said, "There's a general movement against higher taxation." He suggests tabling this issue until economic times are better, saving the City the \$10,000 filing fee. The Council got an earful regarding staff salaries and a suggestion to "reinvent government." An emotional Larry Pines commented, "Every city manager in the country knows that the way to raise revenue is to talk about roads and cops."

Council members begged to differ - noting Lafayette's AAA Bond rating, bragging rights shared by only 25 of 490 California cities. Not to mention the substantial \$8.3M in reserves - the equivalent of 74% of General Fund expenditures the city has set aside in case of emergency - and a recent public opinion poll showing nine out of ten residents are satisfied with city services and quality of life. Even the all-volunteer Finance Review Committee found that the taxpayer's money is prudently managed and its expenditures are in line with peer cities.

There is one final City Council meeting on July 12 before a final decision is made on whether to place Property Transfer Tax and Charter City measures on the ballot. After four failed taxation attempts, the future doesn't look terribly bright for both measures or for the 99 streets that are awaiting reconstruction, barring a generous turnout of supporters.

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