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## Public Forum

Funding City Services in Lafayette

Just about everyone who lives in Lafayette loves Lafayette. So say residents who answered two recent polls. People like the schools, the protected ridgelines and open spaces, the shopping and dining, the feeling of safety, and the sense of community. Newcomers seek out Lafayette. Although home prices are down from their peak, brokers say Lafayette has the strongest housing market in the area.

While almost all citizens are happy with local government services, many want the City to fix the remaining failed roads on which 4,000 people reside and increase neighborhood police patrols. Nevertheless, last month, the Council postponed indefinitely a proposal to allow voters to increase the property transfer tax to provide revenue to fund both needs. Two parcel tax measures to provide the required funding failed in the past four years. Each received more than 60 percent support, but not the required two-thirds approval.

Before we can move forward, citizens and Council members must learn from these experiences. I think there are three lessons. First, the Council must continuously manage efficiently and focus spending on high priority programs. Second, new funding proposals must be simple. Finally, Council members and citizens need to participate in creating and passing an acceptable plan.

Does the City manage efficiently? Twice in the past 15 years (most recently in 2008), we asked residents with extensive business management experience to join an all-volunteer Finance Review Committee to assess everything city government does, and recommend how we could operate more efficiently. Both Committees found that Lafayette spends less per person than most cities in Contra Costa County. The Council adopted most of the Committees' cost reduction proposals.

The 2008 Committee concluded that the services most residents want - better roads, faster police response, open spaces preserved - cannot be delivered by the City's current revenues, even if other expenses are cut. The 2008 Committee stated that it is "imperative" that voters approve new funding sources.

The City budget focuses on high priority projects and programs. Police services consume approximately 40 percent of the General Fund. The City augments gas tax receipts and other road-dedicated funding with \$1 million from the General Fund, a level matched by few cities our size.

The failure of the property transfer tax proposal underlines the value of simplicity. The 2008 Finance Review Committee recommended voters consider an increase in the real property transfer tax, which is paid only when a property is sold. Polling in January suggested voters would approve this proposal.

Under California law, however, only cities with an adopted charter can consider an incremental property transfer tax. About 125 California cities have charters.

The requirement for a charter complicated the property transfer tax proposal. The City Council, in 2009, asked citizen volunteers to research whether the Council should place a charter on the ballot. After months of work and interviews with approximately 15 charter cities, the Charter Committee recommended asking voters to adopt a charter.

The Charter Committee found that, in cities such as Piedmont, charters give local residents more control over their government, work well, and are not controversial. In other cities, however, charters are used poorly and facilitate government decisions that benefit a few while hurting the majority. The recent pay scandal in Bell, California, is an extreme example of bad management by a charter city.

The complexity of the combined tax and charter proposal became apparent during three Council hearings in June and July. Many of the approximately 40 speakers were wary of the charter, regardless of how they felt about the tax. I am appreciative of those who expressed their opinions, which influenced the Council's decision to postpone placing the measures on the ballot.

Finally, the Council and citizens need to participate in creating and passing an acceptable proposal. Council members must lead and shape opinion when opportunities to solve vexing problems appear. A broad base of citizens needs to provide input and work on campaigns to support or oppose measures.

What happens now? Although the recession reduced City revenues, Lafayette is faring better than surrounding communities; without additional funds, however, failed roadways may never be repaired. Police services will stay the same, or possibly diminish if costs escalate faster than revenue.

At the recent public meetings, some citizens suggested that the City Council ask voters to consider a parcel tax dedicated to road improvement. Experience shows that, while this is an option, it is not necessarily an achievable solution.

Please share your opinions regarding these issues. You can email the City Council at [cityhall@lovelafayette.org](mailto:cityhall@lovelafayette.org).

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(Don Tatzin is a Lafayette City Council member; the opinions expressed in this article are his.)

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