

January 30, 2024

Mayor Jennifer Cavenaugh Honorable Members of the City Council

RE: Measure F and the Overall Tax Burden in Piedmont

Dear Mayor Cavenaugh and Members of the City Council:

The Piedmont League of Women Voters is writing to express concern about Measure F specifically, and more broadly about the piecemeal process for asking Piedmont voters to approve bond measures and special taxes.

Our concerns are two-fold. First, while we understand that the City seeks predictable revenue, Measure F's twelve-year term removes an important means of accountability to voters: the need to seek approval of a special tax on a regular basis. Second, we fear that due to the lack of truly comprehensive long-range planning by the City, Measure F will not be the end of additional special taxes or bond measures through 2037.

By our calculations, Piedmont's taxpayers are currently subject to a sewer tax, a school bond and taxes, a parcel tax, a pool bond, and – in some areas – a utilities undergrounding bond. When the Council approved Measure F for the March 2024 ballot, the Council commented that the \$245,000 per year equipment budget in Measure F would not cover all costs for improved City services. The Council even suggested that it might return to voters as soon as November 2024 to request an additional increase in the parcel tax.

For many years, it has been known that costly seismic retrofitting is needed for Piedmont's public safety buildings. The Council has recently contemplated, as part of the housing element, options that could include making improvements to the corporation yard, relocating a sports field, and offering City-funded incentives to developers. These possibilities were not included in the City's 10-year General Fund financial projections on which the Budget Advisory and Financial Planning Committee based its Measure F recommendation.

The League believes that *all* of the growing needs for City services must be considered as a part of the City's long-range planning. When viewed in this context, the Council will need to set priorities, choose the most critical needs and forego some "nice to haves" in order to minimize what is asked of taxpayers.

Piedmont's voters are generous. They typically approve requests for bond measures and special taxes, believing that they make Piedmont a more attractive place to live and improve owners' property values. At some point, the tax burden could become unsustainable and the Council's requests may be denied. The League urges the Council to avoid this result by 1) taking steps immediately to engage in comprehensive planning that includes all anticipated long-range funding needs for City services, and 2) making the hard choices needed in order to keep the tax burden sustainable. Because this letter is primarily "big picture" and forward looking in nature, however, the League is not taking a position on whether voters should vote for or against Measure F.

Sincerely,

Jennifer Nixon

Treasurer

Kathleen Quenneville

Secretary