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From: pauleckley@comcast.net
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To: CityRecorder
Subject: Agenda Item 23-475 Revenue Task Force

An idea for the Task Force to consider to increase revenue for the general fund starts with the City's Urban Renewal Program. Urban Renewal areas or zones are funded by 1) capping property tax revenue that is currently going to the general fund; and 2) sending the future increases in property tax from these URA's to the Urban Renewal Program. This includes the increased property taxes from all the property in these areas, which could be a person's home or existing business, not just the properties that get developed.

The problem with this approach is that as these Urban Renewal Areas grow, their demand for police, fire and other general fund programs increase. And who gets to pay for these increases? The people and businesses who don't live in these areas. This isn't fair!

An interesting comparison to make is the dollar amount of property taxes going to Urban Renewal each year, against the dollar amount shortfall the City stated when developing the proposed business wage tax idea. They are in the same "ball park" (~\$20 million). This means the revenue shortfall the City faces equals the amount of property taxes "diverted" from the general fund to development, or Urban Renewal.

An idea for the City to consider to add revenue for the general fund would be to cap funding that is currently going to URA's and bring it back to the general fund where it belongs. Or get serious about funding the much needed services of police, fire, library and homelessness and close some or all of the URA's.

An idea for you to consider.

Paul Eckley