



City Council

Gina Dawson, Mayor
Wei-Tai Kwok, Vice Mayor
Carl Anduri, Council Member
Susan Candell, Council Member
John McCormick, Council Member

July 26, 2024

Dear Lafayette Community Members,

I am writing to let you know that the Lafayette City Council has placed a Sales Tax Measure on the November 5, 2024 ballot asking Lafayette voters to consider a ½ cent local sales tax for a period of 7 years to provide funding to maintain the current level of City services. This measure will require a 50% +1 vote to pass.

Below are several points relevant to the Funding Measure:

- A voter-approved sales tax increase of half cent (1/2%) - half a penny on every dollar spent locally – will generate approximately \$2.4 million annually to maintain the current level of services and programs presently being provided to local residents, without eliminating or cutting back programs presently being provided to Lafayette residents.
- Lafayette’s current sales tax rate is 8.75%; however, the majority of this revenue goes to other agencies such as the state, the county and BART.
- If approved by Lafayette voters, a 1/2¢ increase would increase the sales tax rate from 8.75% to 9.25%, which is the same rate as Walnut Creek and Pleasant Hill, and lower than Orinda, Moraga, and Concord.
- Funds raised by the sales tax measure would provide local funding that cannot be taken by the State; 100% of the revenue will stay in the City to benefit Lafayette residents.
- Sales tax is paid by visitors who dine and shop in Lafayette, as well as by local residents, so funds are brought into the City from people who reside outside the community.
- These funds would go directly into the City’s General Fund, which is used for city services such as:
 - Maintaining public streets and storm drains, and providing timely pothole repair.
 - Sustaining wildfire preparedness activities.
 - Maintaining the number of sworn police officers at the current level.

- Services for senior citizens.
 - Maintaining city parks, open spaces, paths, and playfields.
 - Traffic safety improvements on our streets and roads for all users including people driving, biking and walking.
 - Continuing support for our community partners like the Chamber of Commerce and the School District.
- Without additional revenue, the City Council will have to consider possibly cutting back or discontinuing some City programs and services as part of the budgeting process. It is projected that filling a \$2M annual deficit (10% of the City's General Fund) will require cuts across all City departments, including police, public works, planning, engineering, parks and recreation, and administration.

We are reaching out now to let you know that information about the City's financial situation and the funding measure is available on our website at

www.lovelafayette.org/FiscalSustainability

We encourage everyone to sign up to receive the City's Weekly Roundup, a free newsletter that includes information about topics important to our community. Sign up at

www.lovelafayette.org/e-notification or call us at 925-284-1968 for assistance.

There is a Speakers' Bureau available to any organization or community group that would like a presentation regarding the funding measure. To request a presentation, please contact Suzanne Iarla, Communications Analyst, via email at siarla@lovelafayette.org

If you have questions about the deficit or the funding measure, please email lafayettelists@lovelafayette.org.

Thank you,

Niroop Srivatsa, City Manager
925-284-1968