

**MEASURE R
CITY OF ORINDA**

ORINDA ESSENTIAL SERVICES MEASURE

To help maintain and enhance essential City services, including wildfire risk reduction throughout Orinda, preparation for emergencies and disasters, repair of public storm drains, continued public street maintenance, and other city services, shall the City of Orinda increase its existing one-half cent sales tax to one cent, which would generate approximately \$2.4 million annually for a period of twenty years, with financial audits, public review of all expenditures, and a citizens' oversight committee?

**CITY ATTORNEY'S IMPARTIAL ANALYSIS OF
MEASURE R**

The City Council of the City of Orinda has placed Measure R on the November 3, 2020 ballot to ask the voters to approve an ordinance that would increase and extend the City's existing transactions and use tax (sometimes referred to as add-on sales tax). The tax is calculated based on the sales price of tangible personal property sold at retail in the City, or purchased outside the City for use in the City. The City's existing add-on sales tax was approved by Orinda voters on November 6, 2012 and is set to expire in 2023. The existing add-on sales tax rate is 0.5 percent. That means, if something taxable is sold for one dollar, the City receives one half cent. If Measure R is approved by a majority of the voters voting on it, the City's add-on sales tax would increase to 1.0 percent starting in 2021 and terminate after 20 years.

The current cumulative sales tax rate in Orinda is 8.75 percent. That rate would increase to 9.25 percent if the Measure is approved. Some sales are exempt from taxation, including the sale of certain food and other items categorized as necessary to the sustenance of life. Retailers remit sales tax proceeds to the California Department of Tax and Fee Administration (CDTFA), which allocates those proceeds between the State and various local governmental entities based on legal mandates. CDTFA would be required to allocate all proceeds from the tax proposed by Measure R to the City of Orinda.

California law provides that a general tax can be passed by a simple majority, while a special tax dedicated to specific purposes must be passed by a two-thirds vote. The tax proposed by the Measure would be a general tax. All proceeds would be deposited in the City's General Fund and could be used for any municipal governmental purpose. In placing the Measure on the ballot, the City Council indicated the proposed tax proceeds could be used for municipal governmental purposes such as wildfire threat reduction, emergency preparation, City road maintenance, and public storm drain repair. The Measure does not bind the City to use the proceeds for any particular City services, facilities, or programs.

The Measure requires the City Council to establish a Citizens' Oversight Commission to review the expenditure of proceeds from the proposed tax, or assign that duty to an existing City commission. In addition, the Measure requires that proceeds and expenditures associated with the proposed tax be included in the annual independent audit of the City's financial operations, which is a public document.

A "Yes" vote is a vote to increase the City's existing add-on sales tax from 0.5 percent to 1.0 percent and continue that tax for 20 years. A

"No" vote is a vote against extending and increasing the City's existing add-on sales tax. The Measure would be approved if it receives a simple majority of "Yes" votes.

The above statement is an impartial analysis of Measure R. If you desire a copy of the Measure, please call the City Clerk's office at (925)253-4221 and a copy will be mailed at no cost to you, or you may obtain a copy by visiting the City's website at www.cityoforinda.org.

Osa L. Wolff
City Attorney
City of Orinda

**ARGUMENT IN FAVOR OF
MEASURE R**

Vote YES on R for a Safer Orinda by reducing wildfire risk, maintaining safe roads and improving critical infrastructure.

Just eight years ago, Orinda's deteriorating roads were rated among the worst in the Bay Area. That's when Orinda voters approved a modest increase in the sales tax rate to fund repairs. All scheduled road improvements were completed on budget and ahead of schedule, as documented by the Citizens' Infrastructure Oversight Commission.

This vital local funding source is set to expire. Funding continues to be needed to maintain roads and address urgent wildfire safety issues.

Recent fire seasons have been the hottest, driest and most destructive on record. Orinda's excess vegetative fuel increases fire risk and creates conditions similar to those leading to devastating wildfires in Santa Rosa, Paradise and other communities. Proactive wildfire prevention is needed to keep Orinda safe.

Voting YES on R renews the expiring voter-approved sales tax and increases the rate by ½¢ (50¢ on a \$100 purchase) to provide **locally-controlled funding for local needs**, including:

- Improving wildfire safety by controlling hazardous brush and vegetation throughout Orinda
- Protecting neighborhoods, schools, fire stations, roads and bridges from wildfire by maintaining defensible space
- Repairing aging and collapsing storm drains to prevent flooding, sinkholes, and maintain safe evacuation routes
- Improving disaster preparedness by enhancing emergency communications, early alerts and evacuation planning
- Maintaining roads to minimize future costly repairs

Measure R Continues Strict Accountability Protections

- All funds stay in Orinda and cannot be taken by Sacramento
- An independent citizens' oversight committee and mandatory audits are required
- Essential purchases like groceries and medicine are exempt to reduce the burden for residents on fixed/ limited incomes

Maintaining Orinda's infrastructure and preventing wildfires will **protect our safety, quality of life and property values.**

Please join Orinda's respected leaders in voting Yes on R.

www.SaferOrinda.org

Darlene Gee, Mayor, City of Orinda
Melanie Light, Chair, Orinda Firewise Council
Sue Severson, Former Orinda Mayor & Chair of Fix Orinda Roads
Jud Hammon, Chair, Orinda Citizen's Infrastructure Commission
Steve Glazer, CA State Senator

**ARGUMENT AGAINST
MEASURE R**

More taxes? Isn't our cost of living high enough? With all the other measures on the ballot that will increase taxes, Orinda needs to take a hard look at its finances to see if higher city sales taxes should be increased at this time.

Sales taxes hurt the most vulnerable of the community such as those retirees on fixed incomes, and those who have been hard-hit with recent economic challenges from loss of employment, decrease in business or business closure.

- The Measure R ballot question **neglects the fact** that any monies generated go into the city **General Fund** which can be used for any legal purpose. The Orinda City Ordinance that brings this measure states **"it is not a commitment to any particular actions or purposes, and the specific purposes recited in the ballot measure are non-restricted and non-exclusive examples only."** Future city leaders may choose not to fund the current concerns about wildfires, storm drains and road maintenance with sales taxes as indicated in the measure, but instead use them for salaries, pensions, and pet projects.
- An increase in the Orinda sales tax is likely to affect income (revenue) earned at Orinda businesses. If business income declines, jobs at Orinda businesses will be lost.
- An increase in Orinda's sales tax will encourage shoppers to go elsewhere such as online websites, where the sales tax may be lower or non-existent.
- Measure R not only extends the "temporary" tax passed in November 2012 but increases it for 20 years.

Measure R raises Orinda's sales tax from 8.75% to 9.25% but that number does **not include any other proposed state and county tax increases also on the ballot** that will affect consumers.

We are already taxed high enough. Vote NO on Measure R.

Contra Costa Taxpayers Association, Susan L Pricco, President
Richard Coleman, Scientist/Educator
Stephen Anderson, Resident
Kathleen Jenkins, Resident
Mary Anderson, Resident

**REBUTTAL TO ARGUMENT IN FAVOR OF
MEASURE R**

Orindans pay enough taxes now.

Measure R increases local sales tax even before their current ½% sales tax expires in April of 2023. The city already collects about \$3.5 million/year to spend on essential services until then.

Orinda residents have serious concerns about fire protection. The city has known about fire risk for decades, but has never addressed it. Are we to believe the city will spend an appropriate amount now? Measure R indicates a small allocation for this purpose, but future councils may decide that there is another project they prefer.

Accompanying Measure R, are other potential tax increases like the possible countywide increase in the sales tax and the statewide Proposition 15, making it easier to raise property taxes on commercial real estate. Measure R proponent Sen. Steve Glazer, at press time, is pursuing a Senate bill, **unique** to Contra Costa, to raise the allowable cap on local sales tax. If successful, we expect to see more tax measures ahead. **When is enough going to be enough?**

Long term effects from the pandemic are yet unknown and this is not the time for a new 20 year commitment. Higher sales taxes depress the demand for goods. This drop in demand would lead to lost income for local sellers and can kill jobs.

This measure is promoted by the City of Orinda because it only requires a simple majority to pass and, as general fund revenue, does not commit the city to any specific purpose.

Vote NO on Measure R.
www.cocotax.org

Contra Costa Taxpayers Association, Susan L Pricco, President
Kathleen Jenkins, Resident
Richard Colman, Scientist/Educator

**REBUTTAL TO ARGUMENT AGAINST
MEASURE R**

Now more than ever, Measure R is urgently needed to keep Orinda safe.

With another deadly and destructive fire season upon us, **wildfire prevention work CANNOT WAIT**. Voting Yes on R means we get to work before it's too late **reducing flammable vegetation, creating fire breaks, ensuring defensible space and safe evacuation routes** as recommended by local fire professionals.

Orinda has made significant investments to improve local roads. Yes on R **protects our investment** with maintenance **so roads don't deteriorate** to their prior condition, requiring costly repairs.

Most storm drains were built as Orinda developed over the last century and are reaching the end of their useful life. **Yes on R upgrades storm drains to prevent flooding, sinkholes, property damage and maintain safe emergency evacuation routes.**

The cost of Measure R is modest – adding just 50¢ on a \$100 purchase/ \$5 on a \$1,000 purchase. **Essential purchases like groceries and medicine are exempt so the cost isn't a burden.**

Without Measure R growing wildfire risk will increase home insurance premiums by more than the cost of this measure and insurance companies may stop offering fire insurance.

Sales tax is a pass-through that won't burden struggling businesses nor create a competitive disadvantage. With Measure R, Orinda's sales tax rate will be the same as Moraga's.

Orinda's independent Citizens' Infrastructure Oversight Commission has confirmed proper spending of the funding that Measure R renews. Strict fiscal accountability, oversight and transparency requirements will continue to ensure funds are spent as promised.

Vote Yes on R for a Safer Orinda.

Amy Worth, Vice Mayor, City of Orinda
Thomas D'Amato, President, Orinda Chamber of Commerce
Lucy Talbot, Orinda Firewise Council
Cara Hoxie, President, Orinda Union School District Board
Bill Waterman, Former President, Orinda Association, and Chair,
Orinda 4th of July Parade