Primal Scream -- What Changes Do Yu Want to See for Your Measure B Sales Taxes? -- 5/10/12

What Changes Do You Want to See for Your Measure B Sales Taxes?

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The City is proposing to spend your $100 million Measure B tax money without a plan. Don’t you think that’s pretty arbitrary?

What worries me is that, at the end of the 10 years, and after collecting and spending more than $100 million in taxes from you and me, you and I could end up exactly where we are today.

Is that where you want to be in 10 years? Back to where you are today, and a $100 million poorer?

A strategic 10 year spending plan could protect you and me from this fate. This spending plan could produce significant changes from spending your Measure B sales tax money, changes like economic development that attracts and supports thriving businesses that create many more good paying private sector jobs and are generating substantially more sales tax revenues for the City, at least $10 million a year more.

Street repairs would still be done, and public safety needs would still be addressed. They would be part of the strategic 10 year plan. They would be necessary to support an effective economic development plan.

To the City of Vallejo, your Measure B sales tax money is much like what overtime pay is to you ...not something you depend on year after year.

Like your overtime pay, some years, you might get a lot more and in other years, you might get little or none. Your overtime pay isn’t recurring money, since the amount you could earn in any one year could change, or disappear altogether.

Would you buy a new car and use your overtime money to make your payments over 7 years? No. You’d probably use your regular pay, the pay you could rely on to be coming in every month to make your car payments, and use your overtime pay for something that didn’t require payments over several years.

The choices you make with your money are similar to the choices the City makes with all of your tax money, not just your Measure B tax money. You’d expect that the City would decide how to spend your Measure B sales tax money much like you’d spend your overtime money. You wouldn’t expect that it would be spent for something that would continue to require payments 30 years or more down the road, but that’s exactly what the City’s initial spending proposal called for ...

More than $18 million of your Measure B taxes is proposed to be spent over the 10 years for salaries and benefits for additional employees. Those are employee who could lose their jobs after the 10 years are up unless there is a spending plan to replace your Measure B tax money with additional revenue.

These are the same spending habits that forced Vallejo into bankruptcy. Here’s an example of those spending habits. Instead of investing the millions of dollars that the City collected in development fees, money that was going to come in only once, in Economic Development to create good paying private sector jobs and to attract and support businesses that would generate new revenues to pay for services that new residents would need, the City spent those development fees on increasing salaries and benefits for City employees.

Those development fees were about as reliable to the City as your overtime pay was to you. The City knew that those fees could NOT to continue coming in. When those development fees weren’t enough, the City had to start cutting services, beginning in 1994. The City continued to cut services until it couldn’t cut any more and ended up in bankruptcy.

Knowing that, doesn’t it make sense for the City to spend your Measure B sales tax money on things that it won’t have to continue to pay after the Measure B sales tax money stops coming in 10 years from now?

The City is proposing to spend your $100 million without any plan. Don’t you think that’s pretty arbitrary?

Aren’t you worried that, at the end of the 10 years, and after collecting and spending more than $100 million in taxes from you and me, you and I could end up exactly where we are today and a $100 million poorer?

If the City had spent those one-time only moneys like those development fees on one-time expenses instead, Vallejo might nave been able to avoid bankruptcy. To ensure that Vallejo isn’t forced back into bankruptcy, doesn’t it make sense that it start spending your money in ways that won’t put the City back into bankruptcy?

The solution is to create a strategic 10 year spending plan for your $100 million Measure B tax money. The goal of this spending plan would be attracting and supporting thriving businesses that are providing many more high paying private sector jobs than today while replacing the Measure B taxes that you and I are now paying.