

Arguments in support or opposition of the proposed laws are the opinions of the authors

## ARGUMENT AGAINST MEASURE F

We strongly urge a NO Vote on Measure F.

The most harmful impact of the proposed ½ cent sales tax increase will be on low-income workers, families, and students. This is why a sales tax is called a REGRESSIVE TAX. Although food, medicine, and diapers are exempt, many essential items are not. High-income earners most likely will not notice the increase but low-income residents certainly will. If passed, the city's sales tax will be 9.75%, equaling the highest in the county. This would be on top of the largest inflation rate in 40 years and ever-escalating rents.

To place this Measure on the ballot the city had to declare a fiscal emergency. We see no emergency in the true sense of that word. The City is finally emerging from COVID with an influx of tourists, with restaurants open and with hotels filling up. On the expense side, Council in the same period approved raising the pay scales of certain top management staff and continues contracting with high-priced consultants, neither of which suggests an emergency.

The city is misleading the public in its promotion of the tax increase. It claims the extra funding will go to help with homelessness, city parks, and essential services. If the tax is approved, the money will go straight to the General Fund. Where it will ultimately be allocated is not determined. It may well go towards more consultants or further top management salaries.

If the city views increasing taxes rather than fiscal responsibility as its main avenue to balance the books, then a modest increase in the Transient Occupancy Tax (hotel tax) which affects tourists rather than local low-income workers and students would be a less impactful option.

A progressive community should not support a regressive sales tax increase.

Vote NO on Measure F!

Signers:

Susan F. Martinez

Gillian Greensite

Ron Pomerantz