

DATE

League of California Cities c/o Public Affairs Department 1400 K Street, Suite 400 Sacramento, CA 95814 Email: <u>BallotMeasures@calcities.org</u>

RE: Letter Opposing Initiative 21-0042A1

The City of Imperial Beach opposes Initiative #21-0042A1, a November 2024 statewide ballot proposition. As stated in the attached Resolution, the measure is a significant threat to local control and voters' rights that could jeopardize funding for vital services.

Based on the current volume of fees and charges imposed by local agencies, including council-adopted increases to simply accommodate inflation, the League of California Cities estimates the amount of local government fee and charge revenue at risk is approximately \$2 billion per year including those adopted since January 1, 2022. Hundreds of local tax measures were approved in 2022 that likely do not comply with the provisions of the initiative. Nearly \$2 billion of annual revenues from these voter-approved measures will cease a year after the effective date of the measure, reducing the local public services funded by these measures, unless the tax is re-submitted for voter approval. Reductions on local government tax revenues have impacts on core services and infrastructure including fire and emergency response, law enforcement, streets and roads, and parks and recreation.

On November 2022 as part of the general election, Imperial Beach included a ballot measure "Measure R" – The Imperial Beach Quality of Life Measure – a proposed 4% increase to the local hotel tax that is paid by visitors and tourists who stay in the local hotels and lodging in Imperial Beach. Measure R passed by 67.36% for an approximately \$400,000 annual revenue. Measure R is not a tax on Imperial Beach residents who don't stay in local hotels. Measure R would allow visitors to contribute to the costs of improvements such as upgrading and maintaining the areas of the city most often visited by tourists with better lighting, sidewalks, and other amenities, which residents also use. Measure R is essential funding to maintain Imperial Beach's essential services such as keeping neighborhoods safe, quiet and clean, recreation programs, upgrading and maintaining local parks, and improving lighting and safety in areas of the city frequented by visitors to improve the tourism economy – all priorities identified by the Imperial Beach community. If Initiative 21-0042A1 qualifies and passes by the voters on November 5, 2024, Measure R would be repealed and brought forward again to the voters for re-election in the 2025 making it a special election of an approximate cost to the city of \$200,000 to \$325,000.

As stated in the attached Resolution, you may list the City of Imperial Beach in formal opposition to Initiative #21-0042A1.

Sincerely,

Paloma Aguirre Mayor

Attachment: Resolution 2024-018