

BELMONT TAX -
FEB. 1983 -
REDWOOD CITY TRIBUNE

A ballot for Belmont

3
IT ISN'T often these days that people will vote themselves a tax increase, but residents of Belmont just may be ready for that drastic step. TAX

*** FEB 18 1983

A tax increase was one of the two solutions Mayor Robert Hoffman suggested to cope with the city's storm drain problems. The other suggestion was for a building moratorium to halt the addition of homes and businesses to overloaded storm drain lines.

The problem is that Belmont's 30-year-old drain system is in such poor condition it can no longer handle the runoff from heavy rains. The city has \$263,784 set aside for repairs, but there is a general feeling that sum would pay only for a "Band-Aid" job that would be wholly inadequate.

What is needed, apparently, is \$15 million to replace the entire storm drain system. And the best, if not the only, way to get the \$15 million is through a tax.

Belmont citizens understand the problem. More than 80 homes were damaged

in the January rains when parts of the drain system collapsed or became filled with debris. Damage was estimated at \$430,000, and most flood insurance doesn't cover the damage.

Whether citizens will go along with Hoffman's solutions is uncertain, but he received support from City Council members when he outlined his ideas at a meeting Tuesday night.

As Councilman Donald Heiman told the audience: "The city does not have the money. We get the money from you (residents). The only solution I see is a ballot question for a tax override."

It's the only solution we can see, too. The Council has directed the city staff to study alternatives to financing the drain improvements, and it's possible the staff will come up with an approach that would obviate the tax override.

It's more likely the issue will come back to the citizens. Then it will be up to them to approve or reject a tax override measure.

(OVER)

BELMONT TAXES
REDWOOD CITY TRIBUNE
SEPT. 14, 1983

* SEP 14 1983

Belmont may rebate \$1 million to taxpayers

But residents also would face increase to pay for storm-drain repairs

By Phyllis Brown
Times Tribune staff

BELMONT — City Council members are considering rebating \$1 million to taxpayers from the fire protection fund, primarily to soften the blow property owners will feel if the city assesses them to pay for storm drain repairs.

A \$15 million storm drain assessment district is in the works to finance repairs to the city's run-down drainage system.

The council will discuss approving the rebate in its next meeting on Sept. 27.

Tuesday night's meeting was a long one, and not all of the items on the agenda were discussed. Among those not considered

were the city's budget and a proposed ordinance banning swimming in Water Dog Lake. They will be discussed at a later meeting.

The council suggested the tax rebate while acting as the Belmont Fire Protection District board of directors. The district is a taxing agency that collects money to fund fire protection provided by the South County Fire Authority, which also serves San Carlos.

Michael Shelton, acting city manager, said that the district should have a balance

of about \$1.5 million in June 1984, after paying for fire protection for fiscal year 1983-84.

Mayor William Moore proposed returning a portion of the money to taxpayers at a rate of \$250,000 a year for the next four years, beginning in December 1984.

But Moore's enthusiasm for approving the rebate Tuesday night was met with more cautious support from his fellow councilmen.

"I would like to see us study this with South County Fire to make sure it is com-

(CONT. OVER)

patible with our long-range as well as our short-range needs," Councilman Robert Hoffman said. Councilman Joseph Green echoed that sentiment.

It may seem odd that the city is considering a tax rebate at a time when it also is considering raising taxes to pay for capital improvements.

But Shelton explained that the city cannot use the fire tax money for storm drain repairs or anything other than fire protection.

Shelton also said the amount of money

individual property owners would realize from the tax rebate would be small.

Sixteen cents of every property owner's tax dollar funds the fire district. Property owners whose homes are valued at \$100,000 pay about \$160 a year in taxes to the district. Only a part of the yearly payment would be rebated in the form of a reduction in property taxes, he said.

Residents could pay up to \$500 a year for 15 years for the storm drain assessment district, Shelton said.

In other matters, city staff member [unclear] proposal to establish the \$15 million [unclear] [unclear]

COUNCIL

* SEP 14 1983

Continued from B-1

drain repair assessment district without preparing an environmental impact report was met with concern from a representative of the city of San Mateo.

Arch Perry, San Mateo's city engineer, told the council San Mateo believes it would be negatively affected by the storm drain repairs, but it cannot determine if that is so without further study.

Perry said Belmont is trying to save time and money by not preparing an environmental report on the proposed district.

"San Mateo is truly sympathetic with Belmont's problem," Perry told the council, "but a significant portion of your system drains into our storm drain system. We can't

determine to what degree your improvements will cause us problems, because we haven't received enough information," he said.

John Hopkins, Belmont public services director, told Perry there would be no increase in the amount of water flowing into San Mateo if the improvements are made.

But Perry said improving the system's efficiency will cause water to flow more quickly. That would have a similar effect to increasing the volume of water and could cause damage to culverts and bridges in San Mateo, he said.

In other action related to its storm drain problems, the City Council approved sending to Washington, D.C., the last possible appeal of federal officials' refusal to fund \$450,000 in storm drain repairs at the Carlmont Village Shopping Center and on Mulberry Court.

Regional officials of the Federal Emergency Management Administration have agreed to repair pipe

that burst at the two sites after a heavy rainstorm Jan. 23, but have refused money for more extensive repairs.

While the burst pipe is the result of the heavy rainstorm, the storm drain system in the area was dilapidated and the city knew it, the officials have said. A federal agency should not be required to pay for laying new pipe at the sites, they have said.

The city has maintained that repairs to the system should include the new pipe to secure the system should another such storm occur.

The appeal to FEMA officials in Washington, D.C., is the last one available to the city. If it is not successful, citizens probably will have to pay for repairs through a benefit assessment district proposed to make citywide storm drain repairs. Establishing the assessment district and upgrading the storm drain system is anticipated to cost \$15 million.

BELMONT TAXES
REDWOOD CITY TRIBUNE
OCT. 6 + 12, 1983

Most Belmont property

OCT 6 1983

owners OK new tax

Belmont

Money will help pay for three new lots to ease city's parking problem

By Phyllis Brown
Times Tribune staff

Belmont
BELMONT — A majority of downtown property owners have agreed to a tax to help pay for three new lots to ease the parking squeeze downtown.

The 2-year-old proposal just this week gained the approval of 60 percent of the area's estimated 50 property owners, a requirement before the assessment district can be formed.

The City Council will consider the proposal in a study session scheduled for next Thursday.

If the council endorses the idea, the cen-

tral business district could gain more than 160 badly needed parking spaces, former City Manager Jim DeChaine said Wednesday. DeChaine is working part-time for the city as a consultant.

A 1981 study found the business district about 120 parking spaces short of those required to serve all the businesses in the area, DeChaine said.

To make room for the proposed new lots, DeChaine said, the city probably would have to condemn a gas station, a barber

shop and a gift shop.

One of the new parking lots would be at the southeast corner of Sixth and Ralston avenues, where Belmont Mobil Service is located. Another would be on Ralston Avenue where the Belmont Barber Shop and the Grace Gift Shop are located.

The third would be on the northeast corner of Ralston and Sixth avenues, close to where a developer has proposed construction of the city's largest office building.

DeChaine said the city may meet resis-

as part of a joint city and special business effort to boost downtown commerce.

"We have always had a tremendous parking deficiency downtown," Shelton said. "There is a general agreement among everyone that convenient parking is good for business."

A number of businesses signed petitions to form the parking assessment district. But the petitioners did not have enough signatures until the new owners of land at the corner of Ralston and Sixth avenues also signed, DeChaine said.

The city will work out details of the

tance from the owner of the Mobil station. DeChaine said he believes the owner is interested in developing the land commercially.

The assessment district would cover the area roughly between Twin Pines Park and El Camino Real and Emmett Way and Ralston Avenue.

The area is at the center of the city's retail district, according to acting City Manager Michael Shelton.

The parking plan was proposed in 1981

project — when the work would be done and how the city and the property owners would pay to purchase the properties and build the lots — if the concept is approved by the council, DeChaine said.

The next step is preparation of an engineer's report on the assessment district, DeChaine said.

(OVER)

Tax talk dampens rebate

A-1 * OCT 12 1983

Belmont

By Phyllis Brown
Times Tribune staff

BELMONT — Belmont residents will be getting a tax rebate because of a fire-service budget surplus but will likely be asked soon to pay for expensive repairs to storm drains.

At their meeting Tuesday night, City Council members voted to return \$300,000 of a \$1 million surplus in the fire service budget to property owners. But the council also agreed to meet Oct. 25 to discuss steps preliminary to establishing a \$15 million storm-drain assessment district.

A public hearing on the assessment district would be held about a month after the council discussion. The acting city manager has been asked to find a large meeting room for the hearing since an overflow crowd, including many protesters, is likely to attend.

The big news at the council meeting Tuesday was sweet for property owners, though, when council members voted unanimously to rebate some of a surplus in the fire protection district's budget.

The City Council, acting as the fire district board of directors, made the decision after being told that the fire district will have a more than \$1 million surplus in June 1984, after paying for fire protection for fiscal year 1983-84.

Because the money isn't needed for anything else, the district simply will give back about a third of the money to the taxpayers. The remaining money might be rebated in the next few years, expenses permitting.

The action to return the money also was intended to soften the blow property owners will feel if the city creates a proposed \$15 million assessment district to tax them for storm-drain repairs.

The Belmont Fire District and the city of San Carlos jointly fund the South County Fire Authority. South County Fire provides fire protection to the two cities.

The agency typically receives about \$800,000 from Belmont and \$800,000 from San Carlos each fiscal year, giving it a total operating budget of about \$1.6 million, Michael Shelton, acting city manager, said.

When the council first learned of the surplus in mid-September, Mayor William Moore proposed that the money be rebated to property owners at \$250,000 per year for the next four years.

Tuesday night, the council decided it might be wiser to see if the money will be needed for future expenses before promising more rebates.

The precise amount of money each property owner will receive has not been calculated but payments to individual property owners probably will be small, Shelton said.

Sixteen cents of every property owner's tax dollar funds the fire district. Property owners whose homes are valued at \$100,000 pay about \$160 a year for fire protection. Only a part of the yearly payment would be returned.

Meanwhile, the council probably will

discuss at its Oct. 25 meeting a preliminary engineers' report on the cost and scope of proposed storm-drain repairs. Based on the report, the council would decide whether to form an assessment district, something many officials believe is needed because of the rundown and inadequate system, part of which collapsed during last winter's storms.

Belmont property owners would pay a yearly fee for about 15 years to fund the repairs. Preliminary estimates indicate that most property owners — about 85 percent — would pay less than \$250 a year toward the repairs, Shelton said.

It is not known when the assessments would start. City Clerk Jim McLaughlin said the actual work is not likely to start until next year and working out the complicated agreements that would lead to creation of the assessment district already has been a time-consuming process.

While the council lightened the fire district tax burden, it also approved a 13 percent rate increase for Browning Ferris Industries, the city's scavenger company.

The rate increase will be retroactive to Oct. 1. Most of the increase, about 12 percent, will help pay for the new Solid Waste Transfer Station being built in San Carlos.

The transfer station will replace the Marsh Road Dump as southern San Mateo County's waste disposal grounds. The dump will close and the transfer station will open in April 1984.

Garbage from the transfer station will be hauled over Highway 92 to the Ox Mountain landfill site near Half Moon Bay.

The new garbage rates will mean the monthly cost for handling a 33- to 40-gallon garbage can will increase by 91 cents, from \$6.16 to \$7.07.

BELMONT TAXES
REDWOOD CITY TRIBUNE
JUNE 1984-JULY 1985

Belmont to reduce residents' '84-'85 tax

* JUN 21 1984

By Mary T. Fortney
Times Tribune staff

5 B-1

Belmont plans to reduce property tax bills in 1984-85 because the South County Fire Protection District has an extra \$300,000 in its fund.

The reduction will amount to \$36 on a home assessed at \$100,000.

The decision to give residents a tax break was made Wednesday night by the Belmont City Council, acting as the board of the Belmont Fire Protection District.

City Manager Edward Everett said future needs of the fire authority were such that the Belmont district had more money on hand than it needed. The district's revenue for 1984-85 is estimated at \$1.9 million and its proposed operating budget at \$1.6 million.

The fire authority includes Belmont and San Carlos, with each city contributing 50 percent of the budget. However, the tax reduction won't apply to San Carlos residents because the communities handle their support for fire protection in

a different way. San Carlos' contributions come from the city's general fund, while Belmont puts revenues (property tax income) for the fire district in a separate fund.

The reduction would be on a one-time basis.

Belmont finance director Michael Shelton reported property taxes for the fire protection district are now amount to 17 cents for each dollar in property taxes. The \$300,000 reduction would reduce that figure to 14 cents.

The council also approved an operating budget for the city of \$3,785,996.

Shelton reported the council agreed with staff recommendations on proposed uses of revenue sharing funds for the coming fiscal year. Major items included \$30,752 to purchase three police patrol vehicles; \$27,171 for animal control; \$64,219 for maintenance of playing fields at city schools, and a \$17,000 contribution to the Whole Earth Diversion program.

OVER

Belmont tax rebate planned

* JUN 27 1985

By (Phyllis Brown) (4)
Times Tribune staff

For the second year in a row, Belmont property owners will receive a tax rebate from a healthy fire protection fund, the City Council decided Wednesday night.

The council agreed to rebate \$450,000 from the \$2 million Belmont Fire Protection District fund on the next property tax statements. The council gave taxpayers a \$600,000 rebate in 1984.

The informal decision came during introduction of an "austere" fiscal year 1985-86 operating budget of \$6.4 million, which contains no additional expenditures or services.

"There is no room to grow in this budget," City Manager Edward Everett said. "There are areas where we are too lean and desperately need more staff. But we don't have the revenues."

The council is scheduled to discuss the budget again on Tuesday. It is scheduled to vote to approve the budget, and the tax rebate, on July 9.

Belmont
The fire fund is a tax collecting device used to pay Belmont's share of operating the South County Fire Authority, the fire department for Belmont and San Carlos.

The \$2 million fund is "continuing to grow and not eroding," according to Assistant City Manager Richard Haffey, and can withstand a trimming.

However, the council has not chosen to lower the fire district taxes, saying the money might be needed in the future.

Money from the fire fund can be used only for fire protection services and cannot be transferred to the general fund to help run the city.

Haffey could not estimate how much of a rebate individual property owners will receive. The city has approximately 11,000 registered parcels of property, he said.

The proposed city budget contains an approximately 4 percent increase in expenditures over the 1984-85 budget of \$6.1 million, an ending fund balance of \$375,000 and a contingency fund of \$35,000.

"I'd say it's a tight budget. It's austere," Haffey said.

Panel recommends increase in

sm OCT 13 1986

Belmont property tax

By Carl Lakey
Times Tribune staff

The city of Belmont should ask voters to tax most homeowners \$76 annually for five years to raise \$4.9 million for improving the city's neglected storm drains, a citizens' task force has recommended.

If the City Council approves of the idea, the special tax will be voted on in the March 1987 special

election for San Mateo County sheriff. It would require approval by two-thirds of Belmont voters.

The issue of funding storm drains has been a point of political controversy in Belmont in recent years.

The \$76 would be a special tax on owners of less than one acre of residential property. The few homeowners in Belmont with

homes on more than one acre would be taxed according to their lot size.

Owners of commercial and undeveloped property and apartment buildings also would be taxed. The exact taxes will be announced at a Belmont City Council meeting Tuesday night.

The proposed new assessment on each single-family home is consid-

erably less than was proposed in an unsuccessful 1983 effort to set up an assessment district.

But the special tax would be distributed throughout the city, instead of relying only on assessments of Belmont hills property owners who stand to gain most from the improvements.

"The last time, we based it on benefit. Now we're basing it on eq-

uity and fairness," said City Manager Ed Everett.

An assessment district for storm drain improvements proposed in 1983, which bore a price tag of \$15 million, met with widespread dissent from homeowners, many of whom would have had to pay thousands of dollars in fees for the

nounced Tuesday, a report circulated Oct. 9 showed commercial property being taxed at the equivalent of more than \$6,000 per acre.

The report said that multiple-family housing would be taxed at a rate per unit equal to two-thirds of the rate for single-family housing.

sm OCT 13 1986

Continued from A-3

work.

Though exact fees will be an-

(OVER)

Special hearing in Belmont

By Carl Lahey
Times Tribune staff

The city of Belmont has set Nov. 18 for a special hearing that is expected to lead to an election for a \$4.7 million tax to repair the city's neglected storm drains.

If the City Council approves the special election, most single-family homeowners will be asked to pay about \$79 a year for five years.

Apartment owners would be taxed about \$53 per year for each unit. Owners of commercial property would be taxed \$1,595 per acre each year.

Because of the controversy that has surrounded past plans to tax landowners for storm-drain improvements, the council is tentatively planning more than one public hearing on the new proposal. The other hearings would be Nov. 25 and Dec 2.

The issue of funding for storm drains has been controversial in Belmont since the early 1980s, and at one time led to an unsuccessful attempt to recall four city councilmen.

The \$79 would be a special tax on owners of less than one acre of residential property. The few homeowners in Belmont with homes on more than one acre would be taxed in accordance to the size of their lots.

The election is expected to be

Continued from A-3

held during a special ballot for San Mateo County sheriff in March 1987. It will require approval by two-thirds of Belmont voters.

The city must decide by Dec. 5 whether to put the issue on the ballot.

The assessment per single-family home is dramatically less than it was in an unsuccessful effort in 1983 to set up an assessment district.

The special tax would be distributed throughout the city, instead of relying only on assessments to Belmont hills property owners who stand to gain most from the improvements.

A 1983 assessment district for storm-drain improvements, which bore a price tag of \$15 million, met with widespread dissent from homeowners, many of whom would have had to pay thousands of dollars in fees for the work.

This time, the city will attack only the most serious flooding

problems, and ask voters to approve them.

City officials point out that the issue should be much less controversial this time around, since the tax for most property owners works out to about \$6.65 a month.

The largest part of the new plan is a \$1.5 million project in the San Juan Canyon-East Laurel Creek area in the Belmont hills, which will include replacement of worn-out pipes.

Other areas that will be addressed are the Carlmont area, the area surrounding Notre Dame and Arbor avenues and the city's civic center.

Property owners will be asked for about \$3.9 million in special taxes. The rest of the \$4.7 million will come from the city's redevelopment agency and from a premium tax on property owners directly affected by the improvements.

The city also will contribute \$375,000 through its general fund.

The place of the Nov. 18 hearing has yet to be set, since the city's planning commission will be using the council chambers that night.

BELMONT TAXES
REDWOOD CITY TRIBUNE
DEC. 10, 1986

Flood tax vote set in Belmont

* DEC 10 1986 (1987)
March special election (BELMONT)
on \$4.72 million tax

By Carl Lakey
Times Tribune staff

The city of Belmont in March will ask voters to approve a \$4.72 million tax to repair the city's neglected storm drains.

Measure A, which will be voted on during a March 1987 special election for San Mateo County sheriff, will require two-thirds approval of the voters.

The city will ask most single-family homeowners to pay about \$79 a year for five years.

Apartment owners would be taxed about \$53 per year for each unit. Owners of commercial property would be taxed \$1,595 per acre each year.

The city recently held two public hearings on whether to hold the election. The meetings, unlike those that were held during past considerations of taxing property owners for storm drain improvements, were surprisingly free of controversy, city officials say.

The issue of funding for storm drains has been at the center of much of the city's political controversy in the 1980s, at one time leading to an unsuccessful recall attempt of four city councilmen.

The \$79 would be a special tax on owners of less than one acre of residential property. The few homeowners in Belmont with homes on more than one acre would be taxed in accordance with the size of their lots.

The tax per single-family home would be dramatically less than it

* DEC 10 1986

Continued from Page 1
was in an unsuccessful effort in 1983 to set up an assessment district.

The special tax would be distributed throughout the city, instead of relying only on assessments to politically influential Belmont hills property owners who stand to gain

most from the improvements.

A 1983 assessment district for storm drain improvements, which bore a price tag of \$15 million, met with widespread dissent from homeowners, many of whom would have had to pay thousands of dollars in fees for the work.

The 1983 controversy eventually led to an unsuccessful attempt to recall four councilmen.

This time, the city is proposing to attack only the most serious flood-

ing problems, and ask voters to approve them.

City officials point out that the issue should be much less controversial this time around, since the tax for most property owners works out to about \$6.65 a month.

The largest project in the new plan is a \$1.5 million project in the San Juan Canyon-East Laurel Creek area in the Belmont hills, which will include replacement of worn-out pipes.

BE MOUNTAIN VIEW
REDWOOD CITY TRIBUNE
AUG. 28, 1988

(COVER)

Peninsula cities face new tax challenge

Some already scrambling for new sources

By Mario Dianda
Times Tribune staff

After California voters passed Proposition 13 a decade ago, many Peninsula cities watched their property-tax revenues slide.

As the years followed, many of the cities counted more and more on sales taxes, which had supplanted property taxes as top revenue sources, to help balance their budgets.

But over the past couple of years, sales taxes have leveled off, prompting one city official to describe their recent performance as "miserable."



SUNDAY SPECIAL

A Times Tribune survey of 13 Peninsula cities revealed that many of them consequently are scrambling to pick up the slack by tapping other revenue sources.

Several of those cities are raising fees to recover a larger share of the costs of providing public ser-

ices, or are thinking about increasing them.

One city, San Carlos, is asking voters this November to increase the tax rate of occupied motel and hotel rooms from 6 percent to 10 percent of their rent.

The traditional revenue sources that cities continue to rely on include business license fees, fines, investment interest, cigarette taxes, and vehicle-in-lieu fees.

In addition to those sources, a few cities have other revenue means at their disposal. Palo Alto collects money by providing electricity to its residents, while Redwood City, Mountain View, Sunny-



Please see TAX, A-12
Mike Garvey Tom Lewcock Emily Harrison

TAX

Continued from A-1

plaza on Industrial Road featuring Lucky and Home Depot stores.

Courting retail projects also carries risks, however, Garvey cautioned.

"Dramatic increases in sales taxes, by definition, means a lot more traffic in a city," Garvey said. "And that puts stress on police departments and cities' infrastructure."

Garvey noted that the addition of retail businesses in some cities, including San Carlos, could come at the expense of industries.

Unless industries sell products in the cities where they manufacture, they bring in less revenue than retail businesses, he said.

"Our economic analysis indicates there is optimism for increased retail within the city and there doesn't seem to be options for manufacturing and industry," he added.

For the 1987-88 fiscal year, San Carlos was budgeted to receive \$2,750,000 in sales taxes, or 27.8 percent of the revenue needed to pay for its day-to-day operations. The city has estimated it will receive the same amount this year.

In Palo Alto, the city faces budget deficits, partly because it received less sales-tax revenue than projected.

"The sales tax has been miserable compared to what we'd like it to be," said Palo Alto Finance Director Emily Harrison.

Sales taxes brought \$11.1 million to the city last fiscal year, equaling 34 percent of the city's general-fund revenue. Property taxes totalled only 17 percent of the revenue.

This fiscal year, which stretches from July 1 to June 30, 1989, the city sales taxes to drop to \$12.6 million.

The growth of sales taxes in Palo Alto, which previously averaged 12 to 13 percent during the Silicon Valley's economic boom years, has slowed to a 5 percent rate or less the past three years.

Nevertheless, Harrison said, "there hasn't been an active effort on the part of the council to recruit business like Mountain View does."

She said the council is increasing various service fees to compensate for some of the sales-tax revenue loss and is talking about charging business license fees.

Sunnyvale is in better financial shape than San Carlos, Palo Alto and other cities because its sales taxes come from high-tech industries as well as from retail businesses.

"Forty percent of our sales tax has an industrial base," said Sunnyvale City Manager Tom Lewcock.

As a result, sales-tax revenue has continued to grow at a healthy clip although retail sales have flatlined, Lewcock said. Industry-generated sales taxes have climbed about 20 percent over the past two years.

During the 1987-88 fiscal year, 33.8 percent of Sunnyvale's revenue, or \$23 million, came from sales taxes.

"Due to the cyclical nature of electronics firms' business transactions, however, Lewcock said he expects increases in their sales to slow down soon.

By then, Lewcock said, he hopes retail sales will have bounced back.

As important as sales taxes are, Lewcock said he doubts that Sunnyvale ever will try to lure so much business that the community's quality of life will be sacrificed. Nor does he envision any

major increases in service fees, Lewcock said.

In Mountain View, sales taxes have jumped 39.5 percent over a four-year period ending with the 1987-88 fiscal year.

A large chunk of that increase could be attributed to the computer industry's growth during that period, said Finance Director Ron Beach. Also responsible was the city's termination of a fire and police dispatching contract with Santa Clara County, through which it had paid the county by contributing 10 percent of its sales taxes.

A slump in business at the San Antonio Shopping Center, which annually produced about \$800,000 to \$900,000 in sales taxes, is partly responsible for the fact that "we may not be performing as well as other communities (now)," Beach said.

Mountain View nevertheless collected \$11,320,814 in sales taxes last fiscal year, represents 28 percent of the general fund.

Beach said he expects the council to resist temptations to give carte blanche approval to all future retail projects.

Referring to development in the North Bayshore area, Beach said: "I think the biggest issue was, 'what is this going to do to the community?' not 'what will the tax revenue be?'"

In East Palo Alto, where \$189,300 in sales taxes accounted for only 4.3 percent of the general fund's revenues last fiscal year, Vice Mayor Bill Vines said the future looks brighter.

Referring to the planned University Centre project — a mix of shops, restaurants and a hotel in the Whiskey Gulch area — Vines said: "It's a viable opportunity to expand not only sales-tax revenue but property taxes and employment."

Vines said the city also is considering redevelopment of the dilapidated Nairobi Shopping Center.

A resurgence in property taxes have caught some Menlo Park officials by surprise.

Although sales taxes are still the city's top revenue-producer, property taxes have been increasing at a rate of 7 to 8 percent a year.

Sales taxes totalled \$3.3 million, or 24.5 percent of Menlo Park's general fund last fiscal year, while property taxes represented 19.3 percent at \$2.3 million.

"In Menlo Park, there's been less (sales) growth," said City Manager Mike Bedwell. "We've been on projection, but our projections have been fairly conservative. Automobile sales and retail sales haven't increased in the last two to three years as they have in previous years."

Bedwell said residents are becoming more conscious than ever of the negative effects retail developments can spawn.

For example, the city recently lost an opportunity for almost \$1 million a year in tax revenue after executives of the proposed Westin Hotel dropped their project in the face of concerns about traffic.

Smaller, primarily residential communities such as Woodside and Atherton never have relied much on sales taxes.

Sales taxes collected in Woodside represented 12 percent of the general fund.

With Woodside's small downtown, town officials never placed much importance on a development's potential income, said Town Manager Leslie Doolittle.

"The actual income has never been a consideration," Doolittle said. "It's only (considered) in terms of providing services which the local community wants."

Property taxes account for the bulk of Atherton's general-fund revenues, 68.5 percent.

REVENUE SOURCES

Sales tax Property tax Hotel/Motel tax Service fee Other

All other revenues are based on general operating funds from 1987. All fiscal years.

ATHERTON



3.2% \$1,753,000
\$770,448

Atherton Hotel/Motel tax and Service Fee Act.
The City of Atherton has a property tax on property taxes. Atherton property tax is \$914,000 and a "special" tax of \$838,000 has been levied \$1,752,000.

BELMONT



\$1,228,000 \$1,079,000 \$258,000 \$398,000

EAST PALO ALTO



4.3% \$169,300
3.3% \$155,300
\$1,410,000

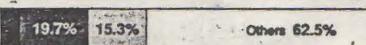
LOS ALTOS



\$1,941,000 \$2,577,000 0.1% \$10,000

Los Altos Service Fee Act.

LOS ALTOS HILLS



2.9% \$307,050
\$67,200
\$308,608

MENLO PARK



\$3,200,000 \$2,500,000 \$3,000,000 3.8% \$460,000

MOUNTAIN VIEW



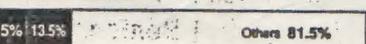
\$11,320,814 2% \$930,557 0.6% \$261,633

PALO ALTO



\$13,100,000 \$6,600,000 \$2,700,000 \$4,600,000

PORTOLA VALLEY



\$71,418 \$182,157

Portola Valley Service Fee Act.

REDWOOD CITY



\$8,500,000 \$8,000,000 1.9% \$582,223 3.1% \$3,150,737

SAN CARLOS



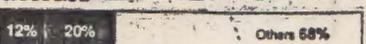
\$2,750,000 \$2,217,900 0.4% \$48,000 5.6% \$553,300

SUNNYVALE



\$22,000,000 \$14,000,000 3.5% \$2,300,000 4.9% \$3,200,000

WOODSIDE



\$186,000 \$325,000

Woodside Hotel/Motel tax and Service Fee Act.

AUG 28 1988