

From: Team Stoney info@stoneyforrva.com
Subject: ACTION NEEDED: City Council Meeting Monday
Date: Feb 3, 2018 at 6:51:58 PM
To: undisclosed-recipients;;
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Hello,

On Monday at 5:00 PM the Richmond City Council will discuss the Mayor's proposal to add a cent and a half increase on Richmond's meals tax to fund the construction of new schools for our children. The Council is expected to begin the meeting by wrapping up leftover business from the prior meeting, and will then turn its attention to the proposal. It is critical that those of us who are in support of this proposal turn out to this meeting, and voice our support.

There will be an opportunity for citizens to speak at this meeting, and while it is not required we encourage any RPS parent or concerned citizen to speak up in support of this measure.

WHAT: Richmond City Council Meals Tax Discussion

WHEN: Monday, February 5th at 5:00 PM

WHERE: Richmond City Council Chambers

900 E Broad Street Richmond, VA 23219

IF YOU WOULD LIKE TO SPEAK

During the meeting, citizens will be encouraged to approach the Council and make comments on the proposal to fund new schools for our children. In making comments it is most important to BE RESPECTFUL of the Council and all who are present. Citizens will have two-three minutes to speak and it is important to respect the time limit.

KEY POINTS ABOUT MAYOR'S PROPOSAL #RVAKIDSCANTWAIT

1. The increase of 1.5% would raise \$9.1 million per year – most significantly, this will enable us to raise \$150 million in additional debt capacity that will be

used in a special reserve solely to fund school construction.

2. You can't increase debt capacity by simply finding savings, and there isn't \$150 million hidden in the seat cushions at City Hall. As it is, Council and the Mayor will have to identify \$17 million in reductions over projected expenses due to a projected decrease in revenue for Fiscal Year 2019.

3. This is not a tax increase on restaurants. This is a modest increase in the existing meals tax, from 6% to 7.5% on people who choose to dine out. Restaurants are merely required to "pass-through" the revenue generated by the tax (as they currently are required do under the current tax) to the city.

4. Unlike an increase in the real estate tax, which would impact 100% of Richmond property owners, the meals tax is entirely discretionary and only impacts those who choose to dine out. A cigarette tax is a declining source of revenue and would not generate the steady revenue that could be bonded in the long term.

5. \$150 million is not enough, but it is revenue that needs to be raised. We should also pursue ways to promote greater efficiencies and explore things like performance savings and tax rehabilitation credits, as SUPPLEMENTS, not replacements for the money needed to finance construction.

6. If adopted, this increase would add 15 cents to the cost of a \$10 meal and \$1.50 to the cost of a \$100 meal.

7. The biggest threat to restaurants is not this tax – it's the fact that people who live in the city, who want to stay here, AND WHO DINE HERE, end up moving to the counties because the public school facilities are not positive learning environments.

8. Statistics show that roughly half of the current tax is paid by people who live outside the city, and one-third is paid by people who visit the city from 50 miles away or farther.

9. If we do not act now, it will be five years (2023) before we have the debt capacity to be able to finance construction of new schools. Given the urgency and critical state of our school facilities' needs we must begin the process of rebuilding this infrastructure now.

10. The Mayor has put forward a plan to fund a significant portion of these needs. There is no other plan presented, no other credible data-backed approach that has been advanced that would generate revenue to begin making a difference in our children's lives today. The Mayor has said that doing nothing is not an option.

11. We can no longer afford to kick the can down the road. We have run out of road. Our kids can't wait. This says something about our values. This will cost people one and a half pennies per dollar. But those pennies will have a transformative effect on generations of Richmond school children to come. We can't afford not to invest in their future. And the future is NOW.