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## Memorandum

To: Mayor Weitkunat and City Council

From: Economic Advisory Commission (EAC)  
Bill Timpson, Chair

CC: Darin Atteberry, City Manager  
Mike Freeman, Chief Financial Officer

Date: April 28, 2011

Subject: Recommendation on City Tax and Revenue Fees

**Toward More Diversified, Equitable, and Sustainable City Tax and Fee Revenues**  
*A Motion for consideration by the Economic Advisory Commission (EAC)*  
William M. Timpson and Christophe Febvre

It is occasionally a reasonable and necessary task for city governments to evaluate their revenue stream to ascertain that they are aligned with needs, values, and outcomes-based policy directions.

The Economic Advisory Commission (EAC) has been meeting for several years and has been considering numerous and varied issues directly and indirectly pertinent to the City's economic vitality and long-term sustainability as well as its alignment to the City's resources and values. City revenues, employment, services, and tax policy are each individually, and as a whole, a major component of the City's economy. The EAC notes that the way in which the City is able to serve its varied population, foster its economy, promote jobs, culture, and quality of life, affect policy, and promote specific objectives is significantly affected by the City's tax and fee structure and by the stability of the City's revenues.

The EAC is fully aware and acknowledges that the question of taxes and fees is not only one of necessity but also one of policy and politics at several levels of government. However, taxes and fees are collected in a dynamic and evolving environment in which changing needs and contemporary ideas should be aligned with revenue generation to promote fairness, sustainability, and a consistently high level of government accountability and citizen accord. It is for these reasons that it is important and consistent with the mission of the City's government to occasionally re-evaluate the mechanisms and policies that generate its own working revenues.

As members of the Economic Advisory Commission, we *offer the following recommendation:*

1. *In order to achieve a more stable revenue source;*
2. *Open a discourse on tax policy and community values about fairness, in particular;*
3. *Examine how revenue issues intersect with concerns about environmental, societal, and economic health, and;*
4. *Consider how all this impacts the City's other policy objectives.*

**The EAC recommends that City Council explore ways to make City tax and revenue fees efficient, diversified, equitable, and sustainable.**