

EXHIBIT POWELL-#3

Mayor Johnson's Ballot Argument Against Measure U

From: Robert Graswich [mailto:bgraswich@gmail.com]

Sent: Tuesday, August 07, 2012 5:49 PM

To: Cecily Hastings

Subject: No on taxes - no on U

Measure U will cost you and your family hundreds of dollars extra each year for food, clothes, and other taxable products. It will give our city the highest sales tax in the region. It will drive jobs and businesses out of Sacramento and put our city at a competitive disadvantage. And, this tax increase will be in addition to hikes in the state's portion of sales taxes elsewhere on this ballot.

If Measure U passes, millionaires will pay the same tax rate as people with low and middle incomes. That's unfair, and hurts seniors and working families especially hard.

Measure U is proposed by politicians who have consistently voted against measures to modernize city government and make it more accountable. For years, these same politicians have said no to reducing pensions, no to audits cutting government waste, and no to making city government more efficient.

Their solution, during a recession? Another tax increase – in addition to double-digit hikes in our water and garbage fees.

Enough is enough. Passing this tax increase will mean "business as usual" at City Hall instead of pushing the City Council to modernize our city government to make it operate more efficiently and prioritize police and fire services.

There is absolutely no guarantee this new tax will go to hire more police nor keep fire stations, parks, pools, libraries, or youth service programs open. The money could be funneled to hefty salary increases, more benefits, and new pet projects for council members. And the city's revenue estimate for this tax could be wildly optimistic: no one knows how damaging a tax hike will be to our economy. Oh, and none of this tax will go toward schools.

We can't afford a U Turn. Vote No on Measure U.