

CITY OF RENO

“STREET BALLOT QUESTION”

R-1

Shall the City Council of the City of Reno be authorized to continue to levy the current property tax rate for the purpose of acquiring, constructing, reconstructing, improving and maintaining City streets in the amount of up to 22.98 cents per \$100 of assessed valuation for a period of up to 30 years. The cost for the owner of a new \$100,000 home will not increase, but would continue in the estimated amount of up to \$80.43 per year.

YES /___/
NO /___/

Explanation:

A "yes" vote would permit the City of Reno to continue the current City of Reno property tax levy of up to 22.98 cents per \$100 of assessed valuation, which was approved by the registered voters of the City at the 1993 general city election, for the purpose of generating funds for the acquisition, construction, reconstruction, improvement, equipment and maintenance of neighborhood streets within the City. Proceeds from the 1993 voter-approved property tax have been used to repair, replace, and maintain neighborhood streets pursuant to the City's AStreet Program Strategic Plan. The plan involves the systematic maintenance of neighborhood streets to improve the condition of the streets for use by the traveling public. The approval by the registered voters of the City at the 2004 general election would allow the City to continue the sealing, pavement repair, and replacement of neighborhood streets for the next 30 years.

A "no" vote may result in the decrease of the property tax levy in fiscal year 2009.

PROPERTY TAX OVERRIDE – ARGUMENT IN FAVOR

A YES vote is necessary to continue Reno's progress in repairing and maintaining local streets. In 1991, the condition of Reno's streets was declining. The resources available were simply insufficient to cover all the needed repairs and periodic maintenance. In 1993, the citizens of Reno took action by approving a dedicated property tax that can only be used for street maintenance and repair. Since that time, more than \$50 million has been invested in street repairs and routine maintenance, which has been successful in reversing the deteriorating condition of the City's roadways.

Renewing this funding will not increase your property tax rate but simply maintain the property tax rate in place since 1993. If the local street outside your home or business is in good shape, it's probably due to the work done by this dedicated funding. Voting to continue the funding will insure that resources will be there to do the necessary maintenance to keep your road in good shape. If your local street has not yet been repaired, continuation of the funding will insure that the repairs get done and that there is money to do the periodic maintenance needed in the future.

Good local streets contribute to neighborhood pride, increase property values, reduce accidents, and sustain our quality of life. Like our homes and cars, streets must be periodically maintained to preserve the full value of our original investment. Without proper maintenance, streets will not last as long and the necessary repairs may

be 4 times more costly. In addition, driving on streets in poor condition costs each of us who owns a car as much as \$375 a year for additional repairs and wasted fuel. The current cost to the average Reno resident of this measure is less than 10 cents a day.

The long term forecasts for street and highway funding within the region assumed that each local government would sustain its level of investment in repairing and maintaining local streets. If this funding source is not renewed, maintenance and repair of Reno's local streets will suffer or money may need to be diverted from projects that provide relief from traffic congestion to fund the maintenance shortfall.

Your YES vote will mean better local streets in Reno without any increase in property tax rates. A YES vote was good for the community in 1993 and is good for the community today.

REBUTTAL TO ARGUMENT IN FAVOR

Although the property tax rate won't increase, the total collected for property taxes is too high. The City of Reno should seek other means to pay for street repairs.

PROPERTY TAX OVERRIDE – ARGUMENT IN OPPOSITION

A "NO" vote may result in a decrease of the ad valorem debt levy due to the savings generated by refinancing of certain of the City's bonds and the payment, discharge and cancellation of certain of the City's outstanding bonds over the next thirty years. In other words, it may reduce the amount of property tax you currently pay.

REBUTTAL TO ARGUMENT IN OPPOSITION

The argument to vote "NO" on this questions basically boils down to one point: If the current property tax dedicated to the repair of streets is not renewed, it may lower your property taxes.

This makes about as much sense as not changing the oil in the engine of your car to save money. Replacing the engine in your car because you didn't maintain it will be a lot more expensive than what you "saved." It's no different with roads: A dollar in preventative maintenance can avoid more drastic repairs costing 4 time more. Not continuing to support good road maintenance now may actually make it necessary to increase your future taxes to pay for the more expensive repairs.

Aside from this, for the typical Reno driver, the money saved by not renewing this funding will be significantly less than the estimated \$375 you'll spend each year on wasted fuel and repairs caused by driving on street in poor condition.

Voting YES will not change your property tax rate but will allow us to continue fixing little problems before they become big expensive ones. Voting YES makes sense and cents.