

COVID-19 AND UNION CITY'S BUDGET

Due to the expiration of local, voter-approved measures and the impact of COVID-19 on sales tax revenues, hotel tax revenues, fees and other revenue sources, Union City is facing a significant revenue loss over the next four years. In order to maintain fiscal solvency and without any new revenue sources, the City will need to permanently cut approximately \$11 million over the next four years, which represents about 17% of Union City's current General Fund operating budget. Cuts of this magnitude will result in deep reductions to essential programs and services.

Significant cuts have been made prior to and in response to COVID-19, including closing an underutilized fire station, freezing all vacant positions, reducing library hours, eliminating community policing and school resource officers and using city reserves to help fund gaps.

MEASURE WW: PRESERVING ESSENTIAL SERVICES

Without additional revenue, the City Council will have to consider deep cuts to the city budget. With input from the public, the City Council has moved forward and placed Measure WW, a temporary utility users' tax, on the November 2020 ballot. The proposed 5% utility users' tax would be levied on electricity, gas, video and telecommunication services. Measure WW would provide about \$6.1 million in additional funding that can help to preserve essential city services. **Seniors and low income residents are eligible to receive an exemption from the tax.**

Revenue from Measure WW could be used to help preserve essential services, including:

- Maintaining paramedic and fire protection services, 9-1-1 emergency response and emergency and disaster preparedness programs, including for a public health crisis
- Ensuring senior citizens receive support and access to food during the COVID-19 crisis and during the recovery
- Maintaining street and pothole repair
- Preserving youth violence prevention and drug and gang intervention programs to keep kids off the street and maintain community safety

LOCAL CONTROL AND ACCOUNTABILITY

Revenue generated from Measure WW would include fiscal safeguards. All funds generated from Measure WW must be used locally and cannot be taken away by the State. Businesses will pay their fair share so homeowners do not shoulder the entire cost.



PLEASE SHARE YOUR PRIORITIES AND OPINIONS

As the City Council makes difficult decisions during these challenging times, they rely on community input. To share your priorities and opinions, please contact Lauren Sugayan, Communications Manager at (510) 675-5400 or LaurenS@unioncity.org. For more information please visit www.unioncity.org.

