

The undersigned authors of the primary argument in favor of ballot measure C-05 at the special election for the City of San Luis Obispo to be held on April 26, 2005 hereby state that the argument is true and correct to the best of their knowledge and belief.

Dave Romero

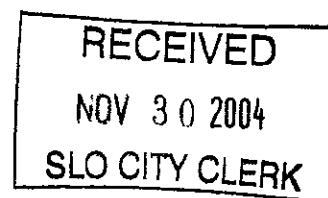
Dave Romero
Mayor

11/30/04

John R. Frewer

John R. Frewer
Councilmember

11/30/04



ARGUMENT IN FAVOR OF MEASURE C-05

Voting "yes" on the development agreement guarantees many unique benefits for our community, including:

- **Permanent Open Space Protection.** Preserves 79 acres of open space *forever*: 55 acres on-site and another 24 acres offsite in an area where sprawl is a *real* threat.
- **Prado Road Interchange.** Creates a financing mechanism—*totally funded by new development*—to construct the Prado Road interchange, a longstanding General Plan goal. The developer is responsible for 70% of interchange costs, with other *new* development responsible for the remaining 30%. The developer's share is funded by special bonds that are *solely* his responsibility to repay: the City will have no liability for them whatsoever. The agreement also ensures that building permits for the project won't be issued until the City awards the interchange construction contract.
- **\$750,000 in "Net" New Revenues Annually.** Provides for partial reimbursement to the developer for some of the extraordinary costs of his special bond repayments by sharing up to 50% of the net new sales and hotel taxes—after accounting for transfers from existing businesses—generated by the project. *This results in net new revenues to the City of about \$750,000 annually, which will grow significantly over time.*

These new revenues will help deliver important day-to-day services like police, fire, street maintenance and parks. However, if the project develops in the County, none of the City's design, environmental, and Downtown protections will be in place, and we won't receive one dime in new revenue. In fact, current City revenues will be reduced by any transfers to the County project.

- **Downtown Protection.** Imposes significant economic penalties for creating smaller, competing store spaces and relocating stores from the Downtown.

Voting "yes" on the development agreement brings these long-term benefits and protections for our community.

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John W. Ficker

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