

RESOLUTION 2020-032

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO SUPPORTING THE CALIFORNIA SCHOOLS AND LOCAL COMMUNITIES FUNDING ACT OF 2020 ON THE NOVEMBER 2020 STATE-WIDE BALLOT

WHEREAS, *Major Policy Goal: Build a Healthy Community; Policy 100.3: Foster college and career readiness, education, youth leadership; and City of San Pablo/Contra Costa College/WCCUSD Partnerships* are adopted policies under the FY 2019-21 City Council Priority Workplan, effective March 1, 2019;

WHEREAS, since the passage of Proposition 13 in 1978, cities and counties have faced significant limitations in their main source of funding, the property tax;

WHEREAS, while the intent of Proposition 13 is to help homeowners, loopholes in the system have permitted major commercial and industrial properties to avoid reassessment, a windfall to commercial property owners at the expense of vital public Services;

WHEREAS, the property tax has shifted away from commercial property and toward residential property throughout the state and in virtually every county;

WHEREAS, city and county finances have long been stressed while the state has failed in its intention to improve local finances;

WHEREAS, the property tax is one of the few discretionary sources of revenue for cities and counties;

WHEREAS, academic researchers at the University of Southern California (USC) *Dornsife Program for Environmental and Regional Equality, conducted Research Update: State and County-Level Estimates of Revenue Gains from Changes to California's System of Assessing Commercial Real Estate (January 2018)* estimate that reassessing commercial property will bring \$12 billion in property taxes to cities, counties, special districts, and schools;

WHEREAS, USC academic research has identified that nearly 80% of the revenue will come from just 8% of large properties, owned by corporations and wealthy investors, many of them out-of-state;

WHEREAS, further USC academic research shows that a majority of commercial owners already pay close to market value, making the current system inequitable among businesses, benefitting large owners who have held land for a long period;

WHEREAS, the current failure to close the commercial property loophole has led to poor land use and inflated land values, and particularly affects the ability to provide adequate high-density housing;

WHEREAS, enough signatures have been gathered to qualify the California Schools and Local Communities Funding Act of 2020 on the State-wide ballot in November 2020;

WHEREAS, allocation of revenues to cities, counties and special districts will follow current property tax allocation;

WHEREAS, the Act will provide additional property tax funding for cities, counties, and special districts; and

WHEREAS, the Act contains provisions to benefit small businesses and levels the playing field among businesses.

NOW THEREFORE, BE IT RESOLVED the City Council of the City of San Pablo hereby supports the California Schools and Local Communities Funding Act of 2020 on the November 2020 state-wide ballot.

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct, and are included herein by reference as findings.

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ADOPTED this 16th day of March, 2020, by the following votes:

AYES:	COUNCILMEMBERS:	Pineda, Xavier and Cruz
NOES:	COUNCILMEMBERS:	Kinney
ABSENT:	COUNCILMEMBERS:	Pabon-Alvarado
ABSTAIN:	COUNCILMEMBERS:	None

ATTEST:

APPROVED:

/s/ Lehny M. Corbin
Lehny M. Corbin, Deputy City Clerk

/s/ Arturo M. Cruz
Arturo M. Cruz, Mayor