

Timelines and Procedures Governing Parcel Tax Measures

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What is a Parcel Tax?

- A local tax used to support local school districts or government agencies
- Levied on each non-exempt parcel of real property in the district
- A “special” not a “general” tax
 - Funds generated by tax may be used only for specific purposes approved by voters

Why Are Parcel Taxes Important?

- State funding is inadequate
- There are limits on District's ability to raise local revenue to support education
 - *Serrano v. Priest* (Cal. 1971) – CA Supreme Court held that then-current funding scheme, based mostly on local revenue, led to funding differences between districts that violated state constitution
 - Proposition 13 – Capped local property tax rates and increases on taxes for owners
- Parcel taxes allow school districts to raise local funds to support local students

How Do School Parcel Taxes Get Approved?*

- School districts may pass a resolution placing proposed parcel taxes on the ballot if they:
 - First give proper notice pursuant to Brown Act and hold a public hearing on the proposed tax;
 - Ensure the resolution includes the type of tax and rate of tax to be levied, the method of collection, and the date upon which an election shall be held to approve the levy of the tax; and
 - Submit the approved resolution to the county at least 88 days before the election date so it can be placed on the ballot
- Must then be approved by 2/3 of the electorate

Election Dates

- Statewide: June and November of even years
- Mail-only: May and August of each year
 - District must pay \$7-9 per voter to cover costs
- Other: March, June, November (odd years)
 - District must pay \$12-15 per voter to cover costs
 - Limited availability (Senate Bill 415)
 - Effective January 2018, a political subdivision (including a school district) must hold elections on a statewide date if holding an election on other dates has previously resulted in a significant decrease in turnout
 - Unclear application

Potential Parcel Tax Dates

August 2, 2018 Mail-only Election

- Deadline is May 4, 2018
- With current Board meeting schedule, would require
 - Public hearing: April 10, 2018
 - Board Action: April 24, 2018
 - Not recommended

November 6, 2018 Statewide Election

- Deadline is August 10, 2018
- However, Board has no scheduled regular meetings between June 26 and August 14, so would require
 - Public hearing: June 12, 2018
 - Board action: June 26, 2018

What Would Have to Happen Between Now and June 12?

- Board to provide guidance regarding tax
 - Structure (flat or rate)
 - Amount
 - Duration
 - Use (salaries, programs, both, etc.)
- Board would also likely seek opportunity for stakeholder input on these issues
- Board permitted (but not required) to conduct polling to determine community's preferences on what the tax might look like

District's Current Parcel Tax (Measure A/B1)

- Levied at rate of \$0.32 per building square foot not to exceed \$7,999, unimproved parcels taxed a flat \$299 per parcel
- Independent citizens' oversight committee
- Annual audits
- Exemptions for seniors and SSI/SSDI recipients
- Measure A approved in 2011 by 68.01% of Alameda voters
- Measure B1 approved in 2016 by 74.4% of Alameda voters
- Seven year terms

Uses of the District's Current Measure A Parcel Tax

Eleven voter-approved categories:

- (1) Small class sizes in K-3 (13-14%)
- (2) Neighborhood elementary schools (7-8%)
- (3) Secondary school choice and AP courses (7-8%)
- (4) Programs to close the achievement gap (15-16%)
- (5) High school athletics programs (9-10%)
- (6) Enrichment programs (9-10%)
- (7) Attract and retain excellent teachers (25-26%)
- (8) Counseling and student support services (6%)
- (9) Alameda charter students (3-4%)
- (10) Technology (5%)
- (11) Adult education (4%)

How Do School Parcel Taxes Get Approved?*

- Potential new model in San Francisco
- Citizens (as opposed to governing boards) can propose ordinances affecting cities; those proposed ordinances can end up on ballot
- Citizens in San Francisco collected signatures to put measure on June ballot that would:
 - Cause City of San Francisco to impose a parcel tax;
 - Require city to transfer funds raised by tax to SFUSD
- Questions
 - San Francisco is unique political entity
 - What vote threshold applies?

Questions?