

Locally Controlled Parcel Tax Funding

Charles Heath
Partner



PROPS & MEASURES
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Parcel Tax Basics

- Can be structured on a per parcel or per square foot basis
- Tax must be applied uniformly across all parcels
- Exemptions may be offered to senior citizens and low-income homeowners with disabilities
- Funds may be used for any purpose including staffing and programming
- Tax may be temporary or “until ended by voters”
- Accountability protections like an independent citizens’ oversight committee are optional
- Not limited to regularly scheduled primary and general election
- Setting the right tax rate is essential

Statewide Passage Rates for School Parcel Taxes

Election	Prop 39 Bond Measure Passage Rate
November 2022 General (5/7)	71%
June 2022 Primary (7/7)	100%
November 2020 General (10/13)	77%
March 2020 Primary (14/28)	50%
November 2018 General (11/14)	79%
June 2018 Primary (10/11)	91%
November 2016 General (17/22)	77%
June 2016 Primary (7/7)	100%
November 2014 General (8/8)	100%
June 2014 Primary (5/5)	100%

Simple majority parcel taxes?

- **Current Law**: Special taxes qualified for the ballot via the citizens' initiative process (signature gathering) may be approved with a simple majority of votes cast
- CA school districts not subject to initiatives
- Must be written as a city tax initiative with funds directed to school district
- Signature threshold to qualify: 10% of votes cast in your district in last gubernatorial election
- Initiative development, qualification and campaign, must be 100% independent of school district
- November 2024 Statewide Initiative: Taxpayer Protection and Government Accountability Act (applies retroactively)

Simple majority parcel taxes?

- San Francisco (2018)
 - \$298 per parcel for 20 years
 - Passed with 60.7% Yes
- Oakland (2018)
 - \$198 per parcel for 30 years
 - Passed with 62.5% Yes
- South San Francisco (2022)
 - \$2.50 per square foot on commercial offices
 - Failed with 47.2% Yes
- San Francisco City College (2022)
 - \$150-\$4,000 per parcel for 20 years
 - Failed with 36.7% Yes
- Manhattan Beach Unified School District (2022)
 - \$1,095 per parcel for 12 years
 - Failed with 31.9% Yes

2018 Parcel Tax Feasibility Study

Findings

- When backed with positive messaging, support for parcel tax proposals in both districts surpasses the 66.7% approval threshold (HSD: 69% / ESD 71%)
- Tax rate recommendations:
 - HSD: \$50 per parcel generating approximately \$3 million annually
 - ESD: \$75 per parcel generating approximately \$1 million annually
- Exemptions and Accountability Requirements:
 - 8 year sunset
 - Exemptions for homeowners age 65+ and low-income homeowners with disabilities
 - Independent citizens' oversight committee and mandatory annual audits

2018 Voter Priorities for Use of Funds

- Improve quality core academic programs including science, technology, engineering and math instruction
- Enhance math, science, engineering, and technology programs
- Provide music at every elementary school
- Attract and retain excellent teachers
- Enhance reading and writing programs
- Provide outstanding math and science programs
- Maintain art, drama and music programs
- Keep school libraries open
- Prepare students for college and careers

Upcoming Election Opportunities

2023

- August 29 – Mail Ballot Special Election (qualification deadline June 2)
- November 7 – Regular Special Election (qualification deadline August 11)

2024

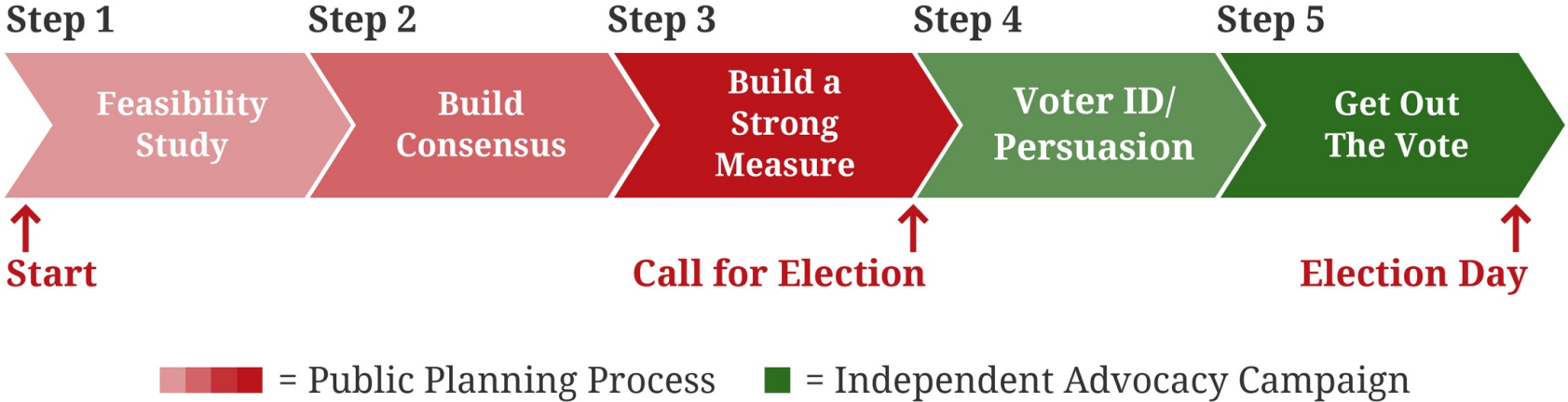
**Takes effect on FY
2024-25 property tax bills**

- March 5 – Statewide Primary Election (qualification deadline December 8)
- April 2 – Regular Special Election (qualification deadline January 5)
- May 7 – Mail Ballot Special Election (qualification deadline February 9)

**Takes effect on FY
2025-26 property tax bills**

- August 27 – Mail Ballot Special Election (qualification deadline May 31)
- November 5 – Presidential General Election (qualification deadline August 9)

Parcel Tax Planning Process



Getting Started

- Update parcel tax modeling – tax rates and revenue estimates
- Update potential use of funds
- Evaluate feasibility with public opinion poll
- Board considers recommendations regarding election timing, tax rates and program priorities
- Begin informational outreach and consensus building

For more information:

Charles Heath

Partner

415-810-8053 (mobile)

cheath@PropsandMeasures.com

www.PropsandMeasures.com



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