RESOLUTION NO. 22-0031

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, CALLING FOR THE HOLDING OF A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, JUNE 7, 2022, AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES AND TO SUBMIT TO THE VOTERS A QUESTION RELATING TO AN INITIATIVE ORDINANCE TO PROVIDE SUPPLEMENTAL FUNDING FOR MANHATTAN BEACH UNIFIED SCHOOL DISTRICT, AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS

WHEREAS, under the provisions of the laws relating to general law cities in the State of California, a Special Municipal Election shall be held on June 7, 2022; and

WHEREAS, the City Council desires to submit to the voters at the election a question relating to an initiative ordinance to provide supplemental funding for Manhattan Beach Unified School District.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, there is called and ordered to be held in the City of Manhattan Beach, California, on Tuesday, June 7, 2022, a Special Municipal Election.

<u>SECTION 2</u>. That the City Council, pursuant to its right and authority, does order submitted to the voters at the Special Municipal Election the following question:

INITIATIVE ORDINANCE TO PROVIDE SUPPLEMENTAL FUNDING FOR MANHATTAN	
BEACH UNIFIED SCHOOL DISTRICT. Shall a measure imposing an annual flat tax of \$1,095.00 on each real property parcel within the City of Manhattan Beach, and adjusted annually for inflation, for a period of twelve years, thereby generating an estimated \$11,000,000 to	YES
\$13,000,000 annually for investment in education, with an oversight committee and exemptions for (1) low-income individuals and (2) seniors who use their property as a principal residence, be adopted?	NO

- SECTION 3. That the proposed complete text of the measure submitted to the voters is attached as Exhibit A.
- SECTION 4. That the vote requirement for the measure to pass is a majority (50%+1) of the votes cast.
- $\underline{\mathsf{SECTION}\ 5}. \qquad \text{That the ballots to be used at the election shall be in form and content as required by law}.$
- SECTION 6. That the City Clerk is authorized, instructed and directed to coordinate with the County of Los Angeles Registrar-Recorder/County Clerk to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.
- SECTION 7. That the vote centers for the election shall be open as required during the identified voting period pursuant to Elections Code Sections 4007 and 14401.
- SECTION 8. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.
- SECTION 9. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.
- SECTION 10. That the City Attorney's Impartial Analysis of the ballot measure and the arguments in favor or against the ballot measure shall proceed in accordance with the following:
 - A) The City Council directs the City Clerk to transmit a copy of the above referenced measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure not exceeding 500 words showing the effect of the measure on the existing law and the operation of the measure in accordance with Article 4, Chapter 3, Division 9 of the California Elections Code, including Section 9280. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.
 - The City Council authorizes any and all members of the City Council to file a written argument in favor or against the above referenced measure in accordance with Article 4, Chapter 3, Division 9 of the California Elections Code, including Section 9282(b), and to change the arguments until and including the date fixed by the City Clerk after which no arguments for or against the measure may be submitted to the City Clerk. Any voter eligible to vote on the measure, bona fide association of citizens, or any combination of voters and associations may also file a written argument in favor or against the above referenced measure with the City Clerk in accordance with Article 4,

Chapter 3, Division 9 of the California Elections Code, including Sections 9282 through 9287.

SECTION 11. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED on March 8, 2022.

AYES:

Montgomery, Franklin, Hadley, Napolitano and Mayor Stern.

NOES:

None.

ABSENT:

None.

ABSTAIN: None

HILDY STERN

Mayor

ATTEST:

LIZA TAMURA

City Clerk

EXHIBIT "A" INITIATIVE ORDINANCE

To the City Council of the City of Manhattan Beach: We, the undersigned, registered, qualified voters and residents of the City of Manhattan Beach, California, hereby propose amendments to the Manhattan Beach Municipal Code relating to a parcel tax for education, and petition the City Council to submit the same to the voters of the City of Manhattan Beach for their adoption or rejection at the next general election or as otherwise provided by law. The proposed amendments are set forth below and on the subsequent pages and read as follows:

THE PEOPLE OF THE CITY OF MANHATTAN BEACH DO ORDAIN AS FOLLOWS:

SECTION 1. Title. This measure shall be known and may be cited as the MB Citizens For Schools Measure (the "Measure").

SECTION 2. Purpose and Intent. Public schools in the State of California (the "State") have suffered from consistent underfunding and the City of Manhattan Beach (the "City") has one of the lowest funded school districts in the State. The purpose and intent of this Measure is for the People of the City to counter ongoing and severe State funding shortfalls with local control and stability by supporting a local parcel tax needed to maintain and protect quality education in the Manhattan Beach Unified School District (the "School District"), manageable class sizes, safe environments and the programs and learning tools needed to help prepare City students for college and 21st century jobs. Great teachers are at the center of student achievement, and it is a further purpose and intent of this Measure to provide the School District with the resources needed to compete with other school districts in attracting and retaining high-quality teachers, so every City student has the opportunity to thrive. Further, all revenue from this Measure will stay local, be spent right here in the School District and cannot be taken away by the State. A mandatory independent citizens' oversight committee will review all expenditures to ensure that the revenue is used only for the purposes set forth in the Measure.

<u>SECTION 3.</u> <u>Legal Authority</u>. This Measure and the special tax authorized herein are adopted pursuant to the provisions and authority contained in the California Constitution, statutory law and California case law interpreting the People's initiative power.

<u>SECTION 4.</u> Title 8 (Finance, Revenue and Taxation) of the City Municipal Code is hereby amended by adding Chapter 8.40 (Parcel Tax for Manhattan Beach Unified School District), to read as follows:

Chapter 8.40 - PARCEL TAX FOR MANHATTAN BEACH UNIFIED SCHOOL DISTRICT

8.40.010. Title

This Chapter shall be known and may be cited as "Parcel Tax for Manhattan Beach Unified School District."

Section 8.40.020. Necessity and Authority

- A. The People of the City of Manhattan Beach (hereinafter "the City") have determined that:
 - Public schools in the State of California (the "State") have suffered from consistent underfunding and the City has one of the lowest funded school districts in the State. The People of the City can counter ongoing and severe State funding shortfalls with local control and stability by adding a local parcel tax needed to maintain and protect quality education in School District, manageable class sizes, safe environments and the programs and learning tools needed to help prepare City students for college and 21st century jobs. All revenue from a local parcel tax will stay local, be spent right here in the School District and cannot be taken away by the State.
 - Great teachers are at the center of student achievement. The School District needs resources to employ qualified and prepared teachers, so every student has the opportunity to thrive.
 - 3. A parcel tax is necessary to attract and retain high-quality teachers and staff within the Manhattan Beach Unified School District (hereinafter the "School District").

B. This Chapter 8.40 and the special tax authorized herein are adopted pursuant to the provisions and authority contained in the California Constitution, statutory law and California case law interpreting the People's initiative power.

Section 8.40.030. Imposition

- A. A special *non-ad* valorem parcel tax (hereinafter the "Parcel Tax") is hereby established and shall be levied annually on the owner of each parcel of taxable real property within the City, unless the owner is by law exempt from taxation, in which case, the Parcel Tax shall be assessed to the holder of the possessory interest in such parcel, unless such holder is also by law exempt from taxation. The Parcel Tax is an excise tax on the use of property within the City.
- B. The Parcel Tax shall hereby be established and levied each year, commencing July 1st, on each parcel of taxable real property, improved or unimproved, within the boundaries of the City at the rate of one thousand ninety-five dollars (\$1,095.00) per year per parcel, and adjusting for inflation each year thereafter.
- C. For the purposes of this Chapter 8.40, a "parcel of taxable real property" shall be defined as any unit of real property in the City which receives a separate tax bill for ad valorem property taxes from the Los Angeles County Assessor/Tax Collector, as applicable (hereinafter the "Tax Collector").
- D. The collection of the Parcel Tax shall commence on July 1st after the Effective Date and expire twelve (12) years thereafter.
- E. All property that the Tax Collector has determined to be otherwise exempt from property taxes, or on which no *ad valorem* property taxes have been levied, in any year shall also be exempt from the Parcel Tax in such year. The Tax Collector's determination of exemption or relief for any reason of any parcel from taxation, other than the Senior Citizen Exemption (defined below) or SSI/SSDI Exemption (defined below), shall be final on the taxpayer for purposes of the Chapter 8.40. Taxpayers desiring to challenge the Tax Collector's determination should do so under the procedures established by the Tax Collector's Office, applicable provisions of the California Revenue and Taxation Code or other applicable law. Taxpayers seeking any refund of taxes paid pursuant to this Chapter 8.40 shall follow the procedures applicable to tax refunds pursuant to the California Revenue and Taxation Code.
- F. An optional exemption (heretofore the "Senior Citizen Exemption") from the Parcel Tax will be made available annually to each individual in the City who attains 65 years of age prior to July 1 of the tax year, and who owns a beneficial interest in the parcel, and who uses that parcel as his or her principal place of residence, and who applies to the City on or before June 1st of each tax year, or during the first year of the tax at a date to be determined by the Tax Collector. Any application for such exemption must be submitted to the Tax Collector, pursuant to any rules and regulations of the Tax Collector, and must be renewed annually.
- G. An optional exemption (heretofore the "SSI/SSDI Exemption") from the Parcel Tax will be made annually to persons receiving Supplemental Security Income for a disability, regardless of age, or receiving Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal povertyguidelines issued by the United States Department of Health and Human Services, and who applies to the City on or before June 1st of each tax year, or during the first year of the tax at a date to be determined by the Tax Collector. Any application for such exemption must be submitted to the Tax Collector, pursuant to any rules and regulations of the Tax Collector and must be renewed annually.

Section 8.40.040. Levy, Collection, Purpose.

- A. The proceeds of the Parcel Tax shall be deposited into a special fund, maintained by the City, which proceeds, together with any interest and any penalties thereon, collected each fiscal year shall be used solely for the purposes set forth in this Section 8.40.040. The proceeds from the Parcel Tax shall be expended only for these purposes.
- B. The City shall transfer all money deposited into the special fund to the School District for the purposes set forth in this Section 8.40.040, The School District shall use these proceeds only for these purposes.
- C. The proceeds collected by the levy of the Parcel Tax shall be used:
 - To protect quality academic, arts and education programs including, math, science, reading, writing, social studies, language, technology, engineering, music, arts and physical education;
 - 2. To maintain manageable class sizes in the School District;
 - 3. To invest in 21st century technology, learning tools, instructional materials and supplies to support students, educators and families,
 - 4. To increase staffing and program funding in the School District;
 - To increase salaries of teachers so the School District can compete with other school
 districts in recruiting and retaining qualified and prepared teachers to support student
 achievement;
 - 6. To provide additional professional development to all teachers;
 - 7. To provide more competitive compensation to other School District staff;
 - 8. To provide oversight to monitor how the School District is spending the Parcel Tax revenue and make sure the proceeds from the Parcel Tax are only spent for the purposes approved by the voters.
- D. The purposes set forth in this Section 8.40.040 shall constitute the specific purposes of this Chapter 8.40, which are specific and legally binding limitations on how the proceeds of the Parcel Tax can be spent. The proceeds of the Parcel Tax shall be used only for such purposes and shall not fund any purpose other than those set forth herein.
- E. The City shall, with every disbursement made pursuant to this Chapter 8.40, require the School District to verify in writing that it will use the funds only for the purposes set forth in this Section 8.40.040.
- F. The Parcel Tax shall be collected by the Tax Collector at the same time and in the same manner and shall be subject to the same penalties as *ad valorem* property taxes collected by the Tax Collector.

Section 8.40.050. City Annual Report

The City shall prepare a report on at least an annual basis which shows the amount of funds collected and expended, and the status of any project required or authorized to be funded, by the Parcel Tax. The City shall file each report with the Mayor, City Council and the oversight committee referenced in this Chapter 8.40.

Section 8.40.060. Supplement to Existing School District Funding

- A. The People of the City find and declare that the School District serves a student population which requires more resources than currently provided to help prepare City students for college and 21st century jobs. In adopting this Parcel Tax, the People of the City choose to provide additional City resources to complement, and not supplant, City, State, Federal and other funding for the School District.
- B. Consistent with subsection (A), the People of the City of Manhattan Beach specifically find that their contributions to and disbursements from the special fund authorized by this Chapter 8.40 are discretionary expenditures by the City for the direct benefit of the children of the City, their families, and the community at large. In the event that the State attempts, directly or indirectly, to redistribute these expenditures to other jurisdictions or to offset or reduce State or Federal funding to the School District because of the contributions to and disbursements from the special fund authorized by this Chapter 8.40, the City shall transfer said monies that would otherwise be distributed to the School District each year from the special fund to such other fund as the City Council may designate, to be spent for purposes which are substantially equivalent to the purposes set forth in this Chapter 8.40.
- C. This Parcel Tax is intended to be in addition to and not to replace any other monies provided by the City to the School District.

Section 8.40.070. Increase in Appropriations Limit

To the extent that the revenue from the Parcel Tax is in excess of the spending limit for the City, as provided for in applicable provisions of the California Constitution and State law, the approval of the Parcel Tax by the voters shall constitute approval to increase the City's spending limit in an amount equal to the revenue derived from the Parcel Tax for the maximum period of time as allowed by law.

Section 8.40.080. Oversight

Starting with the first operative year of this Chapter 8.40, the City shall establish an oversight committee to submit a report on at least an annual basis to the Mayor, City Council and School District Board of Trustees evaluating whether the proceeds from the Parcel Tax are being properly expended for the purposes set forth in this Chapter 8.40.

Section 8.40.090. Severability

If any provision of this Chapter 8.40, or section or part thereof, or the applicability of any provision, section or part to any person or circumstances, is for any reason held to be invalid or unconstitutional, the remaining provisions, sections and parts shall not be affected, but shall remain in full force and effect, and to this end the provisions, sections and parts of this Chapter 8.40 are severable. The voters hereby declare that this Chapter 8.40, and each section, provision, and part, would have been adopted irrespective of whether any one or more provisions, sections or parts are found to be invalid or unconstitutional.

SECTION 5. Effective Date. This Measure shall become effective upon the tenth day following certification by the City Council of the election returns indicating passage of the Measure by a simple majority (50% + 1) of the voters casting votes on the Measure.

SECTION 6. Statement of Facts. This Measure creates a *non-ad valorem* parcel tax of \$1,095.00 on each parcel of taxable real property in the City of Manhattan Beach, the proceeds of which are specifically limited and shall be used solely as set forth in this Measure.

SECTION 7. Severability. If any provision, section, paragraph, sentence, phrase, or word of the Measure is rendered or declared invalid, illegal, or unconstitutional by any final action in a court of competent jurisdiction or by reason or any preemptive legislation, such unconstitutionality illegality or invalidity shall only affect such provision, section, paragraph, sentence, phrase, or word and shall not affect or impair any remaining provisions, sections, paragraphs, sentences, phrases, or words, or the application of the Measure to any other person or

circumstance, and to that end, the provisions hereof are severable. It is hereby declared to be the intention of the People of the City that the Measure would have been adopted had such unconstitutional illegal or invalid provision, section, paragraph, sentence, phrase, or word not been included herein.

SECTION 8. Liberal Construction. This Measure is an exercise of the initiative power of the People of the City of Manhattan Beach to implement a special tax to fund the purposes set forth in the Measure and shall be liberally construed to effectuate these purposes.

<u>SECTION 9.</u> <u>Municipal Affairs.</u> The People of the City hereby declare that providing funding to the School District through a parcel tax for the purposes set forth in this Measure constitutes a municipal affair. The People of the City hereby further declare their desire for this Measure to coexist with any similar tax measures adopted at the city, county or state levels.

SECTION 10. Conflicting Measures. The People of the City find and declare that the provisions of the Measure relating to a parcel tax for education may conflict with one or more provisions of other initiative measures. It is the intent of the People that if the Measure receives a greater number of affirmative votes than a conflicting measure at the same election, this Measure shall prevail in its entirety over a conflicting measure.

SECTION 11. Legal Defense. If approved by a simple majority of voters, and thereafter challenged in court of competent jurisdiction, the City shall defend the Measure in such court of competent jurisdiction. The People of the City by approving this Measure by a simple majority of voters hereby declare that the proponent(s) of the Measure have a direct and personal stake in defending the Measure from constitutional or statutory challenges to the Measure's validity or implementation. In the event the City fails to defend the Measure, or the City fails to appeal an adverse judgment against this Measure, in whole or in part, in any court of competent jurisdiction, the Measure's proponent(s) shall be entitled to assert his, her, or their direct personal stake by defending the Measure's validity and implementation in any court of competent jurisdiction and shall be empowered by the People through this Measure to act as agents of the People of the City, and the City shall indemnify the proponent(s) for reasonable attorneys' fees.

End of Full Ballot Text of Measure