




MEETING DATE: 4/7/2008  
ITEM NO: 3

## COUNCIL AGENDA REPORT

DATE: MARCH 18, 2008  
TO: MAYOR AND TOWN COUNCIL  
FROM: GREG LARSON, TOWN MANAGER   
SUBJECT: ADOPT RESOLUTION SUPPORTING MEASURE E, A LOS GATOS UNION SCHOOL DISTRICT PARCEL TAX

### RECOMMENDATION:

Adopt a resolution supporting Measure E, a Los Gatos Union School District Parcel Tax (Attachment 1).

### BACKGROUND:

In 1990, the first LGUSD parcel tax was approved by district voters. Since then, the parcel tax was successfully renewed by voters in 1994, 1998, and 2002. On March 4, 2008, the Los Gatos Union School District (LGUSD) Board of Trustees voted to place a measure on the June 3, 2008 ballot to renew its expiring education parcel tax at the same rate voters approved in 2002.

Measure E, the Local Elementary and Middle School Academic Excellence Measure asks district voters to consider approving a parcel tax of \$290 per parcel for a period of 6 years. Passage of the measure will require a 2/3 vote by the electorate. The District has requested that the Town Council consider adopting a resolution supporting Measure E. In 2002, the Council adopted a resolution supporting the special parcel tax.

### DISCUSSION:

According to the District, the purpose of Measure E is to support high academic achievement for local students by retaining quality teachers, maintaining classroom size reductions, and providing science, literacy, art, music, and other key academic programs. If approved by voters in June 2008, the proposed parcel tax would replace the special tax approved by voters in 2002 and require property owners located within the boundaries of the Los Gatos Union School District to pay an annual tax of \$290 per parcel. An exemption would be granted annually on any parcel

PREPARED BY:

  
**JENNY HARUYAMA**  
Administrative Programs Manager

N:\MGR\JHaruyama\Staff Reports\LGUSD Parcel Tax 08.doc

Reviewed by: RSS Assistant Town Manager OK Town Attorney SC Finance      CDD

PAGE 2

MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT A RESOLUTION SUPPORTING MEASURE E, A LOS GATOS UNION  
SCHOOL DISTRICT PARCEL TAX

*March 18, 2008*

owned by one or more persons 65 years old or over who occupies the parcel as a principal residence. Further, exemptions may be granted annually for owners of contiguous, multiple parcels and for property owners whose properties have been extensively damaged by a natural disaster.

It is anticipated that the parcel tax will generate approximately \$2.6 million annually for the District. All parcel tax funds would be used for local Los Gatos elementary and middle schools to improve educational programs. A Budget Advisory Committee comprised of parents, teachers, and other local residents would review and report on parcel tax spending to ensure the appropriate use of funds.

FISCAL IMPACT:

If the parcel tax is approved, Los Gatos property owners located within the Los Gatos Union School District would pay an annual tax of \$290 per parcel for approximately 6 years. It is anticipated that the parcel tax will generate \$2.6 million in revenue to improve educational programs at Los Gatos elementary and middle schools. Voter approval of the parcel tax would not reduce annual property tax revenues received by the Town. Therefore, adoption of a resolution supporting Measure E would have no financial impact on the Town. If the parcel tax is not renewed, the current funding for the District will expire.

Attachment:

Resolution supporting Measure E, a Los Gatos Union School District Parcel Tax

**RESOLUTION NO.**

**RESOLUTION BY THE TOWN OF LOS GATOS SUPPORTING MEASURE E,  
A LOS GATOS UNION SCHOOL DISTRICT PARCEL TAX**

**WHEREAS**, the Los Gatos Union School District (“District”) is committed to offering a high-quality educational programs to all students in the District; and

**WHEREAS**, California Constitution, Article XIII A, section 4 and Government Code sections 50075 et seq. authorize school districts, upon approval of 2/3rds of the electorate, to levy qualified special taxes on property in the District for the purposes of providing quality educational programs in the District and other lawful purposes of the District; and

**WHEREAS**, the voters of the District in 1990, 1994, 1998, and 2002 overwhelmingly approved, supported, and continued the levy of a special tax for these purposes; and

**WHEREAS**, On March 4, 2008, the District Board of Trustees voted to place a measure on the June 3, 2008 ballot to renew its expiring education parcel tax; and

**WHEREAS**, the proposed measure, Measure E – the Local Elementary and Middle School Academic Excellence Measure as reflected in Exhibit A, will ask district voters to consider approving a parcel tax of \$290 per parcel for a period of 6 years; and

**WHEREAS**, if approved, funds from Measure E would be used to retain teachers, maintain classroom size, and provide key academic programs.

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of Los Gatos does hereby support Measure E, a Los Gatos Union School District Parcel Tax.

**PASSED AND ADOPTED** at a \_\_\_\_\_ meeting of the Town Council of the Town of Los Gatos, California, held on the \_\_\_\_\_ day of \_\_\_\_\_, 2008 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

**SIGNED:**

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA



## FULL BALLOT TEXT

The full text of the ballot measure shall read as follows:

**Local Elementary and Middle School Academic Excellence Measure.** To support high academic achievement for local students by retaining quality teachers, keeping small class sizes, and maintaining science, literacy, art, music and other programs, shall the Los Gatos Union School District be authorized to renew its expiring parcel tax of \$290 per year per parcel, for six years, without increase, with an exemption available for senior citizens and disabled persons, with citizen oversight, and every dollar staying in Los Gatos schools?

The purpose of the measure is to fund the following specific types of programs and services:

- a) Retaining skilled and qualified teachers;
- b) Maintaining up-to-date science programs;
- c) Keeping class sizes as small as possible;
- d) Continuing literacy programs;
- e) Maintaining art and music programs;
- f) Maintaining library staff and services;
- g) Providing counseling and other student health and safety programs;
- h) Maintaining safe and adequate schools grounds and facilities.

### Basis of Tax.

The parcel tax shall be \$290 per Parcel of Taxable Real Property beginning in July 1, 2008 and continuing for a period of six years. The District shall provide the Santa Clara County Tax Collector a report indicating the parcel number and amount of tax for each Parcel of Taxable Real Property.

“Parcel of Taxable Real Property” is defined as any unit of real property in the District that receives a separate tax bill for *ad valorem* property taxes from the County Treasurer-Tax Collector’s Office. All property that is otherwise exempt from or upon which no *ad valorem* property taxes are levied in any year shall also be exempt from the special tax in such year.

Any parcels that are contiguous to each other, used solely for one owner-occupied single-family residence, and held under identical ownership shall, upon approval of an application from the owners thereof submitted to the District, be treated as a single Parcel of Taxable Real Property for purposes of the special tax. Applications for such treatment shall be made or confirmed to the District annually on or before June 15, 2008 or June 15 of any succeeding tax year.

Pursuant to the California Government Code Section 50079 (b), any owners of a parcel who are either receiving Supplemental Security Income for a disability, regardless of age, or who are 65 years of age or older, used solely for owner-occupied, single-family residential purposes may obtain an exemption from the education parcel tax by annually submitting an application by June 15 of each year or confirming a continuing exemption to the Board of Trustees of the Los Gatos Union School District in accordance with rules and regulations adopted by the Board.

#### Claim / Exemption Procedures

With respect to all general property tax matters within its jurisdiction, the Santa Clara County Tax Assessor or other appropriate County tax official shall make all final determinations of tax exemption or relief for any reason, and that decision shall be final and binding. With respect to matters specific to the levy of the special tax, including the Senior Citizen Exemption and the SSI Exemption determination, the decisions of the District shall be final and binding. The procedures described herein, and any additional procedures established by the Board shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the special tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary.

#### Appropriations Limit

Pursuant to California Constitution article XIIB and applicable laws, the appropriations limit for the District will be adjusted periodically by the aggregate sum collected by levy of this special tax.

#### Accountability Measures

The proceeds of the special tax shall be applied only to the specific purposes identified above. The proceeds of the special tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the District. No later than January 1 of each year while the tax is in effect, the District shall prepare and file with the Board a report detailing the amount of funds collected and expended during the prior fiscal year, and the status of any project authorized to be funded by this measure.

In addition, an advisory committee of citizens shall be appointed or designated by the Board of Trustees to ensure that the special tax proceeds are spent for their authorized purposes, and to report annually to the Board of Trustees and the public regarding the expenditure of such funds.

#### Severability

The Board hereby declares, and the voters by approving this measure concur, that every section and part of this measure has independent value, and the Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure by the voters, should any part of the measure or taxing formula be found by a court of

competent jurisdiction to be invalid for any reason, all remaining parts of the measure or taxing formula hereof shall remain in full force and effect to the fullest extent allowed by law.