



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 7.1

Meeting Date: August 1, 2019

Subject: **Approve Resolution No. 3093: To Support the Schools and Local Communities Funding Act**

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Board Office

Recommendation: Approve Resolution No. 3093: To Support the School Local Communities Funding Act.

Background/Rationale: Since the passage of Proposition 13 in 1978, school funding in California has experienced severe limitations in funding for schools through property tax. It was intended to help homeowners by locking in property tax rates, but a loophole permits commercial and industrial properties to avoid regular property reassessment. Estimates by academic researchers at the University of Southern California have identified that reassessing commercial property will raise \$11 billion in property tax revenue every year for cities, counties, special districts, and schools. The Schools and Local Communities Funding Act is on the November 2020 ballot and seeks to reform commercial property taxes, while guaranteeing existing protections for residential property and agricultural land.

Financial Considerations: N/A

LCAP Goal(s): Family and Community Empowerment; Safe, Emotionally Healthy and Engaged Students

Documents Attached:

1. Resolution No. 3093

<p>Estimated Time of Presentation: 5 minutes Submitted by: Jessie Ryan, Board President, and Mai Vang, Board Member Approved by: Jorge A. Aguilar, Superintendent</p>
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**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

RESOLUTION NO. 3093

TO SUPPORT THE SCHOOLS AND LOCAL COMMUNITIES FUNDING ACT

WHEREAS, Since the passage of Proposition 13 in 1978, school funding in California has experienced severe limitations in what was once the main source of funding for schools, the property tax;

WHEREAS, While the intent of Proposition 13 is to help homeowners, a loophole in the system permits major commercial and industrial properties to avoid regular reassessment, providing a windfall to commercial property owners at the expense of vital school funding;

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

WHEREAS, Per-pupil support, which relies on state funding, has declined from the top 10 in the nation to the bottom 10;

WHEREAS, California has the 5th largest economy in the world but is 41st in the nation in per pupil funding;

WHEREAS, School funding in California is \$1,961 per pupil less than the national average, while California's cost of living is among the highest in the nation;

WHEREAS, Staffing ratios for teachers, guidance counselors, librarians, and administrators rank near the bottom;

WHEREAS, Public schools in California face challenges in providing an equitable and fair education for a student population with vast differences in language, income, parental education level, and other social, educational, and economic factors;

WHEREAS, Research has proven that investments in high needs students raises achievement levels, lower poverty, and increases the productivity of the workforce;

WHEREAS, Estimates by academic researchers at the University of Southern California (USC) have identified that reassessing commercial property will raise \$11 billion in property tax revenue every year for cities, counties, special districts, and schools;

WHEREAS, USC has identified that nearly 80 percent of the revenue will come from just 8 percent of large properties;

WHEREAS, USC research shows that a majority of commercial property owners already are assessed at close to market value, making the current system inequitable among businesses, benefitting a relatively small number of properties owned by the largest corporations and wealthy owners who have held land for a long period of time;

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

WHEREAS, The Schools and Local Communities Funding Act is on the November 2020 ballot;

WHEREAS, The measure provides at least \$5.3 billion annually for K-14 schools;

WHEREAS, The measure will provide funding to all school districts, over and above Proposition 98 funding, and following the local control funding formula to all students in need in all districts;

WHEREAS, School district bonds will be retired faster or rates lowered;

WHEREAS, The Schools and Local Communities Funding Act will also provide billions in funding yearly for cities, counties, and special districts in locally controlled revenues for affordable housing, parks, libraries, emergency responders, health and human services, libraries, and public infrastructure;

WHEREAS, The Schools and Local Communities Funding Act will improve land use, provide a direct tax break to small businesses, and level the playing field between neighboring commercial property owners; and

WHEREAS, The Sacramento City Unified School District (SCUSD) is still facing a significant budget deficit;

WHEREAS, SCUSD’s budget challenges continue to limit investments in our students;

WHEREAS, SCUSD will support efforts made by local community groups to promote the civic engagement needed to help pass the Schools and Communities First Funding Act.

NOW, THEREFORE, BE IT RESOLVED, That the SCUSD Board of Education endorses the Schools and Communities First Funding Act for a ballot measure in November 2020.

PASSED AND ADOPTED by the Sacramento City Unified School District Board of Education on this 1st day of August, 2019, by the following vote:

AYES: _____
NOES: _____
ABSTAIN: _____
ABSENT: _____

ATTESTED TO:

Jessie Ryan
President of the Board of Education

Jorge A. Aguilar
Secretary of the Board of Education