

Notice of Intent to Circulate Petition

Notice is hereby given by the people whose names appear below of their intention to circulate the petition within the City of Santa Monica for the purpose of creating funds to preserve existing educational programs and services provided in our Santa Monica public schools by enacting a tax on parcels of real property. A statement of reasons for the proposed action as contemplated in the petition is as follows:

Fellow Santa Monica voters:

Our Santa Monica public schools are known for their excellence, ranking among the best schools in our State and Nation. This is due, in part, to financial support from the City of Santa Monica including about \$12 million in funding under the Master Facilities Use Agreement ("MFUA") between the City and the Santa Monica-Malibu Unified School District ("SMMUSD").

Unfortunately, the City is suffering financially. The City Council adopted a Resolution declaring the City's fiscal distress on September 9, 2025. The MFUA expires on June 30, 2027, and when it expires the City may not have the resources to renew it. The loss of ongoing City funding that has been provided by the MFUA would be devastating to SMMUSD, its students and teachers.

We -- State Senator Ben Allen, SMMUSD Board of Education President Alicia Mignano, and Community for Excellent Public Schools Chair Ted Winterer -- believe it is in the public interest to ensure the City has a dedicated source of funding to replace the MFUA funding. Our petition proposes a new tax on parcels of real estate in Santa Monica of \$495 per parcel to protect existing educational programs in Santa Monica's public schools, including retention of high-quality teachers; assistance for disadvantaged students; art, music, science and math education; access to early childhood education; maintenance of school facilities; and after-hours community access to school playing fields, playgrounds and other facilities. The full amount of tax collected will be provided to SMMUSD or any successor district that serves the City.

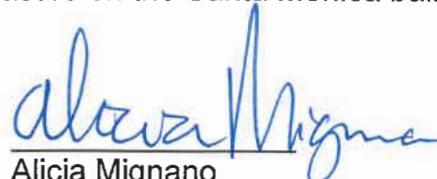
Seniors, 100% affordable housing, non-profits and religious organizations will be exempt from the tax.

Please join us in preserving the excellence of our Santa Monica public schools by signing the petition to put this measure on the Santa Monica ballot.

Original Signatures by:



Ben Allen
California State Senator



Alicia Mignano
President, Santa Monica-
Malibu Unified School District
Board of Education

Ted Winterer
Chair, Community
for Excellent Public
Schools

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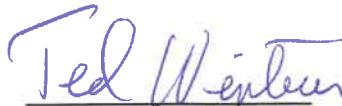
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Proposed Title and Summary

Title: Citizen Initiative Ordinance to Preserve City Funding of Santa Monica-Malibu Unified School District by Establishing Parcel Tax

Summary: This initiative would amend the Santa Monica Municipal Code by establishing a flat-rate annual parcel tax of \$495 per parcel of real property located within the City of Santa Monica. The funds collected from the parcel tax are to be provided in full by the City to the Santa Monica-Malibu Unified School District (SMMUSD) or any successor school district that serves students attending public school in Santa Monica, and cannot be directed elsewhere by any government entity. The amount of the parcel tax will be adjusted annually for inflation in accordance with the Consumer Price Index for All Urban Consumers.

The funding is expressly intended to provide a permanent source of funding for the funds currently provided by the City to SMMUSD through the Master Facilities Use Agreement, which expires on June 30, 2027. The funding provided by the parcel tax is intended to supplement, and not to replace, existing funding commitments in prior initiative measures, including Measures Y/YY (2010), Measures GS/GSH (2016), and Measure GS (2022).

The parcel tax funds may be used for educational purposes, including but not limited to, retention of teachers; assistance to disadvantaged students; art, music, science, and math education; access to early childhood education programs; maintenance of existing school facilities; and community access after school hours to school facilities. The parcel tax funds may not be used for administrator salaries, land acquisition, or capital improvements such as construction of new buildings.

The initiative provides optional exemptions for real property (1) owned by senior citizens age 65 and over who reside in the property as a primary residence; (2) owned by 501(c)(3) nonprofit organizations; (3) that is the site of 100 percent affordable housing development projects; and (4) owned by a religious organization or a school.

Oversight may be provided by the SMMUSD Board of Education, including through the existing SMMUSD Financial Oversight Committee. If SMMUSD does not establish oversight prior to the first July 1 following the effective date, the City must establish an oversight committee to ensure the funds are used consistent with the initiative's purpose. SMMUSD must also obtain independent annual performance audits to evaluate expenditures.

If the initiative is signed by at least 10 percent of the City's registered voters, it must be placed on the ballot. Under current law, if a simple majority of voters casting votes on the initiative approve it, the initiative will go into effect. The initiative shall become effective on

the earliest possible legal date. The parcel tax would be collected beginning on July 1 of the year after being approved by the voters.

To the City Council of the City of Santa Monica: We, the undersigned, registered, qualified voters and residents of the City of Santa Monica, California, hereby propose an amendment to the Santa Monica Municipal Code establishing a parcel tax for the purpose of providing reliable funding for the public school district that serves residents of the City, for use for educational purposes, and petition the City Council to submit the same to voters of the City of Santa Monica for their adoption or rejection at the next general election or as otherwise provided by law. The proposed amendment is set forth below and on the subsequent pages and reads as follows:

THE PEOPLE OF THE CITY OF SANTA MONICA DO ORDAIN AS FOLLOWS:

SECTION 1. TITLE.

This measure shall be known and may be cited as the “Excellent Santa Monica Public Schools Parcel Tax Measure” (“Measure”).

SECTION 2. PURPOSE AND INTENT.

- (a) The purpose of this Measure is to enable and ensure that the Santa Monica-Malibu Unified School District (“School District”) is provided with stable financial support from the City of Santa Monica (“City”) on an ongoing basis.
- (b) On September 9, 2025, the Santa Monica City Council (“City Council”) adopted Resolution No. 11698, a “Resolution . . . Identifying Local Fiscal Distress Based on Decreased Revenue and Increased Liabilities.” This Measure is intended to ensure that the children of our community and our public schools, the institution that most directly affects and shapes their lives, do not suffer financial harm due to the City’s fiscal distress, which is unrelated to the School District.
- (c) The City presently provides significant funding to the School District, including through the Master Facilities Use Agreement (“MFUA”). But given the City’s fiscal distress, MFUA funding is not guaranteed to continue when the current MFUA expires on June 30, 2027. The People desire to ensure a permanent source of City funding at the level currently provided by the MFUA by creating an additional revenue source through this local Parcel Tax, with all revenue dedicated to the School District.
- (d) The entire community benefits from ensuring that the School District has the financial resources necessary to provide excellent educational opportunities for its students. This Measure will ensure that the City continues to provide revenue to the School District for educational purposes including the retention of high-quality teachers; assistance for disadvantaged students; art, music, science, and math education; access to early childhood education programs; maintenance of existing school facilities in a safe and clean condition; and continued community

access to school facilities after school hours. Excellent public schools attract quality businesses to the community, increase property values, generate local tax revenues, help to deter criminal activity, reduce community problems such as poverty, drug use, and teen pregnancy, and help improve the overall quality of life in Santa Monica. In addition, the School District regularly makes its facilities available for after-hours community use, including its auditoriums, gymnasiums, playing fields, and classrooms. All of these community benefits, and more, will provide a substantial beneficial return on the City's investment in local public schools as enabled and required by this Measure.

(e) The loss of ongoing City funding that has been provided by the MFUA since 2005 would be devastating to the School District. The People of the City can counter the potential loss of MFUA funding, as well as ongoing and severe State funding shortfalls and Federal cutbacks on education spending, by adding this local Parcel Tax to maintain reliable City funding of its public schools and protect high-quality education in the School District. All revenue from this local Parcel Tax will stay in the School District and cannot be taken away by the Federal, State, County, or City government.

(f) The People additionally find that by providing funding for education through a Parcel Tax, this Measure will free up existing City revenues for other important City priorities, such as addressing public safety, fire prevention, 911 emergency response services, homelessness, libraries, and parks.

(g) The People intend that the funds raised herein shall be transferred by the City to the School District, to be spent at the discretion of the School District's Board of Education in accordance with this Measure's purpose as described herein, and subject to independent financial oversight.

SECTION 3. LEGAL AUTHORITY.

This Measure and the Parcel Tax authorized herein are adopted pursuant to the People's reserved power of initiative, along with the provisions and authority contained in the California Constitution and statutory and case law implementing and making specific the People's reserved initiative powers.

SECTION 4. AMENDMENT TO MUNICIPAL CODE.

Article 2 of the Santa Monica Municipal Code is amended by adding Chapter 2.74, Parcel Tax for the benefit of Santa Monica's public schools, to read as follows:

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CHAPTER 2.74. PARCEL TAX FOR SANTA MONICA PUBLIC SCHOOLS

2.74.010. PARCEL TAX AND EXEMPTIONS.

- (a) A special non-ad valorem parcel tax (“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.
- (b) The Parcel Tax shall hereby be established, levied, and collected each fiscal year, commencing on the first July 1 following adoption of this Chapter by vote of the electors of the City, on each parcel of taxable real property, improved or unimproved, within the boundaries of the City, at the rate of four hundred and ninety five dollars (\$495) per year per parcel, and adjusting for inflation in accordance with the Consumer Price Index (CPI-U) for All Urban Consumers (Los Angeles-Riverside-Orange area) each year thereafter, using the change in CPI-U for the year February 1 – January 31 immediately preceding the fiscal year in which the Parcel Tax is being imposed. The amount of Parcel Tax levied is not measured or determined by the value of the parcel.
- (c) For the purposes of this Chapter, 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, or other lawfully designated entity, as applicable (“Tax Collector”).
- (d) 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 that fiscal year shall also be exempt from the Parcel Tax in such year. The Tax Collector’s determination of exemption shall be final on the taxpayer. Taxpayers desiring to challenge the Tax Collector’s determination shall 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 shall follow the procedures applicable to tax refunds pursuant to the California Revenue and Taxation Code.
- (e) The Parcel Tax imposed by this Chapter shall not be construed as imposing a tax upon any person when the imposition of such tax upon that person would be in violation of either the Constitution of the United States or the Constitution of the State of California.
- (f) An exemption (“Senior Citizen Exemption”) from the Parcel Tax will be made available annually to each individual in the City who (1) attains 65 years of age prior to July 1 of the fiscal year, (2) owns a beneficial interest in a parcel located in the City, (3) uses that parcel as his or her principal place of residence, and (4) who applies for such exemption every three years.

(g) An exemption (“501(c)(3) Exemption”) from the Parcel Tax will be made available annually to any non-profit organization with 501(c)(3) status that owns a beneficial interest in a parcel located in the City and that applies for such exemption.

(h) An exemption (“Affordable Housing Exemption”) from the Parcel Tax will be made available annually to any 100 percent Affordable Housing Development Project that applies for such exemption. The Affordable Housing Development Project must be either residential only or a mixed-use development with at least two-thirds of its square footage designated for residential use. All of the residential units in any development, including a mixed-use development, with the exception of a manager’s unit, must be affordable to low-income households under State and Federal laws defining low-income households.

(i) Real property owned by a religious organization or school (“Religious Organizations and Schools Exemption”) that is exempt from property taxes under California law is exempt from this Parcel Tax.

(j) The Director of the City’s Finance Department, or if no such Director exists, then the City Manager or their designee, shall adopt and publish guidelines governing the application process for seeking one of the above-referenced exemptions, including the deadline for filing an exemption application and the application form(s).

(k) This Parcel Tax is a property tax, and qualified property owners shall be entitled to the benefits of the Senior Citizens and Disabled Property Tax Postponement Law (California Revenue and Taxation Code Section 20581 et seq.), as provided by law.

2.74.020 LEVY AND COLLECTION.

(a) The proceeds of the Parcel Tax, including penalties and interest earned on such revenue, shall be deposited into the City’s General Fund. The Parcel Tax proceeds collected each fiscal year, together with any interest and any penalties thereon, shall be transferred from the City’s General Fund promptly and in full to the School District or successor to the School District serving students attending public schools in the City.

(b) The Parcel Tax revenue will not be credited against any other City funds already provided to the School District and shall be in addition to, and not a replacement of, any funds the City otherwise provides to the School District, including any funds provided according to existing agreements or in accordance with prior measures regarding City funding for the School District and public education, including Measures Y/YY (2010), Measures GS/GSH (2016), and Measure GS (2022), with the sole exception of the existing MFUA which expires on June 30, 2027.

(c) The Parcel Tax shall be collected by the Tax Collector at the same time and in the same manner as ad valorem property taxes collected by the Tax Collector. Persons who fail to remit this Parcel Tax shall be subject to such penalties, additional fees, and interest as the rules, regulations, and procedures authorized by law permit.

(d) The Parcel Tax shall constitute a lien upon the parcel upon which it is levied until it has been paid. Any unpaid Parcel Tax due under this Chapter shall be subject to all remedies provided under the City's Municipal Code and as provided by law.

(e) It is the intent of the People of the City that the School District that serves residents of the City shall receive all the funds referenced in this Chapter. In the event of a unification of Malibu schools, any school district that is located outside of the City, including, without limitation, a new Malibu school district, is not entitled to any portion of these funds, regardless of whether that district offers enrollment to any students that reside in the City. The City is authorized and directed to modify any agreement(s) regarding the distribution of the funds under subdivision (a) of Section 2.74.020 to direct the funds to the successor Santa Monica School District.

2.74.030. PURPOSES AND USES OF TAX.

(a) The City shall transfer all money received from this Parcel Tax to the School District. The City shall have no discretion to retain the revenue. The School District may not use the funds from the Parcel Tax for administrator salaries, land acquisition, or capital improvements such as construction of new buildings. The funds may be used by the School District for any other educational purpose, including but not limited to:

- (1) Retention of high-quality teachers;
- (2) Assistance to disadvantaged students;
- (3) Art, music, science, and math education;
- (4) Access to early childhood education programs;
- (5) Maintenance of existing school facilities in a safe and clean condition; and
- (6) Community access after school hours to school facilities, including, but not limited to, auditoriums, gymnasiums, playing fields and classrooms.

(b) The purposes set forth in Section 2.74.030(a) shall constitute the purposes of this Chapter, which are 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.

(c) The City shall, with every disbursement made pursuant to this Chapter, require the School District to verify in writing that it will use the funds only for the purposes set forth in Section 2.74.030(a), and that funds will not be used for administrator salaries, land acquisition, or capital improvements such as construction of new buildings.

2.74.040. OVERSIGHT.

(a) Within 90 days of the effective date of this Chapter, the City shall request that the School District's Board of Education establish an oversight structure for the money received through this Parcel Tax. This requirement shall be satisfied if the Board of Education expands the authority of the School District's existing Financial Oversight Committee to include oversight of the tax revenue collected through this Parcel Tax.

(b) If the School District does not provide a structure for oversight of the money received through this Parcel Tax prior to the first July 1 following its effective date, then the City shall establish a City oversight committee to oversee use of the Parcel Tax revenues, including ensuring that such revenues are used in accordance with this Chapter's purposes as provided in Section 2.74.030(a).

(c) Starting with the first operative year of this Chapter, the School District shall obtain a performance audit by an independent third-party auditor to evaluate annual expenditures and assure accountability of the proper disbursement of the Parcel Tax proceeds in accordance with the stated purpose of this Chapter. The performance audit shall comply with established governmental standards for performance audits.

2.74.050. SUPPLEMENT TO EXISTING FUNDING.

In adopting this Parcel Tax, the People choose to provide financial resources to complement, and not supplant, existing City, County, State, Federal, and other funding for the School District, with the sole exception of funding provided by the existing MFUA which expires on June 30, 2027. The People additionally find that this Parcel Tax is necessary to ensure continued adequate funding of the School District due to the City's ongoing fiscal distress. Therefore, in enacting this Chapter, it is the intent of the People of the City that any funds allocated to the School District pursuant to this Chapter shall be in addition to, and not a replacement of, any funds the City otherwise provides to the School District, including any funds provided according to existing agreements, except for the existing MFUA, or in accordance with prior measures regarding City funding for the School District and public education, including Measures Y/YY (2010), Measures GS/GSH (2016), and Measure GS (2022) with the sole exception of the existing MFUA which expires on June 30, 2027.

2.74.060. ADMINISTRATION.

The City's Finance Department shall undertake all necessary actions to administer the Parcel Tax and its exemptions and to ensure that all Parcel Tax revenues are transferred to the School District as required by this Chapter. The City's Finance Department shall cooperate with the Tax Collector and the School District in carrying out its duties under this Chapter.

2.74.070. CIVIL REMEDIES.

Any resident of the City may bring an action in the Superior Court to enforce the City's obligations under the provisions of this Chapter. In any such action, a prevailing plaintiff or petitioner shall be entitled to recover his or her costs of suit, including reasonable attorneys' fees.

2.74.080. INTERPRETATION.

This Chapter shall be interpreted liberally to effectuate its purpose of enabling and requiring the City to establish a stable and significant amount of revenue for the School District.

2.74.090. SEVERABILITY AND SAVINGS CLAUSE.

The provisions of this Chapter shall not apply to any person or any property as to whom or which it is beyond the power of the City to impose the Parcel Tax. If any provision, sentence, clause, or section of this Chapter is found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall affect only such provision, sentence, clause, or section, and shall not affect or impair any remaining provisions, sentences, clauses, or sections. It is hereby declared to be the intention of the City that the ordinance codified in this Chapter would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section or part thereof not been included herein, and any such provision is severable from all remaining provisions.

2.74.100. AMENDMENT OR REPEAL.

These provisions may be amended or repealed only by the voters of the City through a majority vote of those voting on the question at a City election.

SECTION 5. MEASURE ENACTMENT DATE.

This Measure shall be deemed to have been enacted on the election date on which the Measure is approved by a simple majority of those voting on the Measure.

SECTION 6. EFFECTIVE DATE.

This Measure shall become effective on the earliest possible legal date.

SECTION 7. MUNICIPAL AFFAIRS.

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, State, or Federal levels.

SECTION 8. 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 this Measure receives a greater number of affirmative votes than a conflicting measure at the same election, this Measure shall prevail in its entirety over the conflicting measure.

SECTION 9. LEGAL DEFENSE.

(a) If approved by a simple majority of voters, and thereafter challenged in a court of competent jurisdiction, the City shall defend this 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) and the official committee sponsoring the Measure have a direct and personal stake in defending the Measure from constitutional or statutory challenges to the Measure's validity or implementation.

(b) In the event of a legal challenge to the validity of this Measure, the Measure's proponent(s) or the official committee sponsoring the Measure may intervene to defend the validity of the Measure in light of their interests in ensuring that the Measure can be implemented and enforced as intended by the Measure's proponents. In the event the City fails to defend this 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) or the official committee sponsoring the Measure 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. The City shall indemnify the proponent(s) for reasonable attorneys' fees.