

BALLOT TITLE AND SUMMARY  
PREPARED BY THE CITY ATTORNEY

AN INITIATIVE MEASURE ESTABLISHING A PARCEL TAX COLLECTED BY THE  
CITY OF SANTA MONICA FOR FUNDING FOR THE SANTA MONICA-MALIBU  
UNIFIED SCHOOL DISTRICT

This initiative measure would add Chapter 2.74 to the Santa Monica Municipal Code and establish an annual parcel tax of \$495 per parcel of taxable real property located within the City of Santa Monica ("City"). The amount of the parcel tax will be adjusted annually for inflation as provided in the measure.

If approved, the City would be required to provide all tax revenue from the measure to the Santa Monica-Malibu Unified School District ("SMMUSD") or any successor school district that serves public school students in the City. The measure identifies the Los Angeles County Assessor, or other lawful entity, as the Tax Collector. Failure to remit the parcel tax is subject to penalties, fees, and interest, and may result in a property lien.

The parcel tax revenue 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 revenue may not be used for administrator salaries, land acquisition, or capital improvements, including the construction of new buildings.

The measure contains several exemptions for parcels owned by: (1) Senior citizens (age 65 or older) who reside in the property as a primary residence; (2) non-profit organizations with 501(c)(3) status; (3) an Affordable Housing Development Project, as defined in the measure, if certain requirements are met; and (4) religious organizations or schools that are exempt from property taxes. The measure directs the City's Finance Director to establish guidelines for processing exemptions.

The measure states that it would replace funding currently provided by the City to SMMUSD under a Master Facilities Use Agreement (the "MFUA"), which expires on June 30, 2027. Revenue collected by the parcel tax, if adopted, will not be credited against any City funds provided to SMMUSD under other existing agreements or prior measures.

The SMMUSD Board of Education is authorized to establish an oversight committee structure to oversee use of the parcel tax revenue. If SMMUSD does not establish oversight prior to the first July 1 following the effective date, the City must establish an oversight committee. SMMUSD must also obtain independent annual performance audits to evaluate expenditures.

The initiative authorizes the City's Finance Department to administer the parcel tax. The initiative authorizes residents to file a civil action to enforce the initiative. Successful challenges may result in costs of suit and attorneys' fees. The initiative is effective on the earliest possible legal date and may only be amended or repealed with approval by a majority of the voters. The parcel tax would be collected beginning on July 1 of the year after being approved by the voters. The initiative requires the City to defend the measure if challenged and to indemnify the proponents for reasonable attorneys' fees.