

19 DEC -3 PM 4:44

CITY ATTORNEY'S BALLOT TITLE AND SUMMARY OF MEASURE

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

BALLOT TITLE:

A Proposed Ordinance to Increase the City of Oakland's Appropriations Limit to Allow the City to Continue to Expend Revenue from Taxes Oakland Voters Previously Approved for Emergency Medical Services, Paramedic Services, Library Services, Public Safety and Violence Prevention Services, Homeless Services and Other Lawful Governmental Purposes.

BALLOT SUMMARY:

In 1979, California voters passed Proposition 4, which added Article XIII B to the California Constitution. This constitutional amendment established a limit, known as the "Gann Limit" or "Appropriations Limit", on the amount of tax revenue state and local governments (including cities) can appropriate (spend) in any fiscal year. The expenditure of tax revenue by state and local governments cannot exceed their appropriations limits.

Article XIII B requires that local governments calculate appropriations (spending) limits annually. An appropriations limit is calculated by adjusting the "base year" appropriations limit each year for inflation and population growth. In 1990, California voters passed Proposition 111, which established Fiscal Year 1986-1987 as the "base year" for all governments. Therefore, the City of Oakland's current annual appropriations limit is the City's appropriations limit from Fiscal Year 1986-1987 (base year) adjusted each year for inflation and population growth.

Since Fiscal Year 1986-1987, Oakland voters have passed local tax measures that generate tax revenue to pay for important municipal services such as emergency dispatch services, paramedic services, libraries, violence prevention, and services to the homeless. To permit the City of Oakland to continue to spend tax revenue on these important municipal services without exceeding the City's appropriations limit, the City of Oakland's appropriations limit must be increased. Section 4 of Article XIII B of the California Constitution allows the electors of a local government to increase the City's appropriations limit by a majority vote for up to four years.

This measure would increase the City's appropriations limit until March 3, 2024. The increase will allow the City to continue to spend the tax revenue from local taxes previously approved by Oakland voters on important municipal services such as emergency dispatch services, paramedic services, libraries, violence prevention, and services to the homeless, without increasing or imposing new taxes.

This measure was placed on the ballot by the Oakland City Council. Passage of this measure requires an affirmative vote of a majority of voters (i.e., more than 50% of the votes cast). A "yes" vote will approve the measure; a "no" vote will reject the measure.



BARBARA J. PARKER
City Attorney

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CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE _____

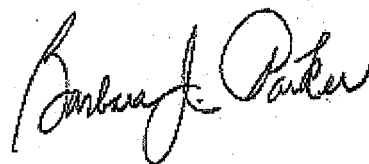
In 1979, California voters passed Proposition 4, an initiative that added Article XIII B to the California Constitution. This constitutional amendment established a limit, known as the "Gann Limit" or "Appropriations Limit", on the amount of tax revenue state and local governments (including cities) can appropriate (spend) in any fiscal year. The expenditure of tax revenue by state and local governments cannot exceed their appropriations limits.

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This measure was placed on the ballot by the Oakland City Council. Passage of this measure requires an affirmative vote of a majority of voters (i.e., more than 50% of the votes cast). A "yes" vote will approve the measure; a "no" vote will reject the measure.



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City Attorney

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Summary

This measure would authorize the City to continue spending the proceeds of voter-approved City taxes, including Measure M (Emergency Medical Services), Measure N (Paramedic Services), Measure Q (Library Services), Measure C (Hotel Tax), Measure Z (Public Safety and Violence Prevention Services), Measure HH (Sugar Sweetened Beverages), Measure D (Public Libraries Preservation), Measure W (Vacant Properties), as well as other taxes received by the City such as, Property Tax, State Tax, Business License Tax, Utility Consumption Tax, Real Estate Transfer Tax, Transient Occupancy Tax, and the Parking Tax.

In 1979, California voters approved Proposition 4, which added Article XIII B to the State Constitution and requires local governments, including the City of Oakland, to adopt an annual appropriations limit (the amount of tax revenues the City may spend in a fiscal year). This limit, referred to as the “Gann Limit,” caps the amount that governments may appropriate and spend in a given fiscal year. The original method for calculating the appropriation limit was changed by Proposition 111, which the voters approved in June 1990. Proposition 111 allows the City to increase the appropriation limit based on the population growth in either the City or the County and the increase in the cost of living. The voters may change the appropriation limit for a period not to exceed four years.

Fiscal Impact

This measure does not approve or impose any new taxes or increase any existing taxes. It raises the tax appropriation limit therefore authorizing the City to continue spending tax revenues previously approved by the voters or the City Council for Fiscal Year 2020-21 through Fiscal Year 2023-24.

The City would not be able to appropriate and spend all available tax monies if the City’s tax revenues exceed the appropriation limit, unless the voters approve this measure. Tax revenues exceeding the appropriation limit would have to be returned to the taxpayers by revising the tax rates or fee schedules within the following two fiscal years.

References to information in our independent analysis represents the best information at the time of this analysis.

FULL TEXT

Section 1. Findings and Intent.

- a. Oakland voters have passed local tax measures that generate revenue to pay for important municipal services such as emergency dispatch services, paramedic services, libraries, violence prevention, and services to the homeless.
- b. Article XIII B of the California Constitution establishes a limit on the amount of tax revenue a local government can appropriate each year.
- c. To permit the City of Oakland to continue to spend the revenue generated by the local taxes passed by Oakland voters on the above-mentioned municipal services without exceeding the appropriations limit set by Article XIII B of the California Constitution, the City of Oakland's appropriations limit must be increased.
- d. Section 4 of Article XIII B of the California Constitution allows the electors of a local government to increase the appropriations limit by a majority vote for up to four years from the most recent vote.
- e. It is the intent of the People of the City of Oakland in enacting this Ordinance to increase the City's appropriations limit to permit the continued expenditure of revenue from local taxes previously approved by Oakland voters over the next four years.

Section 2. Appropriations Limit; Expiration. Pursuant to Section 4 of Article XIII B of the California Constitution, the appropriations limit for the City of Oakland is hereby increased by the amount of revenue collected from local taxes previously approved by Oakland voters and any income from the investment of said tax revenue. This Section 2 shall expire on March 3, 2024, and the appropriations limit of the City of Oakland shall thereafter be determined as if this Ordinance had not been adopted.

Section 3. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The people of the City of Oakland hereby declare that they would have adopted this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

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OFFICE OF THE CITY CLERK
OAKLAND

19 DEC 13 PM 12:46

ARGUMENT AGAINST MEASURE S

Vote NO on this Spending Increase. In 1979 California Voters protected Taxpayers from a City's urge to tax us out of our homes, called the 'Gann Limit.' Oakland has taxed us so aggressively that it is surpassing the 'Gann Limit.' Now the City wants to voters approve a higher limit without the public ever debating this Increase.

This Measure is deceptive because it argues that this Measure does not raise our taxes. The Measure uses tricky words to mislead the voters when it argues 'without increasing or imposing new taxes.' True, this measure itself does not 'impose new taxes', but it DOES pave the way for new taxes and more spending.

The Measure suggests that the City has already exceeded the 'Gann Limit' and now needs to get permission after its violation. Oakland gets an A+ for spinning words and duping voters into to voting their way, but these crafty "wordsmiths" receive an F- for accountability of how they spend OUR money!

Now is the time to demand accountability for Oakland's spending. No more empty promises about annual audits. No more diversion of Bond money to unaccountable projects with most of the that money spent on bureaucracy. No more bureaucratic run-a-round from citizens asking for answers.

Now is the time to demand accountability for Oakland's bad streets. Oakland has the worst paved streets in the Bay Area. Why did the Mayor and City Council neglect the streets for the last 20 years? The City has diverted the taxes into benefits for the ever-expanding City staff, such as the newly created Department of Transportation. The benefit package to City staff is breathtaking, but no longer readily available on the City website. The City must answer our accountability questions ~~before we approve more spending.~~

Vote NO and Demand Accountability.



Marcus Crawley - President of Alameda County Taxpayer Association

