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LENDALE UNIFIED SCHOOL DISTRICT

February 4, 2020

ACTION REPORT NO. 2

TO: Board of Education

FROM: Dr. Vivian Ekchian, Superintendent

PREPARED IN: Superintendent's Office

SUBJECT: Resolution No. 12 – Schools and Communities First Funding Act

The Superintendent recommends that the Board of Education adopt Resolution No. 12 – In Support of the Schools and Communities First Funding Act.

At its meeting on November 19, 2019, the Board of Education discussed the Schools and Communities First Funding Act, which is slated for the November 2020 ballot. This initiative seeks to reform commercial property taxes, while guaranteeing existing protections for residential property and agricultural land.

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 California Teachers Association (CTA), California School Employees Association (CSEA), and the California State PTA are among those organizations who are endorsing this act.

The California School Boards Association (CSBA) announced in December 2019 that it will end their efforts to put a \$15 billion tax initiative benefiting K-12 and community colleges before voters on the November 2020 ballot. CSBA stated it wanted to avoid the prospect of competing tax measures for education on the same ballot; therefore, CSBA indicated it would seek a tax in 2022.

The attached resolution in support of the Schools and Communities First Funding Act is being presented to the Board of Education for adoption.

***TO SUPPORT 2019-2020 BOARD PRIORITY NO. 4: Maintain District Solvency & Financial Responsibility – Manage district financial resources and facilities to support optimal learning, healthy working conditions, and strong enrollment to ensure long-term stability.***

GLENDALE UNIFIED SCHOOL DISTRICT  
RESOLUTION NO. 12

**IN SUPPORT OF 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; and

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; and

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; and

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

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

WHEREAS, school funding in California is \$2400 per pupil less than the national average, while California's cost of living is among the highest in the nation; and

WHEREAS, staffing ratios for teachers, guidance counselors, librarians, and administrators rank near the bottom in the nation; and

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; and

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

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; and

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

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; and

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; and

WHEREAS, the Schools and Local Communities Funding Act is on the November 2020 ballot, and the measure provides at least \$5.3 billion annually for K-14 schools; and

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; and

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; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Glendale Unified School District Board of Education endorses the Schools and Communities First Funding Act for a ballot measure in November 2020.

**PASSED, APPROVED, AND ADOPTED** this 4th day of February 2020, at a regular meeting of the Glendale Unified School District Board of Education, Los Angeles County, California.

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Jennifer Freemon, President

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Dr. Armina Gharpetian, Vice President

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Shant Sahakian, Clerk

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Nayiri Nahabedian, Member

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Gregory S. Krikorian, Member

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Dr. Vivian Ekchian, Superintendent