

**Draft City and County Sample Resolution of Support:
Schools and Local Communities Funding Act of 2020**

Whereas, for the last four decades, cities and counties in California have experienced underinvestment and devastating cuts to critical services and infrastructure that residents rely on;

Whereas, the lack of adequate local funding is the result of an inequitable tax system in which corporations and wealthy investors do not pay their fair share in property taxes;

Whereas, loopholes in California's property tax system allow a fraction of major commercial and industrial properties to avoid regular reassessment and use shady schemes to hide change in ownership;

Whereas, these loopholes and tax schemes result in millions of dollars going to corporations and wealthy investors rather than to local communities for essential services;

Whereas the property tax is one of the few discretionary sources of revenue for cities and counties;

Whereas, experts estimate that the *California Schools and Local Communities Funding Act* reclaims \$12 billion in property tax revenue every year by closing loopholes in California's property tax system;

Whereas the *California Schools and Local Communities Funding Act* does not affect property taxes for homeowners or renters because the initiative exempts all residential property;

Whereas, allocation of revenues to cities, counties and special districts will follow current property tax allocation;

Whereas, the measure will provide billions in locally-controlled property tax funding yearly for cities, counties, and special districts;

Whereas, academic researchers at the University of Southern California (USC) have identified that the vast majority of reclaimed revenue will come from a fraction of large commercial and industrial properties;

Whereas, USC research shows that a majority of commercial owners already pay close to market value, making the current system inequitable among businesses, benefitting large owners who have held land for a long period;

Whereas, the current failure to close the commercial property loophole has led to poor land use and inflated land values, particularly affecting the ability to provide adequate high-density housing;

Whereas, the measure incentivizes the development of residential units and provides more funding for communities to invest in affordable housing;

Whereas, the measure provides new tax incentives to spur new investment in small businesses by eliminating the business personal property tax on equipment for California's small businesses;

Whereas, the measure also exempts all small business owners whose property is worth \$3 million or less;

Whereas, the measure levels the playing field for businesses that already pay their fair share in our communities;

Whereas, the *California Schools and Local Communities Funding Act of 2020* is expected to be on the November 2020 ballot;

Whereas, now more than ever, in light of the national and state economic crisis precipitated by the COVID-19 global pandemic, California's local communities need additional revenues for their continued provision of services;

Therefore, be it resolved, that the **<Insert name of city or county>** endorses the *California Schools and Local Communities Funding Act of 2020* for a ballot measure in November 2020.