

**June 14, 2004**

City Council  
Sacramento, CA

Honorable Members in Session:

**SUBJECT: AN ORDINANCE REPLACING THE LIBRARY SPECIAL ASSESSMENT WITH AN EQUIVALENT PARCEL TAX FOR ADDITIONAL LIBRARY SERVICES ON REAL PROPERTY WITHIN THE CITY OF SACRAMENTO**

**LOCATION AND COUNCIL DISTRICT:** City-Wide (All Districts)

**RECOMMENDATION:**

1. Enact the attached ordinance replacing the Library Special Assessment with an equivalent parcel tax for additional library services on real property within the City of Sacramento
2. Adopt the attached resolution submitting the parcel tax ordinance to the voters for approval.

**CONTACT PERSON:**

Shirley Concolino, City Clerk - 808-5442  
Anne Marie Gold, Library Director - 264-2770

**FOR COUNCIL MEETING OF:** June 22, 2004

**SUMMARY:**

This report recommends enactment of an ordinance to impose a parcel tax for additional library services and adoption of a resolution submitting the ordinance to the voters for approval.

**COMMITTEE/COMMISSION ACTION:**

None

**BACKGROUND INFORMATION:**

On May 15, 2004, the Council held a workshop on renewal of the existing library assessment. The Council provided comment on the key issues relating to placing a renewal of the existing library tax on the ballot. Staff reviewed Council comments and then prepared the proposed Ordinance.

On June 15, 2004, the City Council passed the parcel tax ordinance for publication.

The proposed special tax compares to the current assessment as follows:

	<b>Current Assessment</b>	<b>Proposed Special Tax</b>
<b>Election Date</b>		November 2, 2004
<b>Tax Vehicle</b>	Assessment	Special Tax
<b>Rate</b>	Initial - \$22 FY 04/05 \$25.96	Initial - \$26.60
<b>Apportionment</b>	Base rate for single family residential, with proportional rates for multi-family residential, commercial and industrial	Base rate for single family residential, with proportional rates for multi-family residential, commercial and industrial.
<b>COLA</b>	Maximum 3% annually, tied to CPI; maximum increase \$7 over life of assessment	Maximum 3% annually, tied to CPI; maximum increase \$8 over life of assessment
<b>Sunset</b>	10 years	10 years
<b>Low Income Rebate</b>	Rebate for low income property owners if: <ul style="list-style-type: none"> <li>• The property was owner occupied</li> <li>• The property was the owner's principal residence</li> <li>• The gross household income is 80% or less of the area median income</li> </ul>	Rebate for low income property owners if: <ul style="list-style-type: none"> <li>• The property was owner occupied</li> <li>• The property was the owner's principal residence</li> <li>• The gross household income is 80% or less of the area median income</li> </ul>
<b>Maintenance of Effort</b>	City General Fund contribution not be reduced below \$6,300,000, with one exception. That exception is that if the reduction is no more than the same proportion of reduction that is imposed on the City's net general fund budget for non-safety departments (which are all operating departments except police and fire) in any year during the ten-year period of the assessment, then the assessment may nonetheless be collected.	City General Fund contribution not be reduced below \$7,635,500, with one exception. That exception is that if the reduction is no more than the same proportion of reduction that is imposed on the City's net general fund budget for non-safety departments (which are all operating departments except police and fire) in any year during the ten-year period of the assessment, then the assessment may nonetheless be collected.
<b>Expenditure Plan</b>	Provides funds for enhanced hours, materials budget, technology, as well as children's services.	Provides funds for enhanced hours, materials budget, technology, as well as children's and teen services.

**FINANCIAL CONSIDERATIONS:**

The current library assessment provides approximately 30% of the overall funds available for library services in the City of Sacramento, budgeted at \$3,843,240 for FY 04/05. If the assessment were not renewed by the special tax, those services funded by the assessment would have to be reduced or eliminated if other supplemental funding sources were not identified.

**ENVIRONMENTAL CONSIDERATIONS:**

None


**POLICY CONSIDERATIONS:**

The City Council approved the formation of the assessment district in 1996 and has imposed the special assessment in every year since. The Council has the authority to adopt the ordinance imposing the parcel tax and a resolution placing a measure in front of the voters of the City requesting approval of the tax to maintain the services provided by the current assessment district funds.

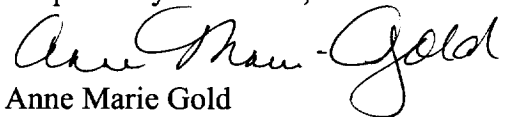
**ESBD EFFORTS:**

None

**RECOMMENDATION APPROVED:**

  
ROBERT P. THOMAS  
City Manager

Respectfully submitted,

  
Anne Marie Gold  
Director, Sacramento Public Library  
Library Authority

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# ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

## **AN ORDINANCE REPLACING THE LIBRARY SPECIAL ASSESSMENT WITH AN EQUIVALENT PARCEL TAX FOR ADDITIONAL LIBRARY SERVICES ON REAL PROPERTY WITHIN THE CITY OF SACRAMENTO**

**BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

### **SECTION 1.**

On November 5, 1996, the voters of the City of Sacramento approved an assessment district and annual assessments on all real property within the City of Sacramento for the purpose of funding additional library services including more open hours at neighborhood, community, and regional libraries, additional library staff at neighborhood and community libraries including children's librarians, more books, more technology resources, and other library services. The assessment was set at \$22 per year for single family residences and all other properties at specified proportional amounts for 10 years, with adjustments not exceeding 3% annually, and not more than \$7 total during the life of the assessment for single family residences. The last year of the assessment is 2006-2007. The assessment for a single-family residence for 2004-2005 is \$25.96, subject to a maximum annual adjustment of 3% through 2006-2007. The California Constitution no longer permits the City of Sacramento to fund additional library services by imposing assessments. However, the California Constitution and state law permit the City of Sacramento to fund additional library services with a parcel tax if the tax is approved by a two-thirds vote. It is the purpose of this ordinance to impose a parcel tax in the same amount as the existing assessment, subject to the same annual adjustment, for the ten years following the expiration of the assessment, and to place the parcel tax before the voters of the City of Sacramento for approval.

The additional library services to be provided are:

1. Additional open hours per week at all branches with increased staffing.

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**ORDINANCE NO.** \_\_\_\_\_

**DATE ADOPTED:** \_\_\_\_\_

**EXAMPLE:**

BRANCH	Base Hours Per Week (FY 04/05)	Additional Hours Per Week (FY 04/05)	# Of Hours Increased
Belle Cooleedge	31	42	11
Colonial Heights	29	42	13
Del Paso Heights	23	34	11
McClatchy	21	34	13
McKinley	21	35	14
Martin Luther King	34	42	8
North Sacramento/Hagginwood	27	34	7
South Natomas	29	42	13
Valley Hi/North Laguna	0	36	36

2. Additional library materials (books, magazines, CD's, DVD's, online databases, etc.) for all branches, bookmobile and specialized resources.
3. Enhanced technology at branches, including network connections, software and hardware, self-service technology and online access
4. Enhanced services to children and teens by trained staff, including after school home work help programs and programs for all age groups

**SECTION 2.**

Chapter 3.148 is added to the Sacramento City Code to read as follows:

Chapter 3.148. PARCEL TAX FOR ADDITIONAL LIBRARY SERVICES

Section 3.148.010 Parcel tax imposed.

There is hereby imposed upon every parcel of real property in the City a parcel tax for additional library services. Additional library services are library services over and above the basic library services funded by general fund resources of the city, including, without limitation, children's and teen-age programs such as "homework centers" for students,

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**DATE ADOPTED:** \_\_\_\_\_

additional open hours at branch libraries, additional professional library staff at branch libraries including children's librarians, acquisition of additional books, magazines, newspapers, media, and other library materials, and additional technology at library branches.

Section 3.148.020 Tax rates.

The tax rates for fiscal year 2007-2008 shall be:

**RESIDENTIAL**

Single family	\$26.60
Multi-family	a. \$19.95 per unit, units 1-4
	b. \$13.30 per unit, units 5-15
	c. \$6.65 per unit, units over 15
	(Add a. plus b. plus c. for total multi-family tax per parcel)
Condominiums	\$19.95 per condominium
Mobile Homes	\$13.30 per mobile home

**NON-RESIDENTIAL**

Institutional	\$119.70 per acre (first 5 acres)
	\$29.93 per acre (acres over 5)
Professional	\$79.80 per acre (first 5 acres)
	\$19.95 per acre (acres over 5)
Commercial/Industrial and Recreational	\$39.90 per acre (first 5 acres)
	\$9.98 per acre (acres over 5)
VACANT (Misc. vacant, parking lots, airports, cemeteries and mortuaries)	\$9.98 per acre (maximum taxed area per parcel: 5 acres)

**EXEMPT USES**

Common area, Agriculture, Utilities, Public Agencies	\$0
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Section 3.148.030 Annual adjustment of tax rates.

The tax rates for fiscal year 2007-2008 set forth in Section 3.148.020 shall be increased annually in proportion to the increase in the Consumer Price Index (CPI), San Francisco Area, all items, most recently available prior to the date of increase, provided, however,

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**DATE ADOPTED:** \_\_\_\_\_

that this increase shall not exceed three percent (3%) in any year. The maximum increase during the life of the tax for single-family residences shall be \$8.00 and proportionally on other properties.

**Section 3.148.040 Collection by the county.**

The tax shall be collected on behalf of the city by the county auditor. The City Clerk shall file with the county auditor a certified copy of a tax roll with a request that the taxes be posted to the county roll for general property taxes. This filing shall occur on or before August 1 of the fiscal year in which the taxes are to be collected. The tax shall be collected at the same time and in the same manner and shall be subject to the same late charges and penalties for delinquency as general property taxes and all laws providing for the collection and enforcement of such property taxes shall apply to the collection and enforcement of the tax. After deduction of the collection charges of the county auditor, the net amount of the taxes collected shall be remitted to the City for transfer to the Sacramento Public Library Authority to be used to provide additional library services within the City of Sacramento.

**Section 3.148.050 Parcel tax not to replace general fund contribution.**

The City's current general fund contribution to library services may not be replaced by the parcel tax. If the City general fund contribution to the Sacramento Public Library Authority is reduced below \$7,635,600, the parcel tax shall not be levied; provided, however, that if the reduction to the City general fund contribution is no more than the same proportion of reduction that is imposed on the City's net general fund budget for non-safety departments (which are all operating departments except police and fire) in any year during the ten-year period of the tax, then the tax nonetheless may be levied. (The City's net general fund budget for non-safety departments is the total general fund contribution to their operating budgets excluding expenditures that are offset by fees or other non-tax revenues.) Following any reduction from the minimum level of \$7,635,600 and for the parcel tax to be levied in any subsequent year, the Library must receive increases in its City general fund contribution proportional to the increases in the non-safety departments' net general fund budgets up to at least the minimum level of \$7,635,600.

**Section 3.148.060 Voter approval; ten-year term.**

The tax imposed by this chapter shall not be collected unless it is approved by two-thirds (2/3) of the voters of the City of Sacramento voting on this tax in an election held on or before March 1, 2007. The tax shall be imposed beginning with the 2007-2008 fiscal year for a period of ten years, ending with fiscal year 2016-2017.

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**ORDINANCE NO.** \_\_\_\_\_

**DATE ADOPTED:** \_\_\_\_\_

Section 3.148.070 Low-income rebate.

The City Manager shall establish a program to rebate any tax imposed by this chapter that is paid with respect to residential property that is the principal residence of the owner, if the gross household income is 80% or less of the Sacramento County area median income as published annually by the Secretary of Housing and Urban Development Department.

DATE PASSED FOR PUBLICATION:  
DATE ENACTED:  
DATE EFFECTIVE:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

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**FOR CITY CLERK USE ONLY**

**ORDINANCE NO.** \_\_\_\_\_

**DATE ADOPTED:** \_\_\_\_\_

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACRAMENTO, CALIFORNIA, CALLING AND GIVING NOTICE OF THE SUBMITTAL TO THE VOTERS OF A QUESTION RELATING TO A PARCEL TAX FOR ADDITIONAL LIBRARY SERVICES TO BE INCLUDED WITH THE CONSOLIDATED GENERAL MUNICIPAL ELECTION OF NOVEMBER 2, 2004 AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO CHARTER CITIES**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

WHEREAS, under the provisions of the laws relating to Charter Cities in the State of California, a General Municipal Election shall be held on November 2, 2004, for the purpose of submitting a question to the voters pertaining to a parcel tax for additional library services,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SACRAMENTO, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1: That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question:

To maintain children's programs, homework centers, increased hours, new book funding, and technology in branch libraries, shall an equivalent parcel tax replace the existing assessment in 2007-2008 (single family residences \$26.60/year; other properties at proportional amounts) for 10 years, with adjustments not exceeding 3% annually or \$8 total for single family residences during the life of the tax, and requiring City library funding to be maintained or only reduced proportionally with other non-safety services?

YES \_\_\_\_\_

NO \_\_\_\_\_

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**FOR CITY CLERK USE ONLY**

RESOLUTION NO. \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

Section 2. That the proposed measure submitted to the voters is attached as Exhibit A.

Section 3. That the ballots to be used at the election shall be in the form and content as required by law.

Section 4. That the City Clerk is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 5. That the polls for the election shall be open at 7:00 o'clock a.m. of the day of the election and shall remain open continuously from that time until 8:00 o'clock p.m. of the same day when the polls shall be closed, except as provided in Section 14301 of the Elections Code of the State of California.

Section 6. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 7. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

Section 8. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

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**FOR CITY CLERK USE ONLY**

RESOLUTION NO. \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**EXHIBIT A**

**COMPLETE TEXT OF MEASURE \_\_**

**ADDITIONAL LIBRARY SERVICES PARCEL TAX**

**SECTION 1.**

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(Misc. vacant, parking lots, airports, cemeteries and mortuaries)	

**EXEMPT USES**

Common area, Agriculture, \$0  
Utilities, Public Agencies

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