

Memo

To Board of Education

From Antwan Wilson, Superintendent
Marion McWilliams, General Counsel

Board Meeting Date August 3, 2016 (First Reading); August 8, 2016 (Motion)

Subject Calling of Parcel Tax Election – General Election – November 8, 2017

Action Requested **Adoption of Resolution 1617-0030 - Calling Parcel Tax Election**

Background The Superintendent has recommended that the Board place on the November 2016 ballot a parcel tax at the rate of \$120 per parcel for twelve years. The proceeds from the parcel tax will be used to:

- * Attract and retain school-site educators.
- * Increase access to courses in arts, music, and world languages in grades 6-8.
- * Improve student retention during the transition from elementary to middle school.
- * Create a more positive and safe middle-school learning environment.

Discussion The Parcel tax will be known as “Teacher Retention and Middle School Improvement Act.” The 75 word ballot statement will read:

“To provide an educator salary increase designed to attract/retain teachers; provide enhanced middle school art, music, languages/other programs in addition to core educational programs; improve academic achievement; provide safe, positive schools, and prepare students for college/careers; shall Oakland Unified School District levy a tax of \$120 per parcel, providing \$12.4 million annually, for 12 years, with exemptions for senior and low income residents, no money for Sacramento, and all money benefiting Oakland students?”

Key Terms:

- 1) Parcel Tax is for 12 years
- 2) Parcel Tax is \$120 per parcel flat rate

- 3) Parcel Tax has a low income and senior citizen exemption
- 4) After 1% is initially applied to reimburse administrative overhead, Parcel Tax revenues will be allocated 65% for school based educator pay increases and 35% for grades 6, 7, and/or 8,

Recommendation

Adoption of Resolution 1617-0030 - Calling Parcel Tax Election

Fiscal Impact

Revenue generating measure if approved by the voters

Attachments

- ☐ Resolution
- ☐ Full Text
- ☐ Ballot Summary

**BOARD OF EDUCATION OF THE
OAKLAND UNIFIED SCHOOL DISTRICT
COUNTY OF ALAMEDA, STATE OF CALIFORNIA**

Res. No 1617-0030

RESOLUTION CALLING PARCEL TAX ELECTION

WHEREAS, the Oakland Unified School District (the “District”) is determined to provide excellent educational programs to all its students; and

WHEREAS, California is now experiencing its worst teacher shortage in a generation; and

WHEREAS, the District is committed to attracting and retaining excellent teachers; and

WHEREAS, the District acknowledges the importance of paying teachers and other educational staff enough money so they can continue to live in the community where they work; and

WHEREAS, to better attract and retain excellent teachers and other school educational staff, the District now wishes to give its school-site educators a salary increase; and

WHEREAS, the District now also desires to retain more students across the transition from elementary school to middle school; and

WHEREAS, to improve middle school safety, provide positive school environments, and expanded curriculum, the District now wishes to provide grants to each middle school in the District; and

WHEREAS, funding from the State of California (the “State”) has not been adequate to meet these goals, and the District has no assurance that State funding will permit the District to meet these goals in the future; and

WHEREAS, funding from the Federal Government is insufficient to meet these goals, and the District has no assurance that Federal funding will permit the District to meet these goals in the future; and

WHEREAS, Section 4 of Article XIII A and Section 2(d) of Article XIII C of the California Constitution authorize a school district, by a two-thirds vote of the qualified electors, to impose special taxes other than ad valorem taxes on real property, and Government Code Section 50079 authorizes a school district to impose qualified special taxes meeting certain requirements upon approval of two-thirds of the electorate voting on the proposition; and

WHEREAS, all funds raised in these qualified special taxes are spent for the benefit of students residing in our local district; and

WHEREAS, Section 1000 of the California Elections Code authorizes the District to conduct such an election only on an established election date; and

WHEREAS, November 8, 2016, is an established election date; and

WHEREAS, this Board of Education has held a public hearing after due notice regarding the parcel tax proposed by this Resolution, as required by Government Code Section 50077; and

WHEREAS, the District's boundaries have not changed since the June 7, 2016 primary election; and

WHEREAS, the District is located entirely within the County of Alameda (the "County"), and the Alameda County Superintendent of Schools has jurisdiction over the District; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Oakland Unified School District as follows:

1. Recitals. This Board of Education hereby finds and determines that the foregoing recitals are true and correct.

2. Order of Election; Specifications of Ballot Measure. This resolution shall stand as the order to the Alameda County Superintendent of Schools to call an election within the boundaries of the District on November 8, 2016, for the purpose of proposing to the electors of the District the proposition contained in Exhibit A hereto. The authority for the specifications of this election order is contained in Sections 5304 and 5322 of the California Education Code and Sections 50075-77 and 50079 of the California Government Code.

This Board of Education hereby requests the Registrar of Voters of the County of Alameda (the "Registrar of Voters") to submit to the voters of the District at said election the proposition as it appears in Exhibit A.

3. Filing of Order of Election. The Secretary of this Board of Education is ordered to cause certified copies of this resolution and order to be delivered not later than Wednesday, August 10, 2016, to the Alameda County Superintendent of Schools, and not later than Friday, August 12, 2016 to the Registrar of Voters and the Clerk of the Board of Supervisors of the County.

4. Formal Notice. The Alameda County Superintendent of Schools is hereby requested to prepare and execute a Formal Notice of Parcel Tax Election and consolidation order in substantially the form attached hereto as Exhibit B (the "Formal Notice"), and to call the election by causing the Formal Notice to be posted in every schoolhouse in the District and at three public places in the District, in accordance with Section 5362 of the Education Code, no later than Wednesday, August 10, 2016, or to otherwise cause the notice to be published as permitted by law. The Secretary of this Board of Education, on behalf of and as may be requested by the County Superintendent of Schools, is authorized to cause all notices required by law in connection herewith to be published and posted, as the case may be.

5. Conduct of Election. (a) *Request to Registrar of Voters.* Pursuant to Section 5303 of the Education Code, the Registrar of Voters is required to, and is hereby requested to, take all steps to hold the election in accordance with law and these specifications.

(b) *Ballot and Voter Pamphlet.* The Registrar of Voters is requested to cause the exact wording of the Abbreviation of the Measure contained in Exhibit A-I to appear on the ballot, and to print the Full Text of the Measure contained in Exhibit A-II in the voter information pamphlet to be distributed to voters pursuant to the Elections Code. The full text of the measure is all that text in Appendix A hereto between the indicators “**BEGINNING OF FULL TEXT OF MEASURE----->>>>>>**” and “**<<<<<-----END OF FULL TEXT OF MEASURE.**”

(c) *Consolidation.* The Alameda County Superintendent of Schools and the Board of Supervisors of the County are requested to order consolidation of the election with such other elections as may be held on the same day in the same territory or in territory that is in part the same, pursuant to Education Code Section 5342 and Section 10400 and following of the Elections Code.

(d) *Canvass of Results.* The Board of Supervisors of the County is authorized to canvass the returns of the election pursuant to Section 10411 of the Elections Code.

(e) *Required Vote.* The proposition shall become effective upon approval of two-thirds of those voting thereon.

(f) *Election Costs.* This Board of Education shall pay all costs of the election approved by the Board of Supervisors of the County, pursuant to Education Code Section 5421.

6. Appropriations Limit. This Board of Education shall provide in each year (pursuant to Section 7902.1 of the Government Code or any successor provision of law) for any increase in the District’s appropriations limit as shall be necessary to ensure that proceeds of the proposed tax may be spent for the authorized purposes.

7. Ballot Argument. The President of this Board of Education, or any member or members of this Board as the President shall designate, is hereby authorized, but not directed, to prepare and file with the Registrar of Voters a ballot argument in favor of the proposition contained in Exhibit A-II hereof, within the time established by the Registrar of Voters, which shall be considered the official ballot argument of this Board as sponsor of the proposition.

8. Effective Date. This resolution shall take effect from and after its adoption by a two-thirds vote of all of the members of this Board.

PASSED AND ADOPTED this 8th day of August, 2016 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

James Harris
President of the Board of Education
Oakland Unified School District

Attest:

Antwan Wilson
Secretary, Board of Education of the
Oakland Unified School District

EXHIBIT A
MEASURE TEXT

I. ABBREVIATION OF THE MEASURE

*[This summarizes, in 75 words or less,
the full text of the proposition which appears below.]*

“To provide an educator salary increase designed to attract/retain teachers; provide enhanced middle school art, music, languages/other programs in addition to core educational programs; improve academic achievement; provide safe, positive schools, and prepare students for college/careers; shall Oakland Unified School District levy a tax of \$120 per parcel, providing \$12.4 million annually, for 12 years, with exemptions for senior and low income residents, no money for Sacramento, and all money benefitting Oakland students?”

[75 Words]

II. FULL TEXT OF THE MEASURE

BEGINNING OF FULL TEXT OF MEASURE----->>>>>

OAKLAND UNIFIED SCHOOL DISTRICT Teacher Retention and Middle School Improvement Act

This Proposition may be known and referred to as the “Teacher Retention and Middle School Improvement Act” (the “Act”) or as “Measure ____”. *[designation to be assigned by County Registrar of Voters]*

KEY GOALS

- Attract and retain school-site educators.
- Increase access to courses in arts, music, and world languages in grades 6-8.
- Improve student retention during the transition from elementary to middle school.
- Create a more positive and safe middle-school learning environment.

FINDINGS

The Oakland Unified School District (the “District”) is committed to teaching its middle school students in a safe environment and providing more time for activities such as music, art, and studying world languages.

Oakland teachers’ and educational school staff salaries are currently among the lowest in the Bay Area, and the District is committed to paying its teachers competitively so they can continue to work where they live.

Funding from the State of California (the “State”) has not been adequate to meet these goals, and the District has no assurance that State funding will permit the District to meet these goals in the future.

Funding from the Federal Government is insufficient to meet these goals, and the District has no assurance that Federal funding will permit the District to meet these goals in the future.

SPECIFIC PURPOSES

The Teacher Retention and Middle School Improvement Act Fund is established to provide a salary increase to school-site educators district-wide, including charter schools in the District, and to provide Middle School grants which shall be allocated pursuant to the Education Improvement Plan submitted by each Middle School as further described below, and which shall be spent in furtherance of the goals set forth in the section entitled “GOALS” above.

EDUCATION SPENDING PLAN

Middle School grants shall be distributed to Middle Schools pursuant to the Local Control Funding Formula methodology upon the submission, review, and approval by the Board of Education of each school's annual Education Improvement Plan. Middle School grants shall be used to further any one or more of the goals set forth in the section entitled "GOALS" above. Middle School grants shall only be spent at Middle Schools. An approved education improvement plan shall include, at minimum:

- Completion of a diagnostic self-evaluation of the school's curricular and safety needs, including an assessment of community demand for arts, music, and language education.
- Annual and Three-Year accountability indicators toward achieving one or more of the stated goals of this Measure.
- Evidence-based strategies designed to meet the accountability indicators.
- Annual benchmarks for improved retention of students transitioning from elementary to middle school.
- Description of how school staff, time schedules, and budgets are coherently structured to implement the school improvement plan's strategies and activities.

ALLOCATION METHODOLOGY

At the end of each fiscal year, beginning with Fiscal Year 2017-18, the District shall determine the total revenue generated by the Act (such amount hereinafter referred to as "Total Revenues"). The District shall allocate:

- 1% of Total Revenues to reimbursing administrative overhead costs incurred by the District in connection with the administration of the Act.
- A percentage of Total Revenues to charter schools within the District equal to the number of students enrolled in charter Middle Schools within the District divided by the total number of students in the District attending District or Charter Middle Schools, multiplied by 100, as adjusted by the Local Control Funding Formula (such amount hereinafter referred to as "Total Charter Revenues").
- The remaining amounts left from Total Revenues after allocation of Total Charter Revenues to the District (such funds hereinafter be known as "Total District Revenues").

Total District Revenues and Total Charter Revenues shall each be further allocated according to the following percentages:

- 65% to provide raises to school site educators. The same percentage increase in salary shall apply to all school site educators; and
- 35% of Total Revenues to provide Middle School grants as further described in the section entitled "Education Spending Plan" above.

DEFINITIONS

“School Site Educator” shall mean all site based educators and all represented employees.

“Middle School” shall mean any district school or charter school within the District serving grades 6, 7, or 8, regardless of whether the school serves grades in addition to those grades.

SENIOR CITIZEN EXEMPTION

In order to provide tax relief to senior citizens in the community, any parcel owned and occupied by a person 65 years of age or older shall be exempt from the education parcel tax upon proper application to the District. The exemption shall be available pursuant to procedures to be prescribed by the Board of Education or otherwise as required by law or by the Alameda County Tax Collector.

LOW INCOME EXEMPTION

An exemption from this tax shall be made for owners of single family residential units in which they reside whose combined family income from all sources for the previous calendar year is at or below the income level qualifying as “very low income” for a family of such size under Section 8 of the United States Housing Act of 1937, 42 U.S.C.A. Sections 1437 et seq. for each year. Owners must apply for this exemption annually by petition to the Office of the Chief Financial Officer of the District in the manner and at the time set forth in procedures established by the District. Such petitions shall be on forms available from the Chief Financial Officer’s office and must provide information sufficient to verify income including, but not limited to, federal income tax returns and W-2 forms of owner-occupants.

TERMS AND SUNSET

Upon approval of two thirds of those voting on this Teacher Retention and Middle School Improvement Act, the Board of Education of the District shall be authorized to levy a qualified special tax on each parcel of taxable real property in the District, in the annual amount of \$120 for twelve years, commencing July 1, 2017.

ACCOUNTABILITY PROVISIONS

Oversight Commission. The Board of Education shall establish a Commission comprised of five (5) persons giving preference to persons who demonstrate extensive knowledge and expertise in middle school education, with a focus on arts, music, and world languages, school safety, and in compensation for K-12 educational professionals. The Commission shall advise and report to the Board of Education and shall be responsible for oversight, which includes (a) oversight of proper allocation and use of all parcel tax monies, (b) reviewing annual independent audit reports, and (c) submitting recommendations to the Board of Education for any new or modified policies and administrative regulations to ensure the Oakland Unified School District’s compliance with the requirements and intent of this Measure. The Board of Education shall

provide by resolution for the composition, funding, staffing, and other necessary information regarding the Commission's formation and operation.

PUBLISHED INDEPENDENT ANNUAL AUDIT.

Upon the levy and collection of the education parcel tax, the Board of Education shall cause an account to be established for deposit of the proceeds, pursuant to Government Code Section 50075.1. For so long as any proceeds remain unexpended, the Superintendent or the Senior Business Officer of the District shall cause an independent financial auditor to prepare a report to be filed with the Board of Education and made publicly available no later than December 31 of each year, commencing December 31, 2017, stating (1) the amount collected and expended in such year; (2) the description of all programs funded, and a determination that the monies expended were for the allowable uses stated in this Measure; and (3) the determination that the revenues leftover after the raise provided to school-site educators generated by this Measure are being used to supplement, and not supplant, unrestricted general fund revenue so appropriated to schools to serve pupils in grades 6 through 8 based on fiscal year 2017-18 funding. The cost of said Independent Audit may be paid from the proceeds of the parcel tax. The report may relate to the calendar year, fiscal year, or other appropriate annual period, as said officer shall determine, and may be incorporated into or filed with the annual budget, audit, or other appropriate routine report to the Board of Education.

SECURITY FROM STATE SEIZURE OR USE

If, in any fiscal year during the term of the education parcel tax, the State Legislature or Governor shall approve any law or take any action the effect of which shall be to deprive the District of the benefit of any proceeds of the education parcel tax, whether by directly taking such proceeds for any State purpose or by taking such proceeds into account for purposes of calculating State support of the District under Section 8 of Article XVI of the State Constitution or under any program of categorical aid, special aid or other special programs, then the Board of Education shall reduce the rate of the education parcel tax commensurately.

LEVY AND COLLECTION

The education parcel tax shall be collected by the Alameda County Tax Collector at the same time and in the same manner and shall be subject to the same penalties as *ad valorem* property taxes collected by the Tax Collector. Unpaid taxes shall bear interest at the same rate as the rate for unpaid *ad valorem* property taxes until paid.

"Parcel of taxable real property" shall be defined as any unit of real property in the District which receives a separate tax bill for *ad valorem* property taxes from the Alameda County Tax Collector. "Parcel of taxable real property" shall exclude all parcels which are otherwise exempt from or on which are levied no *ad valorem* property taxes in any year, and all parcels which qualify for the senior citizen or low-income exemption provided by this Teacher Retention and Middle School Improvement Act.

The District shall annually provide a list of parcels to the Alameda County tax collection officials which the District has approved for an exemption in accordance with this Act.

Eligibility for the senior citizen exemption and low income exemption shall be determined solely by the District, and any taxpayer wishing to challenge the District's determination, or claim a refund or reimbursement of taxes paid while eligible for the exemption, shall apply directly to the District.

The Alameda County Assessor's determination of exemption or relief for any reason of any parcel from taxation, other than through the senior citizen exemption and low-income exemption, shall be final and binding for the purposes of the education parcel tax. Taxpayers wishing to challenge the County Assessor's determination must do so under the procedures for correcting a misclassification of property pursuant to Part 9 of Division 1 of the California Revenue and Taxation Code or other applicable procedures. Taxpayers seeking a refund of any tax paid shall follow the procedures applicable to property tax refunds pursuant to the California Revenue and Taxation Code.

SEVERABILITY

The Board of Education hereby declares, and the voters, by approving this Oakland Teacher Retention and Middle School Improvement Act, concur, that every section, paragraph, sentence and clause of this Act has independent value, and the Board of Education and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this Act by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law.

<<<<-----END OF FULL TEXT OF MEASURE.

EXHIBIT B
FORM OF
FORMAL NOTICE OF EDUCATION PARCEL TAX ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of the Oakland Unified School District of Alameda County, California, that in accordance with the provisions of the Education Code, the Elections Code, and the Government Code of the State of California, an election will be held on November 8, 2016, for the purpose of submitting to the qualified electors of the District the proposition summarized as follows:

To provide an educator salary increase designed to attract/retain qualified teachers; provide enhanced middle school art, music, languages/other programs in addition to core educational programs; improve academic achievement; provide safe, positive school environments, and prepare students for college/careers; shall Oakland Unified School District levy a tax of \$120 per parcel, providing \$12.4 million annually, for 12 years, with exemptions for senior and low income residents, no money for Sacramento, and all money benefitting Oakland students?

By execution of this formal Notice of Election the County Superintendent of Schools of Alameda County orders consolidation of the election with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

The County Superintendent of Schools of Alameda County, by this Notice of Election, has called the election pursuant to a Resolution and Order of the Board of Education of the Oakland Unified School District adopted August 8, 2016 in accordance with the provisions of Education Code Sections 5302, 5325 and 5361.

IN WITNESS WHEREOF, I have hereunto set my hand this day,
_____, 2016.

County Superintendent of Schools
Alameda County, California

SECRETARY'S CERTIFICATE

I, Antwan Wilson, Secretary, Board of Education, of the Oakland Unified School District, County of Alameda, California, do hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education duly and regularly held at the regular meeting place thereof on August 8, 2016, and entered in the minutes thereof, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present, and said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 1000 Broadway, Oakland, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this ____ day of _____, 2016.

Secretary, Board of Education
Oakland Unified School District