San Leandro Unified School District
San Leandro, California

RESOLUTION NO. 14-10

IN SUPPORT OF

PROPOSITION 13 – CLOSE THE COMMERCIAL PROPERTY LOOPHOLE

WHEREAS, voters in the state of California approved Proposition 13 in 1978; and

WHEREAS, Proposition 13 created limits on the property taxes paid by residential and commercial properties; and

WHEREAS, residential and commercial property values in California are reassessed upon change of ownership; and

WHEREAS, owners of commercial real estate have benefited under current reassessment rules in that if a corporation owning commercial property is sold or merged with another corporation, but the property it owns stays deeded to the corporation, ownership of the property effectively changes without triggering a reassessment of the property; and

WHEREAS, corporations often avoid reassessment of their property by limiting the portion of ownership that changes hands to ensure that no single party owns more than 50 percent; and

WHEREAS, property taxes are a stable funding source of public schools; and

WHEREAS, since the passage of Proposition 13, the State of California has assumed a greater role in the funding of public schools; and

WHEREAS, public schools in California face challenges educating a student population with vast differences in language, poverty, parental education level, and other social, educational and economic factors; and

WHEREAS, modifying the method of reassessing commercial property would net needed additional resources for public schools; therefore

BE IT RESOLVED, that the Board of Trustees of the San Leandro Unified School District supports efforts to modify how the value of commercial properties in California are reassessed to allow for more regular commercial property value reassessment while maintaining Proposition 13 protections for residential properties and small businesses;

BE IT FURTHER RESOLVED, tax revenues generated by modernizing how commercial property is reassessed benefit local schools and not accrue to the State of California as General Fund savings; and

BE IT FUTHERED RESOLVED, that the Board of Trustees of the San Leandro Unified School District supports this effort while protecting existing protections provided to residential properties, and will communicate this position to local elected officials including members of the Alameda County Board of Supervisors, the San Leandro City Council, Senator Ellen Corbett, and Assemblymember Rob Bonta.

RESOLUTION NO. 14-10 PASSED AND ADOPTED by the Governing Board of the San Leandro Unified School District on this 11th day of March 2014.

Lance James, Board President	Mike McLaughlin, Ed.D. Superintendent