

**DRAFT**

Approved as to Form and Legality

**OAKLAND CITY COUNCIL**

City Attorney

RESOLUTION No. \_\_\_\_\_ C.M.S.

03 OCT - 11:04:35

RESOLUTION SUPPLEMENT A STATEWIDE BALLOT INITIATIVE TO REQUIRE VOTER APPROVAL BEFORE STATE GOVERNMENT MAY CONFISCATE LOCAL TAX FUNDS

**WHEREAS**, the state annually seizes \$824 million of city property tax funds (ERAF), seriously reducing resources available for local public safety and other services and increasing pressure on cities to raise fees on new housing developments, increasing the cost of housing; and

**WHEREAS**, in adopting the FY 2003-04 state budget the Legislature and Governor confiscated local vehicle license fee backfill and redevelopment property tax funds that are needed to finance critical city services such as public safety, housing and economic development; and

**WHEREAS**, the FY 2003-04 budget also relies on a deficit bond financing program opposed by the League that is predicated on a local property and sales tax swap that leaves cities vulnerable to future losses if the state's economic condition fails to improve; and

**WHEREAS**, the adopted budget assumes the state will continue to face an ongoing structural budget deficit of at least \$8 billion, putting local government financial resources at risk in future years; and

**WHEREAS**, it is abundantly clear that state leaders will continue to use local tax funds to balance the state budget unless the voters limit the power of the Legislature and Governor to do so; and

**WHEREAS**, research conducted by the League of California Cities in recent years indicates that an initiative that requires voter approval before the state government can confiscate local tax funds would likely be supported by an overwhelming number of voters; and

**WHEREAS**, the voters of California are the best judges of whether funds traditionally used to finance valuable community services should be diverted, confiscated, shifted or otherwise taken by the Legislature to finance an ever expanding state government; and

**WHEREAS**, the Board of Directors of the League of California Cities by unanimous roll call vote at its July 2003 meeting voted to sponsor a statewide ballot initiative to empower the voters to limit the ability of state government to confiscate local tax funds to fund state government; and

23  
CITY COUNCIL  
OCT 21 2003

**WHEREAS**, the League of California Cities Board of Directors has established a political action committee, known as CITIPAC, to raise private funds to finance part of the cost of such statewide initiative campaign; now, therefore, be it

**RESOLVED:** That the Oakland City Council adopt this resolution in support of the initiative, and will dedicate their personal time to the campaign, to encourage others to support the initiative.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California

23  
OAKLAND COUNCIL  
OCT 21 2003