



Adopted 10/17/2023
Board of Supervisors
DOC-2023-843 27.a

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 194-2023

On the motion of Supervisor: Cummings
Duly seconded by Supervisor: Koenig

The following resolution is adopted:

RESOLUTION IN SUPPORT OF CALIFORNIA
PROPERTY TAX APPORTIONMENT REFORM

WHEREAS, Santa Cruz County receives 13.5% of its local property taxes, one of the lowest rates in the State of California, yet has a large number of its residents, nearly 50%, living in the unincorporated area and dependent on county services; and

WHEREAS, the result of this funding imbalance has led to failing infrastructure including: the average Pavement Condition Index of county roads being a 48 out of 100 (poor) and the deferred maintenance on county roads and culverts approaching \$1 billion; the deferred maintenance on county facilities including county health centers totaling \$131 million; and deferred maintenance at county parks totaling \$211 million; and

WHEREAS, the County of Santa Cruz must directly compete for employees with better funded counties that receive a higher share of their local property taxes, leading to critical vacancies on Santa Cruz County staff; and

WHEREAS, Santa Cruz County, like all counties, is required to be the local safety net, yet because of our low share of property taxes and our high rate of need to provide general services, rural, disadvantaged and low income residents inevitably suffer even more; and

WHEREAS, this apportionment formula is not the fault of local residents or local governments but was created by the California State Legislature and can only be fixed by the California State Legislature or a statewide ballot initiative; and

WHEREAS, the County of Santa Cruz may pursue additional sales tax measures but the potential revenues from these would still be insufficient to address forty-five years of deferred maintenance and still far below what would be available if Santa Cruz County residents could simply keep a higher percentage of what they *already pay* in property taxes;

NOW, THEREFORE, the Santa Cruz Board of Supervisors (the Board) finds that the current property tax apportionment law of the State of California is inadequate and unsustainable for the County of Santa Cruz.

BE IT FURTHER RESOLVED AND ORDERED that the Board requests that our representatives in the State Legislature do everything possible to change state property tax apportionment law; directs the Clerk of the Board to transmit copies of this resolution to the Governor of California, the members of the California State Legislature, and other relevant stakeholders; authorizes County staff to work on any solutions to the problem of insufficient property tax apportionment; and directs that the Chair of the Board write letters to other counties that may be experiencing similar financial hardships to find common ground for statewide action.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 17th day of October, 2023, by the following vote:

AYES: Supervisors: Koenig, Cummings, Hernandez, McPherson and Friend
NOES: None
ABSENT: None
ABSTAIN: None

DocuSigned by:
Zach Friend 10/26/2023
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Zach Friend
Chair of the Board of Supervisors

DocuSigned by:
Juliette Burke 10/26/2023
466B074F3141450...

ATTEST: Juliette Burke
Clerk of the Board

Approved as to Form:

DocuSigned by:
Jason M. Heath 10/11/2023
2336E053FF38435

JASON M. HEATH (10/11/2023, 15173)
Office of the County Counsel