

# **Property Tax Reform**

## **for Monterey County Supervisors**

**Santa Cruz County Supervisor Manu Koenig 4/10/2024**



Problem: Insufficient funds to respond to natural disasters





Problem: No stable funding to address homelessness

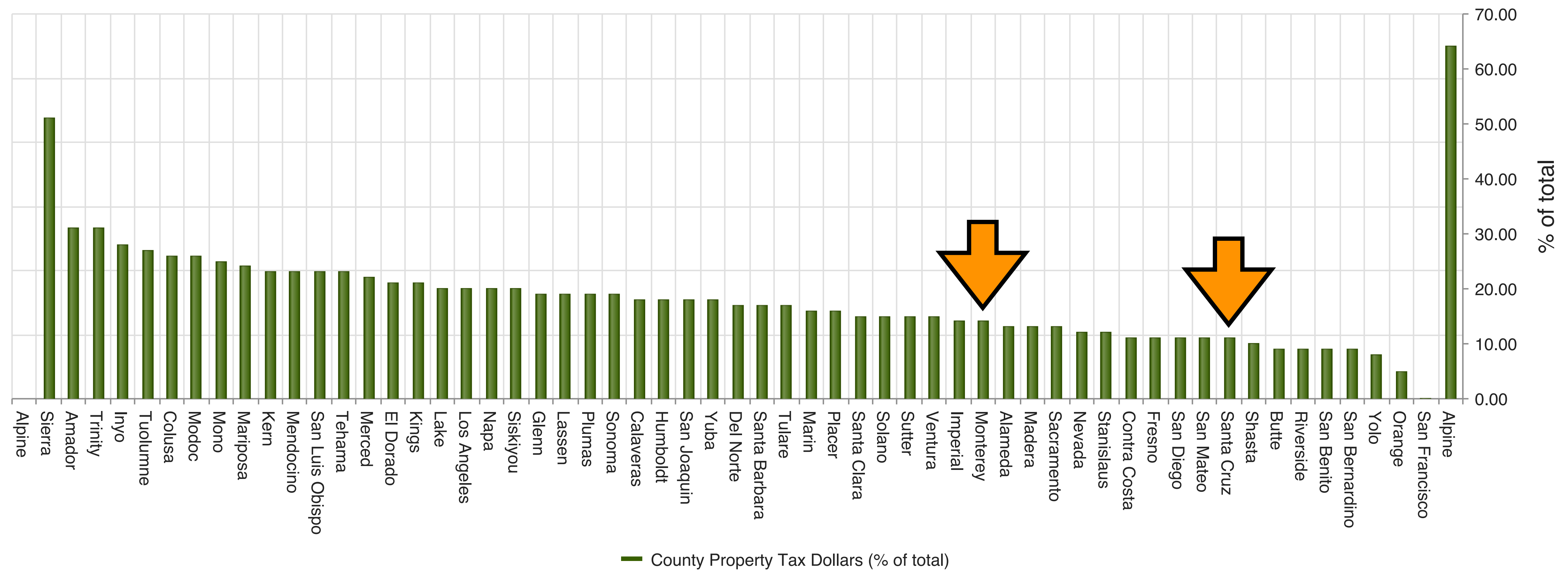




# Why don't we have enough money? County % Property Tax Allocations

Note, these percentages are before a Redevelopment passthrough gets added on. However, they provide the best direct comparison between counties statewide.

Property Tax Allocations (Table 14, 15)



<https://www.boe.ca.gov/dataportal/charts.htm?url=PropTaxGenPropTaxLevies>

# We are 3 to 10 times lower in Property Tax

How much more annually would we have if we were funded to:

If County Peer Average

• \$455.5 million

If Sonoma

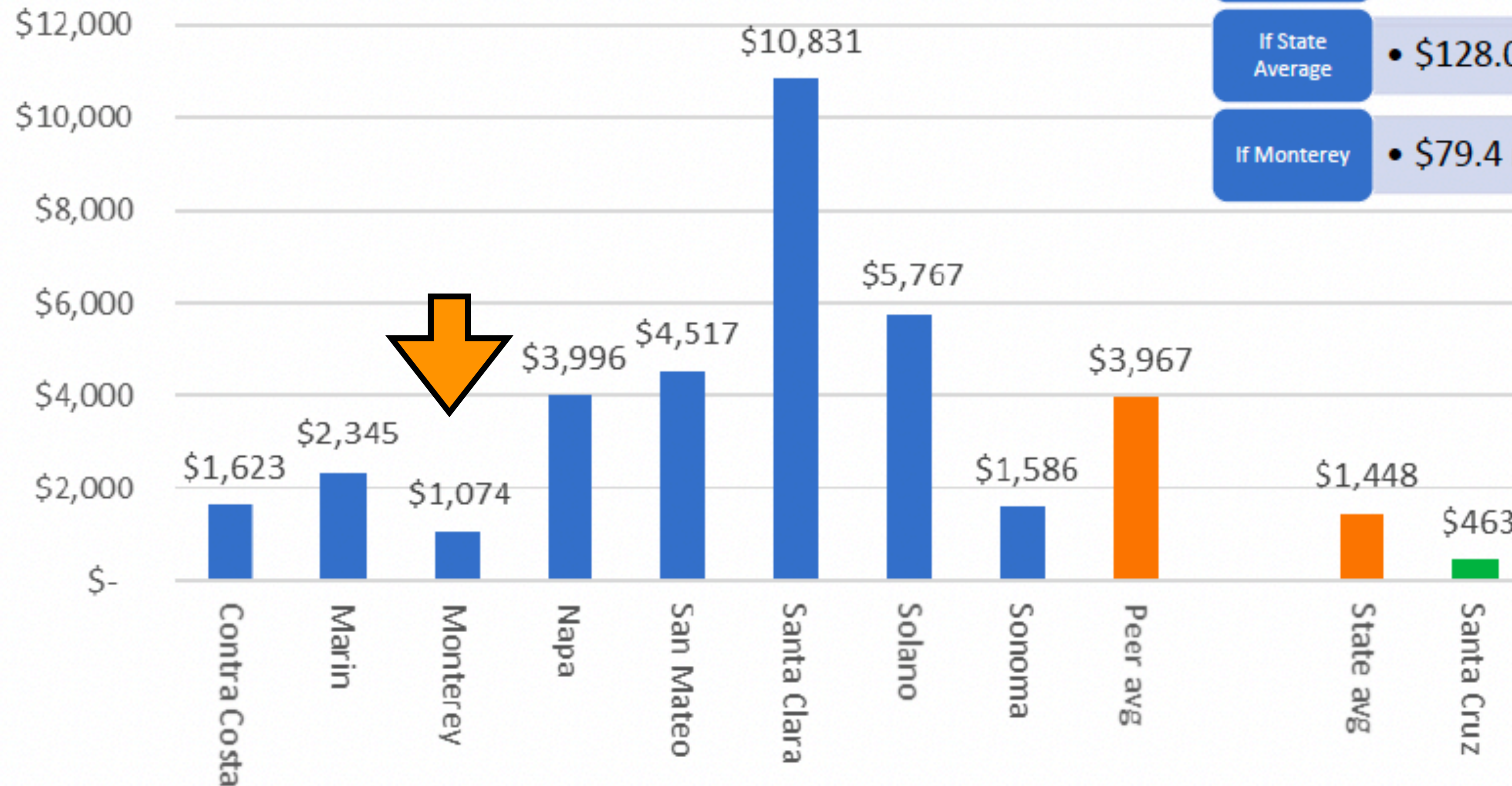
• \$145.9 million

If State Average

• \$128.0 million

If Monterey

• \$79.4 million



**MANU KOENIG**  
1ST DISTRICT SUPERVISOR



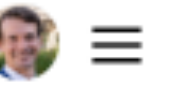
# What Santa Cruz is Doing

On October 17th, 2023 the **Santa Cruz County Board of Supervisors** approved a **resolution** finding that:

*"the current property tax apportionment law of the State of California is inadequate and unsustainable for the County of Santa Cruz"* and requesting our representatives in the State Legislature *"do everything possible to change [it]."*

[https://santacruzcountycalifornia.org/Citizens/Detail\\_LegiFile.aspx?Frame=None&MeetingID=1990&MediaPosition=2036.735&ID=15173&CssClass=](https://santacruzcountycalifornia.org/Citizens/Detail_LegiFile.aspx?Frame=None&MeetingID=1990&MediaPosition=2036.735&ID=15173&CssClass=)

change.org



## Demand Equitable Property Tax Allocations for Santa Cruz County

Started

October 24, 2023

850

Signatures

1,000

Next Goal

<https://bit.ly/fix-scc-roads>



**MANU KOENIG**  
1ST DISTRICT SUPERVISOR



# Legislature Already Committed to Reform

In Chapter 94, Statutes of 1999 (**AB 676, Brewer**), the Legislature declared the ***existing property tax allocation system to be “serious flawed”*** and stated its intent to revamp the system in order to: (1) increase taxpayer knowledge, (2) provide greater local control, and (3) correct the skewed land use incentives faced by local governments.

The screenshot shows the homepage of the Legislative Analyst's Office (LAO). The header features the LAO logo and the text "Legislative Analyst's Office" and "The California Legislature's Nonpartisan Fiscal and Policy Advisor". A navigation bar includes links for Home, Policy Areas, Publications, The Budget, Propositions and Initiatives, Staff, Careers, and About Us. A search bar is located on the right. The main content area displays a report titled "Reconsidering AB 8: Exploring Alternative Ways to Allocate Property Taxes" dated February 3, 2000. The report description states: "In 1999 the Legislature stated its intent to revamp the property tax allocation system. We examine five alternatives for improving local finance." The report is available in PDF and HTML formats. On the left, there are sections for "LAO PRODUCTS" (Publications, Ballot/Initiative Analyses, Videos, Economy & Taxes Blog) and "Recurring Reports" (Analysis of the Budget, Overview of the Governor's Budget, Overview of the May Revision, Supplemental Language Report, State Operating Plan). On the right, there is a section for "REPORTS BY POLICY AREA" listing various topics like Capital Outlay, Infrastructure, Criminal Justice, Economy and Taxes, Education, Environment and Natural Resources, Health and Human Services, Local Government, State Budget Condition, Transportation, and Other Government Areas.









# Next Steps

- **Ask:** Will you pass a Board resolution acknowledging that Monterey County's share of property tax revenues is a problem and requesting that our state representatives take action?
- **Goal:** get the every county in the Central Coast Caucus to pass a resolution
- **Next steps in the legislature:**
  - Request that the LAO update their AB 8 analysis
  - Request that Speaker Rivas form a Select Committee