

**ITEM 5 ATTACHMENT
RESOLUTION 2024-1894**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, OPPOSING THE CALIFORNIA BUSINESS ROUNDTABLE SPONSORED INITIATIVE 21-0042A1 THAT WOULD NEGATIVELY AFFECT CALABASAS AND ITS ABILITY TO PROVIDE ADEQUATE MUNICIPAL AND COMMUNITY SERVICES.

WHEREAS, an association representing California’s wealthiest corporations is spending tens of millions of dollars to promote a deceptive ballot measure currently eligible for the November 2024 statewide ballot; and

WHEREAS, the measure creates constitutional loopholes that allow corporations to pay far less than their fair share for the impacts they have on our communities, which could force residents and taxpayers to pay more to maintain services; and

WHEREAS, the measure threatens billions of dollars every year in local government funding for services like fire and emergency response, law enforcement, affordable housing, services to support homeless residents, mental health services, and more; and

WHEREAS, the measure would have significant negative impacts on the City of Calabasas operations and service delivery, affecting the City’s property management revenue and leases, garbage and refuse service contracts, parking fines, nuisance abatement charges, parks and recreation fees, and other revenue sources. The Initiative would shift fees and charges that are currently market-based to below-market rates by introducing a new legal standard on the definition of “**reasonable**” fees

Fees and Taxes

Local government revenue-raising authority is currently substantially restricted by state statute and constitutional provisions, including the voter-approved provisions of Proposition 13 of 1978, Proposition 218 of 1996, and Proposition 26 of 2010.

The Taxpayer Protection and 6 Initiative No. 21-0042A1 (pg. 5 (4)) Government Accountability Act adds and expands restrictions on voters and local government tax and fee authority. Local governments levy a variety of fees and other charges to provide core public services.

Examples of the City of Calabasas's affected taxes, fees and charges are:

- Commercial franchise fees for electricity, natural gas and cable tv
- Planning fees
- Building and Safety fees
- Engineering fees
- Property lease revenue
- Nuisance abatement charges, such as for weed, rubbish, and general nuisance
- Abatement to fund code enforcement programs
- Document processing and duplication fees
- Facility use charges and fees for parks and recreation services
- Instructor led classes

Virtually every city, county, and special district must regularly (e.g., annually) adopt increases to fee rates and charges and revise rate schedules to accommodate new users and activities. Most of these would be subject to new standards and limitations under threat of legal challenge. Based on the current volume of fees and charges imposed by local agencies, including council adopted increases to simply accommodate inflation. The dollar amount of the revenue affected ranges from a few hundred thousand to over one million annually. The majority of these reductions would be to the General Fund of the City.

WHEREAS, the measure is an attack on voters' rights, containing undemocratic provisions that would make it more difficult for local voters to pass measures to fund services, provisions that retroactively cancel measures recently passed by voters, and provisions that prevent voters from passing advisory measures that provide direction on how they want their local tax dollars spent; and

WHEREAS, the measure contains intentionally restrictive language that will encourage hundreds of frivolous lawsuits against cities and local governments – costing taxpayers many millions and stopping investments in vital local services; and

WHEREAS, the measure would make it much more difficult for state and local regulators to issue fines and levies on corporations that violate laws intended to protect our environment, public health and safety, and our neighborhoods; and

WHEREAS, the measure is opposed by hundreds of local governments, teachers, firefighters, working families and local elected officials.

THEREFORE, BE IT RESOLVED that the City Council of the City of Calabasas opposes Initiative #21-0042A1; and

BE IT FURTHER RESOLVED, that the City Council of the City of Calabasas will join the “Stop the Corporate Tax Trick” coalition, a growing coalition of public safety, education, labor, local government, and infrastructure groups throughout the state. We direct staff to email a copy of this adopted resolution to the League of California Cities at BallotMeasures@calcities.org.

The City Clerk is ordered to give notice of the Hearing as required by Section 22626(a) of the Assessment Law.

PASSED, APPROVED AND ADOPTED this 24th day of April 2024.

Alicia Weintraub, Mayor

ATTEST:

APPROVED AS TO FORM:

Interim City Clerk

Matthew T. Summers
Colantuono, Highsmith & Whatley, PC
City Attorney