City Council Report

Subject: Chapter 3.34 of the Rocklin Municipal Code Relating to Park Maintenance and Development Fund

Submitted by: Karen Garner, Director **Date:** March 27, 2018

Department: Parks and Recreation

- **Staff Recommendation**: Move to introduce an ordinance of the City of Rocklin re-enacting Chapter 3.34 of the Rocklin Municipal Code Relating to Park Maintenance and Development Fund, waive the full reading of the ordinance, and continue to the next regular meeting for adoption.

BACKGROUND: The current Park Maintenance and Development Act of 1998 ("park tax") was adopted by Ordinance No. 781 in June, 1998. Collection of the tax required a 2/3 vote of registered Rocklin voters. On November 3, 1998 "Measure P" passed by a vote of 75.8% yes votes. This measure included a sunset provision to expire on June 30, 2009.

Ordinance No. 949 reenacted Rocklin Municipal Code Chapter 3.34 to readopt the park tax. A special mail ballot was conducted on August 25, 2009 for Measure A and passed with a vote of 82.7% yes votes. This measure also included a sunset provision to expire on June 30, 2019.

The funding collected by this tax is an important part of the Parks Division budget. The ordinance specifies that these funds are to be used for the development, installation, servicing, maintenance, repair and operation of parks and related recreation facilities. Although the tax contributes about 20% to the overall Parks Division budget annually, the funds can be used for a wide variety of purposes under the umbrella of parks, allowing flexibility to address changing needs or opportunities from year to year. Unlike park development fees that are limited to park development expenses, the park tax can be used for maintenance and operational expenses.

The attached ordinance reenacts Chapter 3.34 of the municipal code, extending the tax for 10 years, expiring on June 30, 2029. Minor clean-up modifications to the revised ordinance are proposed clarifying exemptions and an appeal procedure. No other modifications are proposed. The assessment rate will remain the same as it has been since the ordinance was first established in 1998.

Single Family Residential	$30
Residential Duplex (each unit)	$20
Residential Triplex (each unit)	$20
Condominium	$30

Apartment (each unit)	$10
Vacant Residential Lot	$10
Residence on a Commercial Lot	$30
Mobile Home Park (each unit)	$10
Senior Citizen's Discount Rate (62 years+) *Proof of eligibility required*	$10

Although the current park tax does not expire until June 30, 2019, the timing related to the requirements by the County for placing a measure on the ballot necessitates that the ordinance be adopted by vote of the council at a regularly scheduled council meeting before July 3, 2018.

FINANCIAL IMPACT

There is a cost of approximately $45,000 to the City for the General Election, however adding a ballot measure does not increase that cost. If the measure is not placed on the ballot and the park tax expires, there will be a loss of approximately $530,000 (about 20%) to the parks division budget.

FINDINGS, CONCLUSIONS & RECOMMENDATIONS:

Findings:

- The park tax is an important revenue source for the city and parks division.
- If the park tax is not renewed, it will expire in June 2019 and the funds will no longer be collected and used for the development, maintenance and operations of the city's park system.
- In order to maintain this revenue source without a gap in collections, a ballot measure must be placed on the November 2018 General Election ballot.
- The measure must pass with at least a 2/3rd vote of registered Rocklin voters to stay in effect.

Conclusions:

- Loss of the park tax would reduce park funding by about 20% and would either negatively affect the level of service at the parks.
- The park tax is proposed to be extended as it is currently structured with the same rates and would be in effect until June 30, 2029.

Recommendations:

- Introduce an ordinance of the City of Rocklin re-enacting Chapter 3.34 of the Rocklin Municipal Code Relating to Park Maintenance and Development Fund, waive the full reading of the ordinance, and continue to the next regular meeting for adoption.
- Direct staff to prepare other resolutions that are necessary and bring to council as appropriate related to placing this ballot measure on the November 2018 General Election ballot.

Alternatives:

- Do not recommend placing a measure on the November 2018 General Election ballot, thus allowing the park tax to expire in June 2019.

- Direct staff to modify the structure of the ballot measure and bring back new ballot measure language.

Fiscal Impact:

Ricky A. Horst, City Manager
Reviewed for Content

Steven P. Rudolph, City Attorney
Reviewed for Legal Sufficiency

ORDINANCE NO.

**ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF ROCKLIN RE-ENACTING
CHAPTER 3.34 OF THE ROCKLIN MUNICIPAL CODE
RELATING TO PARK MAINTENANCE AND DEVELOPMENT FUND**

The City Council of the City of Rocklin does ordain as follows:

SECTION 1. PURPOSE. Chapter 3.34 of the Rocklin Municipal Code sets forth the Park Maintenance and Development Fund and related special tax, which sunsets on June 30, 2019. The purpose of this Ordinance is to continue the Park Maintenance and Development Fund and its associated special tax for park purposes.

SECTION 2. AUTHORITY. The City Council enacts this ordinance and special tax authorized herein pursuant to the provisions of Government Code Sections 37100.5 and 53720 et seq. and Section 4 of Article XIIIA, Section 2 of Article XIIIC, and Section 3 of Article XIIID of the California Constitution.

SECTION 3. FINDINGS.

A. In 1998 the City Council of the City of Rocklin adopted Ordinance No. 781 establishing a park maintenance and development special tax known as the Park Maintenance and Development Act of 1998.

B. The voters of the City of Rocklin subsequently voted to approve the Park Maintenance and Development Act of 1998 establishing a special tax for park purposes.

C. The Park Maintenance and Development Act of 1998 included a sunset provision which terminated the special park tax on June 30, 2009.

D. In 2009 the City Council of the City of Rocklin adopted Ordinance No. 949 establishing the Park Maintenance and Development Act of 2009 to extend the park maintenance and development special tax at the same rate and amount as the 1998 special park tax.

E. The voters of the City of Rocklin subsequently voted to approve the Park Maintenance and Development Act of 2009 to continue the special tax for park purposes.

F. The Park Maintenance and Development Act of 2009 included a sunset provision which terminates the special park tax on June 30, 2019.

G. The City Council of the City of Rocklin desires to continue the park maintenance and development special tax at the same rate and amount which was first established in 1998 and continued in 2009, and desires to enact this ordinance to extend the park maintenance and development tax for an additional ten years through June 30, 2029.

SECTION 4. AMENDMENTS TO CHAPTER 3.34. Chapter 3.34 of Title 3 of the Rocklin Municipal Code is hereby repealed and re-enacted to read as follows:

3.34.010 – Title and Purpose.

A. This chapter shall be known as the Park Maintenance and Development Act of 2018.

B. It is the intent of the City Council in re-adopting this chapter to continue to provide a source of funds for the development, installation, servicing, maintenance, repair and operation of parks and related recreation and appurtenant facilities which may be either currently or subsequently operated, serviced and maintained by the City of Rocklin. Such funds shall be used for the development of parks and recreation facilities, including but not limited to architectural, engineering and environmental services, and the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of these facilities including, but not limited to: personnel for maintenance and operations such as mowing, litter control, irrigation and equipment maintenance; utilities such as water for park irrigation, electricity and sewer; fertilizers, pesticides, soil amendments, and other agricultural products; replacement trees, shrubs, plants, park and playground equipment, fencing, and sports facilities including lighting; building maintenance and custodial items such as light bulbs, paint, floor care products, sanitation equipment and paper goods; maintenance of swimming pool equipment, building heating, ventilating and air conditioning systems, and park maintenance equipment; contract maintenance services; and rents and leases of maintenance equipment.

C. This special tax is not an ad valorem tax on real property, nor a transaction tax, nor sales tax on real property. The tax imposed under this chapter is solely for the purpose of raising revenue necessary for the development and maintenance of parks and related recreation and appurtenant facilities in the City of Rocklin as described in this section. The revenue raised by this special tax shall be placed in a special fund to be used only for the purposes set forth in this section.

3.34.020 - Authority to adopt measure.

This chapter and the tax authorized herein is adopted pursuant to the provisions of Government Code Sections 37100.5 and 53720 et seq. and California Constitution Article XIIIA, Section 4, Article XIIIC, Section 2, and Article XIIID, Section 3.

3.34.030 - Maximum tax rate.

A. A special tax for park development and maintenance is hereby imposed and shall be levied annually on each residential parcel within the City of Rocklin.

B. What qualifies as a residential parcel shall be determined by reference to the Assessor's Use Code assigned to the parcel as it appears on the most current Placer County equalized assessor's tax roll, or by actual land use, as determined by land use or building permits issued to the property.

C. The maximum tax rate, by type of residential parcel, is hereby established as follows:

Assessor's Use Code	Type of Residential Parcel	Tax Per Residential Unit
01	Single-Family Residential	$30.00
02	Duplex (each unit)	20.00
03	Triplex (each unit)	20.00
04	Condominium	30.00
05	Apartments (each unit)	10.00
10	Vacant Residential Lot	10.00
16	Residence on a Commercial Lot	30.00
28	Mobile Home Park (each unit)	10.00

D. Notwithstanding subsection C of this section, the following maximum tax rate is hereby established for homeowners sixty-two years of age and older for a single-family residence, duplex unit, triplex unit, condominium, or a residence located on a commercially zoned lot of which they are the principal occupant.

Assessor's Use Code	Type of Residential Parcel	Tax Per Residential Unit
98	Single-Family Residence	$10.00
02	Duplex (unit occupied by homeowner)	10.00
03	Triplex (unit occupied by homeowner)	10.00
04	Condominium	10.00
16	Residence on a Commercial Lot	10.00

E. The classification for each parcel shall be based on the most current Placer County equalized assessor's tax roll.

3.34.040 - Collection of tax—Interest and penalties.

A. The County of Placer tax collector shall annually levy on each residential parcel of real property located within the City of Rocklin a special tax in the amount specified in Section 3.34.030. The tax shall be added by the tax collector to the parcel's real property tax bill, and the tax collector shall take any and all action necessary to collect the tax.

B. The special tax for each fiscal year and subsequent fiscal years shall be due on the same basis, in the same manner, and on the same applicable dates as established by law for the due dates for the other charges and taxes fixed and collected by the County of Placer on behalf of the City of Rocklin.

C. The special tax imposed hereby shall be collected in the same manner, on the same dates, and subject to the same penalties and interest in accordance with the established dates as, or with, other charges and taxes fixed and collected by the County of

Placer on behalf of the City of Rocklin. Such special tax, together with all penalties and interest thereon, shall constitute a lien upon the parcel upon which it is levied until it has been paid, and such special tax, together with all penalties and interest thereon, shall, until paid, constitute a personal obligation to the City of Rocklin by the persons who own the parcel on the date the tax is due.

3.34.042 – Exemptions.

A. The following parcels shall be exempt from the special tax imposed by this Chapter:

a. Parcels owned by federal or state agencies;
b. Parcels owned by local governmental agencies, including but not limited to, special districts and school districts;
c. Parcels exempt from taxation by the City pursuant to the laws or constitutions of the United States and the State of California.

B. Any person claiming an exemption from the special tax imposed by this Chapter shall file a verified statement of exemption on a form prescribed by the City Manager prior to June 30th of the first fiscal year for which the exemption is sought.

3.34.045 – Administrative Determinations; Appeal.

A. The records of the Placer County Assessor shall determine the use and improvement of each parcel for the calculation of the tax applicable to that parcel in the following fiscal year. As used in this Chapter, a parcel shall mean a contiguous unit of improved or unimproved real property in possession of an owner, as identified on the Placer County Assessor's Parcel Map.

B. The City Manager shall administer this Chapter. Actions or decisions of the City Manager, or his/her designees, regarding the administration of this Chapter may be appealed in writing to the City Clerk in accordance with the procedures set forth in Chapter 5.01 of the Rocklin Municipal Code.

3.34.050 - Reduction in rate—Tax adjustment.

A. The tax rates imposed by this Chapter are maximum rates and may not be increased by the City Council above such maximum rates.

B. The tax imposed by this Chapter may be levied at a reduced rate or eliminated by the City Council for any fiscal year upon a determination by the City Council that, after such reduction or elimination, there will be sufficient revenues available to fund park development and maintenance for the ensuing fiscal year. Such reduction or elimination shall be effective only for the fiscal year following such determination.

3.34.060 - Annual accountability report.

On or before January 1st of each successive year that this ordinance is in effect, the city's finance director shall file an annual report with the City Council reporting the amount of funds collected and expended under this section, and explaining the status of any project required or authorized to be funded by the special tax authorized by this section. The annual report shall comply with all the requirements set forth in Government Code Section 50075.3. The annual report shall be presented to the City Council at a regular meeting of the City Council.

3.34.070 - Expiration date.

This chapter shall expire by its own terms on June 30, 2029.

3.34.080 – Amendment.

The City Council of the City of Rocklin is hereby authorized to amend this Chapter by three (3) affirmative votes of its members for the purpose of carrying out the general purposes of this Chapter, to conform the provisions of this Chapter to applicable state law, to permit the County Tax Collector or another public official to collect the special tax levied by this Chapter in conjunction with County taxes, or to re-assign the duties of public officials under this Chapter. In no event, however, may the City Council alter the provisions of Sections 3.34.030 or other provisions which increase the maximum tax rate, without the approval of two-thirds of the voters of the City voting on the question.

SECTION 5. **ENVIRONMENTAL**. The City Council hereby finds that this Ordinance is not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15060, subdivision (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15061, subdivision (b)(3) (there is no possibility the activity in question may have a significant effect on the environment). Furthermore, this Ordinance is exempt from CEQA because the Ordinance involved the approval of government revenue to fund existing services (Pub. Resources Code § 21080, subd. (b)(8); CEQA Guidelines § 15273(a)).

SECTION 6. **SEVERABILITY**. If any section, sub-section, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. City Council hereby declares that it would have adopted the Ordinance and each section, sub-section, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases or portions to be declared invalid or unconstitutional.

SECTION 7. **AMENDMENT**. The City Council of the City of Rocklin is hereby authorized to amend this Ordinance by three (3) affirmative votes of its members for the purpose of carrying out the general purposes of this Ordinance, to conform the provisions of

this Ordinance to applicable state law, to permit the County Tax Collector or another public official to collect the special tax levied by this Ordinance in conjunction with County taxes, or to re-assign the duties of public officials under this Ordinance. In no event, however, may the City Council alter the provisions of Sections 3.34.030, or other provisions which increase the maximum tax rate, without the approval of two-thirds of the voters of the City voting on the question.

SECTION 8. ELECTION; EFFECTIVE DATE. The City Council of the City of Rocklin shall order the submission to the qualified electors of the City a measure for the approval of this ordinance at the general election to be held on Tuesday, November 6, 2018. If two-thirds (2/3) of the voters voting on such measure cast their votes in favor of the ordinance, it will be considered as adopted upon the date the vote is declared by the City Council, and shall go into effect ten (10) days after that date.

SECTION 9. PUBLICATION. Within fifteen days of passage of this ordinance, the City Clerk shall cause the full text of the ordinance, with the names of those City Councilmembers voting for and against the ordinance, to be published in the Placer Herald. In lieu of publishing the full text of the ordinance, the City Clerk, if so directed by the City Attorney and within fifteen days, shall cause a summary of the ordinance, prepared by the City Attorney and with the names of the City Councilmembers voting for and against the ordinance, to be published in the Placer Herald, and shall post in the office of the City Clerk a certified copy of the City Councilmembers voting for and against the ordinance. The publication of a summary of the ordinance in lieu of the full text of the ordinance is authorized only where the requirements of Government Code section 36933(c)(1) are met.

INTRODUCED at a regular meeting of the City Council of the City of Rocklin held on _____, 2018, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers

ABSTAIN: Councilmembers

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Rocklin held on _____, 2018, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

ABSTAIN: Councilmembers:

_____
Ken Broadway, Mayor

ATTEST:

_____
Barbara Ivanusich, City Clerk

First Reading:
Second Reading:
Effective Date: