

RESOLUTION NUMBER R- 287518

ADOPTED ON JUN 24 1996

WHEREAS, in November 1979, the California voters approved a constitutional amendment (Proposition 4) which added article XIII B to the California Constitution; and

WHEREAS, in 1980, the State Legislature added Division 9 to Title 1 of the California Government Code (commencing with section 7900) to implement article XIII B; and

WHEREAS, said Government Code sections require the governing body of each local jurisdiction in California to establish, by resolution, tax appropriation limit for the following fiscal year predicated upon the appropriations limit for the prior fiscal year multiplied by a determinable factor; and

WHEREAS, the FY 1996 limit was established by Resolution No. R-285949 on June 12, 1995; and

WHEREAS, on November 8, 1994, San Diego voters approved Proposition E, authorizing an increase of \$50 million in the City's appropriation limit for the period fiscal year 1996 to 1999; and

WHEREAS, section 7910 of the Government Code requires that the documentation used to determine the City's tax appropriations limit be made available to the public fifteen (15) days prior to the Council meeting at which the tax appropriations limit resolution is to be considered; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that pursuant to the authority of California Government Code,

Division 9, Title 1 (sections 7900 et seq.) there is hereby established the following tax appropriations limit for The City of San Diego:

Established for Fiscal Year 1995	\$ 673,410,293
Established for Fiscal Year 1996	\$ 448,603,702
Established for Fiscal Year 1997	\$ 475,160,586

BE IT FURTHER RESOLVED, that this Council hereby declares that, pursuant to the requirements of section 7910 of the California Government Code, the documentation upon which the tax appropriations limit herein established has been determined, which is attached hereto as Exhibit A, has been made available for public information and review at the office of the City Clerk since June 7, 1996.

APPROVED: JOHN W. WITT, City Attorney

By Stuart H. Swett
Stuart H. Swett
Head Deputy City Attorney

SHS:smf
06/03/96
Or.Dept:Fin.Mgmt.
R-96-1556
Form=r.fytax

DATE ISSUED:

REPORT NO.

ATTENTION : City Council Docket of

SUBJECT : Fiscal Year 1997 Tax Appropriations Limit

SUMMARY

Issue: Shall the City Council establish a tax appropriations limit of \$475,160,586 for Fiscal Year 1997.

Manager's Recommendation: Establish a tax appropriations limit of \$475,160,586 for Fiscal Year 1997

Other Recommendations: None.

Fiscal Impact: None.

BACKGROUND

In November 1979, California voters approved Proposition 4 (the Gann Initiative) and added Article XIII B to the California State Constitution. In 1980, the State Legislature added Division 9 (commencing with Section 7900) to Title I of the Government Code to implement Article XIII B. This legislation required the governing body of each local jurisdiction in California to establish a tax appropriations limit on or before June 30 of each year for the following fiscal year. On June 5, 1990, California voters approved Proposition 111, amending Article XIII B. On November 8, 1994 San Diego voters approved Proposition E, authorizing an increase of \$50 million in the City's appropriations limit for the period FY 1996 to FY 1999. The Fiscal Year 1997 Tax Appropriations Limit being recommended was calculated in accordance with these guidelines. This report provides the necessary material to support the establishment of the Fiscal Year 1997 Tax Appropriations Limit for the City of San Diego.

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EXHIBIT

A

DISCUSSION

On June 12, 1995, the Council adopted Resolution Number R-285949 which established a Fiscal Year 1996 tax appropriations limit of \$448,603,272. Under the Proposition 111 guidelines, the appropriations limit is adjusted annually using a "price factor" and "population factor." The following alternatives are available to the City in selecting the two adjustment factors:

Price Factor Options:

1. Percentage change in California Per Capita Personal Income, or
2. Percentage growth in assessed valuation attributed to new non-residential construction.

Population Factor Options:

1. Percentage change in City population, or
2. Percentage change in County population.

The two adjustment factors are combined as follows to calculate the total adjustment permitted:

$$(\text{Price Factor}) \times (\text{Population Factor}) = \text{Total Adjustment}$$

Since there are two options for each of the factors (Price and Population) there are a total of four options available in making the annual adjustment.

On May 6, 1996, the City received data on population and California Per Capita Personal Income from the California Department of Finance. On May 16, 1996 the City received a revision to the Per Capita Personal Income data received on May 6, 1995. The City also obtained data from the San Diego County Assessor's Office on the assessed valuation of new non-residential construction included in the 1995 assessment role. The four alternative adjustment options were then calculated using this information (See Attachment 1).

The recommended limit of \$475,160,586 was calculated using the percentage change in California per capita income as the "price factor" and percentage change in Countywide population as the "population factor." The total adjustment permitted using these factors is +5.92 percent. This adjustment factor is the largest of the four options available to the City (See Attachment 2).

The proposed limit exceeds the projected appropriations subject to the limit by

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approximately \$117.7 million. The attached documentation outlines the computations used in determining the Fiscal Year 1997 tax appropriations limit. This information includes

1. City of San Diego tax appropriations limits for fiscal years 1995, 1996 and 1997.
2. Alternative adjustment factors for making annual adjustment to appropriations limit.
3. Recommended calculations of permitted growth for the City's tax appropriations limit in Fiscal Year 1997.
5. City of San Diego tax appropriations limits for Fiscal Year 1979 through 1996, with adjustments for population growth, price changes and voter approved waivers.
6. Source data used to calculate alternative adjustment factors:
 - A. Price and population data.
 - B. Assessed valuation attributable to new non-residential construction.
7. Proposition E and confirmation of election results.

Section 7910 of the Government Code provides the following time limits for challenges against Article XIII B tax appropriations limits adopted by the City:

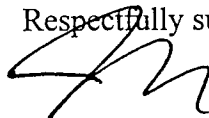
FOR THE 1981-1982 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER, ANY JUDICIAL ACTION OR PROCEEDING TO ATTACK, REVIEW, SET ASIDE, VOID, OR ANNUL THE ACTION OF THE GOVERNING BODY TAKEN PURSUANT TO THIS SECTION SHALL BE COMMENCED WITHIN 45 DAYS OF THE EFFECTIVE DATE OF THE RESOLUTION.

ALTERNATIVE

Under Division 9, Title I of the California Government Code the Council is required to establish an Article XIII B tax appropriations limit for the City of San Diego. Under Proposition 111, the Council may select from four alternative adjustment factors in setting the limit. The recommended limit was

based on growth in California per capita income and Countywide population growth. The Council has the option of selecting one of the other three adjustment factors provided in Attachment 2 to establish the Fiscal Year 1996 appropriations limit. As indicated in Attachment 2, each of these alternative options would result in a lower annual adjustment factor.

Respectfully submitted,



JACK MCGRORY
City Manager

FRAZIER:MC

Attachments:

1. Tax Appropriations Limits For Fiscal Years 1995, 1996 and 1997.
2. Alternative Adjustment Factors.
3. Recommended Calculations of Permitted Growth In Limit.
4. Appropriations Limits For Fiscal Years 1979 to 1996.
5. Source Data Used To Calculate The Limit
6. Proposition E and Confirmation of Elections Results.

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CITY OF SAN DIEGO
TAX APPROPRIATIONS LIMITS
FOR FISCAL YEARS 1995, 1996, AND 1997 (PROPOSED)

FY 1995 Tax Appropriations Limit	\$673,410,293
FY 1996 Tax Appropriations Limit (1)	\$448,603,272
FY 1997 Tax Appropriations Limit (Proposed)	\$475,160,586

(1) In November 1994 voters approved a four year waiver authorizing a \$50 million increase to the City's Gann Limit. Since the previous waiver, which expired as of June 30, 1995, authorized an increase of \$273 million to the limit, there was a significant drop in the limit in FY 96, due primarily to the changes in the two waiver amounts.

ADJUSTED TAX APPROPRIATIONS (2)

Actual Tax Appropriations for FY 1995	\$340,183,406
Budgeted Tax Appropriations for FY 1996	\$341,454,417
Projected Tax Appropriations for FY 1997	\$357,455,528

(2) Based on tax appropriations adjusted for debt service payments.

ALTERNATIVE ADJUSTMENT FACTORS

Under Proposition 111, there are two options available for each of the major adjustment factors. The values of these factors for the purpose of calculating the Fiscal Year 1997 adjustment are as follows:

Price Factor:

- | | |
|---|---------|
| (A) Percent growth in State Per Capita Income | + 4.67% |
| (B) Percent change in Assessed Valuation due to new non-residential construction. | +0.24% |

Population Factor:

- | | |
|---|--------|
| (C) Percent growth in County Population | +1.19% |
| (D) Percent growth in City Population | +1.12% |

Annual Adjustment Factors:

Based upon the above data, the four alternative adjustment factors are as follows:

(A x C) =	(1.0467) x (1.0119)	=	1.0592
(A x D) =	(1.0467) x (1.0112)	=	1.0588
(B x C) =	(1.0024) x (1.0119)	=	1.0143
(B x D) =	(1.0024) x (1.0112)	=	1.0140

The recommended limit was calculated using the factor of (A x C), resulting in a 5.92% increase to the limit.

Source data supporting the above calculation is provided in Attachment 5.

CITY OF SAN DIEGO

RECOMMENDED CALCULATION OF FY 1997 TAX APPROPRIATIONS LIMIT

Recommended Adjustment Factors

The recommended appropriations limit of \$475,160,586 is based on the following factors:

Price Factor (State Per Capita Income)	+4.67%
Population Factor (Change in County Population)	+1.19%

To calculate the actual adjustment factor, the above factors were converted as follows:

Price change converted to adjustment factor: $(4.67 + 100) \div (100) = 1.0467$

Population change converted to adjustment factor: $(1.19 + 100) \div (100) = 1.0119$

Combined adjustment factor = $(1.0467) \times (1.0119) = 1.0592$

Calculation of FY 1997 Limit

FY 1997 Limit = (Recalculated FY 1996 limit) x (Adjustment Factor) =

$(\$448,603,272) \times (1.0592) = \$475,160,586$

**HISTORY OF TAX APPROPRIATIONS LIMIT ADJUSTMENTS
FOR CHANGES IN POPULATION, INFLATION,
AND SPECIAL ADJUSTMENTS
FISCAL YEARS 1979 TO FISCAL YEAR 1996**

Adjustment From Fiscal Year	To Fiscal Year	Price Adj.	Pop. Adj.	Total Adj.
1979	1980	10.17%	2.89%	13.35%
1980	1981	12.11	2.49	14.90
1981	1982	9.12	2.49	11.84
1982	1983	6.79	2.40	9.35
1983	1984	2.35	2.13	4.53
1984	1985	4.74	2.85	7.73
1985	1986	3.74	2.32	6.15
1986	1987	2.30	3.06	5.43
1987	1988	3.04	2.43	5.54
1988	1989	3.93	2.78	6.82
1989	1990	4.98	3.11	8.24
1990	1991	4.21	3.65	8.01
1991	1992	4.14	3.06	7.33
1992	1993	-0.64	2.34	1.69
1993	1994	2.72	2.23	5.01
1994	1995	0.71	1.42	2.14
1995	1996	4.72	1.33	6.11

<u>Year</u>	<u>Appropriations Limit</u>
1979	\$116,513,949
1980	132,073,121
1981	151,754,049
1982	169,717,309
1983	185,590,901
1984	193,998,271
1985	209,004,242
1986	221,866,905
1987	233,915,121
1988	298,900,060 (1)
1989	319,282,815
1990	345,607,293
1991	387,569,525
1992	617,411,893 (2)
1993	627,846,154
1994	659,301,246
1995	673,410,293
1996	448,603,272 (3)

- (1) \$52 million waiver approved for 4 year period (FY 88 to FY 91).
(2) \$273 million waiver approved for 4 year period (FY 92 to FY 95).
(3) Limit fell due to end of 4 year waiver authorizing \$273 million increase in limit. Fiscal Year 1996 was the first year of a new 4 year waiver authorizing a \$50 million increase in the limit.

R-287518

DEPARTMENT OF FINANCE

915 L STREET
SACRAMENTO, CA 95814-4998

RECEIVED
MAY 7 1996



May 1, 1996

Financial Management Dept.

PRICE AND POPULATION DATA FOR LOCAL JURISDICTIONS

Appropriations Limit

Article XIII B of the California Constitution specifies that appropriations made by State and local governments may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment roll due to local nonresidential construction.

The Department of Finance is mandated to provide the population and California per capita personal income change data for local jurisdictions to calculate their appropriation limits. The change in the local assessment roll due to local nonresidential construction may be obtained from your county Assessor. The enclosures contain price and population factors for setting your 1996-97 appropriation limit.

Enclosure I provides the change in California's per capita personal income price factor. An example of how to utilize this price factor and the population percentage change factor in calculating your 1996-97 limit is included.

Enclosure II provides the population percentage change factors for cities and counties.

Enclosure IIA provides the population percentage change factor for counties and for the total incorporated population of each county.

These population percentage changes were prepared pursuant to Sections 2227 and 2228 of the Revenue and Taxation Code and are calculated as of January 1, 1996. Section 2227 specifies that state mental institutions, federal military bases and state and federal prisons be excluded from the percentage change calculations.

Population Factors for Cities and Counties

The Demographic Research Unit has adopted a new method of estimating population for the cities and counties. This new method was used for the numbers presented here. The effect is to lower population for the State and most jurisdictions. The new method was used to revise city and county numbers for earlier years in the 1990s. The revisions are available on request.

Cities and counties should consult Section 7901 of the Government Code for the various population factors that may be used for purposes of change in population.

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May 1, 1996

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Population Factors for Special Districts

Special districts should consult Section 7901 of the Government Code and Section 2228 of the Revenue and Taxation Code for the various population factors that may be used for purposes of change in population.

Article XIII B, Section 9(c) states that special districts in existence on January 1, 1978, which levied a tax of 12½ cents or less per \$100 assessed value on property within their boundaries as of the 1977-78 fiscal year are permanently exempt from establishing appropriation limits. In addition, any special districts in existence or created thereafter whose sole funding source is from nonproceeds of taxes are also exempt. Therefore, special districts which meet either of these two tests do not need to establish appropriation limits.

This letter may be received by special districts, which were exempt from establishing appropriation limits by Article XIII B, Section 9(c). Receipt of this letter should not be construed as a requirement by the Department of Finance to establish an appropriation limit.

Certification

The certification program applies to cities and counties only and does not apply to special districts.

Sections 11005.6 and 30462.1 of the Revenue and Taxation Code, Section 21022 Streets and Highways Code, and Section 38421 Vehicle Code specify that if a Department of Finance population estimate is greater than the current certified population the Department shall automatically file a certified copy with the Controller not less than 25 days nor more than 30 days after completion of the estimate. The Department will certify the higher estimate unless a written request not to certify is received by the Department from the city or county within 25 days of the completion of the estimate. A city or county requesting that their higher estimate not be certified will remain at the current certified population.

The Department of Finance will not certify a population estimate that is lower than the current certified population unless requested to do so by a city or a county. The request for certification must be received by the Department on or before June 1, 1996.

Further Information

Questions concerning population should be directed to the Demographic Research Unit at (916) 322-4651.

Sincerely,



CRAIG L. BROWN
Director

Enclosures

R-287518

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost-of-living factor to compute their appropriation limit by a vote of their governing body. Local jurisdictions may select either the percentage change in California per capita personal income or the percentage change in the local assessment roll due to the addition of local nonresidential new construction. If the percentage change in per capita personal income is selected, the percentage changes to be used in setting the 1996-97 appropriation limit are:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
1996-97	5.21

- B. Following is an example using sample population changes and the changes in California per capita personal income as growth factors in computing a 1996-97 appropriations limit.*

1996-97:

Per Capita Change = 5.21 percent

Population Change = 1.06 percent

Per Capita converted to a ratio: $\frac{5.21 + 100}{100} = 1.0521$

Population converted to a ratio: $\frac{1.06 + 100}{100} = 1.0106$

Calculation of factor for FY 96-97: $1.0521 \times 1.0106 = 1.0633$

* Conversion of the factor to a ratio eliminates minus numbers.

ANNUAL PERCENTAGE CHANGE IN POPULATION MINUS EXCLUSIONS* JANUARY 1, 1995
TO JANUARY 1, 1996 AND TOTAL POPULATION JANUARY 1, 1996.

DATE PRINTED
04/30/96

COUNTY CITY	POPULATION MINUS EXCLUSIONS			TOTAL POPULATION 1-1-96
	ANNUAL PERCENT CHANGE 1995 TO 1996	POPULATION		
		1-1-95	1-1-96	
SAN DIEGO				
CARLSBAD	2.62	66,479	68,221	68,221
CHULA VISTA	2.25	149,159	152,522	153,164
CORONADO	0.53	16,100	16,186	28,537
DEL MAR	0.57	5,088	5,117	5,117
EL CAJON	0.99	91,187	92,089	92,089
ENCINITAS	0.83	56,648	57,116	57,116
ESCONDIDO	0.90	117,216	118,276	118,276
IMPERIAL BEACH	0.65	27,636	27,816	27,866
LA MESA	0.81	55,214	55,663	56,579
LEMON GROVE	0.42	24,594	24,697	24,697
NATIONAL CITY	1.16	49,248	49,820	54,682
OCEANSIDE	1.35	145,218	147,184	147,184
POWAY	0.91	44,933	45,342	45,452
SAN DIEGO	1.06	1,124,055	1,135,963	1,183,102
SAN MARCOS	2.54	46,893	48,085	48,085
SANTEE	1.56	53,064	53,891	54,394
SOLANA BEACH	0.67	13,507	13,597	13,597
VISTA	0.96	79,276	80,040	80,040
UNINCORPORATED	1.10	388,678	392,937	432,057
SAN DIEGO COUNTY	1.19	2,554,193	2,584,562	2,690,255

* EXCLUSIONS INCLUDE STATE MENTAL INSTITUTIONS, FEDERAL MILITARY BASES AND STATE AND FEDERAL PRISONS.

DEPARTMENT OF FINANCE

915 L STREET
SACRAMENTO, CA 95814-3706**RECEIVED**
MAY 16 1996**Financial Management Dept.**

May 13, 1996

REVISED APPROPRIATIONS LIMIT DATA FOR LOCAL JURISDICTIONS

This letter is to inform you that the Department of Finance has corrected the Price Factor, that is, the percentage change in per capita personal income, to be used in setting the 1996 - 1997 appropriation limit.

The revised Price Factor is lower than the Price Factor given in Enclosure I of the letter, **Price and Population Data for Local Jurisdictions** sent to you on May 1, 1996. The old Price Factor was 5.21 percent. The new Price Factor is 4.67 percent.

We have revised Enclosure I to reflect the new Price Factor and to show how the new price factor and population factor are used in computing an appropriations limit.

We apologize for any inconvenience this revision causes. But we do ask that you notify any affected offices within your jurisdiction of this revision.

If you have any questions, please call us at (916) 323-4086.

Sincerely,

A handwritten signature in cursive script that reads "Linda Gage".

Linda Gage, Chief
Demographic Research Unit
915 L Street, 8th Floor
Sacramento, CA 95814

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- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost-of-living factor to compute their appropriation limit by a vote of their governing body. Local jurisdictions may select either the percentage change in California per capita personal income or the percentage change in the local assessment roll due to the addition of local nonresidential new construction. If the percentage change in per capita personal income is selected, the percentage changes to be used in setting the 1996-97 appropriation limit are:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
1996-97	4.67

- B. Following is an example using sample population changes and the changes in California per capita personal income as growth factors in computing a 1996-97 appropriations limit.*

1996-97:

Per Capita Change = 4.67 percent
 Population Change = 1.58 percent

Per Capita converted to a ratio: $\frac{4.67 + 100}{100} = 1.0467$

Population converted to a ratio: $\frac{1.58 + 100}{100} = 1.0158$

Calculation of factor for FY 96-97: $1.0467 \times 1.0158 = 1.0632$

* Conversion of the factor to a ratio eliminates minus numbers.

COUNTY OF SAN DIEGO



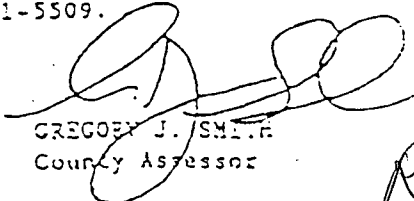
OFFICE OF THE ASSESSOR
1600 PACIFIC HIGHWAY, ROOM 103
SAN DIEGO, CA 92101-2480
(619) 236-3771

GREGORY J. SMITH
COUNTY ASSESSOR

1994 INVENTORY OF PARCELS AND ASSESSED VALUES - CITY OF SAN DIEGO

		<u>PARCELS</u>	<u>UNITS</u>	<u>ASSESSED VALUES</u>
RESIDENTIAL	TOTAL	291,227	427,261	\$43,273,554,422
Time-share Condominiums		1,515	1,515	4,987,925
Mobilehomes		724	720	22,555,263
Vacant		7,808	9	626,628,603
Single Family		187,028	187,015	26,538,083,571
Duplex or 2 Houses		6,135	12,270	686,498,019
Multi 2 to 4 Units		11,906	33,313	1,616,592,518
Multi 5 to 15 Units		5,407	41,985	1,634,819,682
Multi 16 to 60 Units		1,144	30,394	1,095,681,597
Multi 61 Units and Up		427	50,902	2,307,731,519
Condominium		68,660	69,067	8,719,984,672
Transitional		473	71	39,990,513
COMMERCIAL	TOTAL	10,979	30,399	10,956,613,565
Vacant		1,203	59	370,998,877
Store Building		5,716	3,072	5,406,105,741
Shopping Center		408	16	1,223,373,968
Hotel Motel		396	24,674	1,600,669,776
Service Station		352	15	117,154,299
Office Condominiums		254	26	34,018,913
Parking or Used Car Lot		815	285	383,902,840
Trailer Park		53	1,000	76,725,206
Auto Sales & Service Agency		116	125	112,010,429
General		1,666	1,125	1,629,553,516
INDUSTRIAL	TOTAL	4,494	5,690	4,455,303,244
Vacant		1,330	18	534,967,124
Factory		1,010	89	2,238,741,622
Warehousing		1,439	3,138	1,402,983,476
Bulk Storage		17	0	10,457,240
Extractive & Mining		48	1	20,355,469
Industrial Condominiums		190	20	59,896,386
General		460	2,424	187,901,925
IRRIGATED FARM	TOTAL	161	93	34,219,015
RURAL LAND (NON-IRRIGATED)	TOTAL	953	29	290,641,643
INSTITUTIONAL	TOTAL	900	1,640	1,495,297,311
RECREATIONAL	TOTAL	1,624	322	426,061,198
MISCELLANEOUS	TOTAL	3	0	30,533,381
	GRAND TOTAL	310,341	465,434	\$60,962,823,839

The above data is provided for your information and represents total assessed values of real property only, prior to exemptions. If you have any questions, please contact Robert Frazier, Chief Deputy Assessor, at (619) 531-5509.


GREGORY J. SMITH
County Assessor

R-287518

SAN DIEGO COUNTY ASSESSORS OFFICE
 NON-RESIDENTIAL NEW CONSTRUCTION (PROP 111)
 ASSESSMENT ROLL 1995

6085-00 SAN DIEGO CITY

PA640380 PA6433-01
 RUN DATE 10/26/95

TAX RATE AREA	VALUE
08001	\$43,276,943
08012	\$18,077,400
08035	\$766,000
08050	\$14,938,016
08073	\$8,285,000
08075	\$1,261,446
08083	\$634,000
08092	\$19,000
08100	\$1,369,000
08114	\$188,000
08118	\$16,737,125
08119	\$1,119,600
08129	\$278,200
08137	\$9,000
08139	\$2,440,000
08140	\$255,000
08141	\$5,543,727
08144	\$10,455,900
08149	\$1,525,785
08154	\$28,000
08156	\$122,800
08159	\$3,110,000
08169	\$4,232,000
08170	\$1,000
08172	\$30,000
08174	\$43,000
08178	\$7,500
08179	\$72,000
08184	\$27,000
08195	\$279,000
08200	\$140,000
08215	\$5,998,000
08216	\$151,600
08217	\$3,598,000
08239	\$23,000
08240	\$1,739,000
08241	\$122,000
08242	\$371,568
FUND TOTAL	\$147,274,610

FUND TOTAL

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NOTE: IF A TAX RATE (TRA) IS NOT LISTED, IT INDICATES THAT NO NEW NON-RESIDENTIAL CONSTRUCTION OCCURRED DURING THE TAX YEAR.

CITY OF SAN DIEGO
Proposition E

(This proposition will appear on the ballot in the following form.)

PROPE

AN ORDINANCE CHANGING THE CITY OF SAN DIEGO'S APPROPRIATIONS LIMIT FOR FISCAL YEARS 1996 THROUGH 1999. Shall the City of San Diego's appropriations limit for Fiscal Year 1998 provided for in the California Constitution, Article XIII B, be revised upward to \$440,000,000 (an increase of \$50 million), provided this limit is adjusted annually for Fiscal Years 1996-97, 1997-98, and 1998-99 for changes in population and cost of living to permit the expenditure of anticipated revenues from existing and future sources to fund needed programs?

PROPOSED ORDINANCE

AN ORDINANCE OF THE PEOPLE OF THE CITY OF SAN DIEGO CHANGING THE APPROPRIATIONS LIMIT FOR THE FISCAL YEARS 1996 THROUGH 1999.

The People of The City of San Diego do ordain as follows:

SECTION 1. CHANGE OF APPROPRIATION LIMIT.

The appropriations limit for Fiscal Years 1996 through 1999 set pursuant to Article XIII B of the California Constitution is changed to the extent set forth in Section 2 of this Ordinance.

SECTION 2. AUTHORITY TO APPROPRIATE EXISTING TAX REVENUE SOURCES COLLECTED IN FISCAL YEARS 1996 THROUGH 1999.

The City of San Diego appropriations limit for Fiscal Year 1998 provided for in Article XIII B of the California Constitution shall be revised upward to \$440,000,000 (an increase of \$50 million), provided this limit is adjusted each year for Fiscal Years 1996-97, 1997-98 and 1998-99 for changes in population and cost of living as provided by the State Constitution to permit the expenditure of anticipated revenues from existing sources and sources to be authorized to fund programs which include, but are not necessarily limited to, police protection, fire protection, refuse collection and disposal, library services, park and recreation programs, and utility and infrastructure maintenance and capital improvements.

SECTION 3. SAVING CLAUSE.

This ordinance is intended to comply with California Constitution Article XIII B. If any section, clause, term, word or phrase is for any reason held to be invalid, the remaining portions of this ordinance shall remain in full force and effect and shall be interpreted to serve the intent of this proposition.

SECTION 4. DATE OF EFFECT.

This ordinance shall take effect immediately upon its enactment.

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ARGUMENT IN FAVOR OF PROPOSITION E

A YES vote on Proposition E

- WILL allow the City to spend revenues from current tax sources such as sales and property taxes to provide essential city services.
- WILL NOT increase existing tax rates.
- WILL NOT alter assessment practices.

Remember:

- Proposition E DOES NOT RAISE TAXES.
- Proposition E is essentially a continuation of the Gann override approved by voters in 1990.

In the event the State restores local tax dollars previously diverted to balance the State budget, the passage of Proposition E will help insure that these funds are available to meet local needs in vital areas such as public safety, street maintenance, libraries and parks and recreation.

VOTE YES ON PROPOSITION E

- JAMES R. DAWE
Chairperson, City of San Diego
Board of Library Commissioners
- SYLVIA HAMPTON
President, League of Women
Voters of San Diego
- RANDY J. JOHNSON
Chairman, Government Affairs Division
Greater San Diego Chamber of Commerce
- BETTY SHERMAN
Executive Director, Friends of
San Diego Public Library

GEORGE WALKER SMITH

ARGUMENT AGAINST PROPOSITION E

No argument against the proposition was filed in the Office of the City Clerk.

RESOLUTION NUMBER R- 285040

ADOPTED ON DEC 05 1994

RESOLUTION DECLARING THE RESULTS OF THE SPECIAL MUNICIPAL ELECTION HELD IN THE CITY OF SAN DIEGO ON NOVEMBER 8, 1994, AS THE RESULTS PERTAIN TO PROPOSITION E.

WHEREAS, a special municipal election was held in The City of San Diego on Tuesday, November 8, 1994, pursuant to the provisions of Ordinance No. O-18094 (New Series), adopted August 8, 1994, which Special Municipal Election was called for the purpose in part of submitting to the qualified voters of The City of San Diego one proposition to revise upward the appropriations limit for fiscal years 1996 through 1999 for The City of San Diego (Proposition E), as follows:

PROPOSITION E

<p>PROPOSITION E. CHANGES THE CITY OF SAN DIEGO'S APPROPRIATIONS LIMIT FOR FISCAL YEARS 1996 THROUGH 1999.</p>	<p>YES</p>	
<p>Revises The City of San Diego's appropriations limit for Fiscal Year 1996 upward to \$440,000,000, provided the limit is adjusted annually for Fiscal Years 1997, 1998 and 1999.</p>	<p>NO</p>	

; and

WHEREAS, a copy of the certificate of the Registrar of Voters of San Diego County canvassing the returns of the special municipal election, as certified to the City Clerk, has been duly received; and

WHEREAS, a canvass of this election has been completed and the City Clerk has certified the results to the City Council; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the Council finds and determines pursuant to the provisions of Section 27.2206 of the San Diego Municipal Code, as follows:

I

The whole number of votes cast in the City was 333,087.

II

The number of votes cast in the City for and against the proposition which appeared on the ballot as Proposition E and the total number of votes cast upon that proposition is as follows:

PROPOSITION E

For	155,488
Against	102,442
TOTAL	257,930

Proposition E received the affirmative vote of a majority of the qualified voters voting on such proposition and is hereby declared to have been approved.

III

The number of votes in each precinct cast for and against each measure is recorded in the Elections Returns Book, which book is a part of the records of this Council.

IV

The City Clerk shall make public the results of the canvass of the special municipal election as pertains to Proposition E by publication of a copy of this resolution.

APPROVED: JOHN W. WITT, City Attorney

By *Cristie C. McGuire*
Cristie C. McGuire
Deputy City Attorney

CCM:jrl
12/01/94
12/09/94 REV. 1
Or.Dept:Clerk
R-95-901
Form=r+t

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PROPOSITION E

PROPOSITION E. CHANGES THE CITY OF SAN DIEGO'S APPROPRIATIONS LIMIT FOR FISCAL YEARS 1996 THROUGH 1999.	YES	
Revises The City of San Diego's appropriations limit for Fiscal Year 1996 upward to \$440,000,000, provided the limit is adjusted annually for Fiscal Years 1997, 1998 and 1999.	NO	

; and

WHEREAS, a copy of the certificate of the Registrar of Voters of San Diego County canvassing the returns of the special municipal election, as certified to the City Clerk, has been duly received; and

R- 285949
R- 287518

WHEREAS, a canvass of this election has been completed and the City Clerk has certified the results to the City Council; NOW, THEREFORE,

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By *Cristie C. McGuire*
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