ORDINANCE NO. 7408

AN ORDINANCE OF THE CITY OF PASADENA EXTENDING AND AMENDING CHAPTER 4.109 OF TITLE 4 OF THE PASADENA MUNICIPAL CODE, THE LIBRARY SPECIAL TAX, SUBJECT TO THE APPROVAL OF TWO-THIRDS OF THE VOTES CAST BY VOTERS VOTING UPON THE PROPOSAL WITHIN THE CITY OF PASADENA

WHEREAS, the Pasadena Public Library was founded by residents coming together to support the funding of a library by purchasing shares for as little as $5 with the first library opening on February 26, 1884; and

WHEREAS, in the early 1990s, the Library suffered considerable reductions as city revenues declined due to the worst recession in California since the Great Depression, being resolved in June 1993, with Pasadena voters approving a five-year parcel tax by a 79.9% margin, restoring the Library budget to its 1989 level; and

WHEREAS, the Pasadena Public Library Services Continuation Measure is not a new tax and only funds the Pasadena Public Libraries and has since been renewed twice with tremendous support; in 1997, with 84% of the vote and in 2007, with 80.4% of the vote; and

WHEREAS, the Library offers a broad selection of services including teen and early educational programs, internet and free Wi-Fi, online databases, as well as lends books, movies, laptops; and

WHEREAS, the Library is one of the City's most widely used public services; and

WHEREAS, loss of revenue from the expiring Special Tax would negatively impact every facet of the Library's operation, leading to closure of neighborhood library branches, a reduction of books and collections, a reduction in library hours, the loss of qualified librarians, and cuts in other significant programs and services offered to our community; and

WHEREAS, the City and its residents value the Library and its commitment and significant contributions to community education programs, literacy, lifelong learning, access to technology and closing the digital divide, and archiving Pasadena's history; and

WHEREAS, continuing this funding source will keep libraries open and well-maintained, help support fire safety systems, provide up-to-date library materials, continue to offer access to computers, Wi-Fi, and retain qualified librarians; and

WHEREAS, revenues from the Pasadena Public Library Services Continuation Measure will be under local control and spent on library services and programs benefitting Pasadena residents and businesses; and

WHEREAS, the City Council wishes to submit the Pasadena Public Library Services Continuation Measure to the voters at the November 8, 2022 General Municipal Election.

NOW, THEREFORE, The People of the City of Pasadena ordain as follows:

SECTION 1. Chapter 4.109 of the Pasadena Municipal Code is hereby repealed and replaced with the following:

"**Chapter 4.109**

LIBRARY SPECIAL TAX

SECTIONS:

4.109.110 Short title.
4.109.120 Definitions.
4.109.130 Exemptions.
4.109.140 Special Tax.
4.109.150 Legislative findings and declarations.
4.109.160 Purpose.
4.109.170 Special fund.
4.109.180 Tax rate.
4.109.185 Required General Fund Threshold Amount.
4.109.190 Term.
4.109.200 Adjustments and refunds.
4.109.210 Amendments.
4.109.220 Severability.
4.109.230 Effective date.

4.109.110 Short title.

This chapter shall be known and may be cited as the "City of Pasadena Library Special Tax Ordinance."

4.109.120 Definitions.

The following words and phrases whenever used in this chapter shall be construed as defined in this section:

A. "Condominium Project" means a common interest development as defined in Section 1351 of the Civil Code.

B. "Library" means the Pasadena Library system and each of the branches thereof as the same may exist from time to time, together with any additions or betterments thereto, or improvements, extensions or expansions thereof.

C. "Library Services Fund" means the special fund in which money collected pursuant to this chapter shall be deposited.

D. "Maintenance and Operations Costs of the Library" means:

(1) All reasonable and necessary costs spent or incurred by the City for maintaining and operating the Library, calculated in accordance with generally accepted accounting principles including, but not limited to, all amounts paid or payable from time to time for books, periodicals, reference materials, research materials, subscription services or other information sources, the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Library in good repair and working order, benefits, salaries and wages of employees, payments to employees' retirement systems, taxes, if any, fees of auditors, accountants, attorneys or engineers and insurance premiums;

(2) Depreciation, replacement and obsolescence charges or reserves therefor;

(3) Costs of capital additions, replacements, betterments, extensions or improvements to the Library, which under generally accepted accounting principles are chargeable to a capital account or to a reserve for depreciation;

(4) But shall not be construed to mean costs to provide support services to the Library by any other Department of the City.

E. "Parcel" means a unit of real property as shown on the last equalized assessment roll of Los Angeles County.

F. "Required Threshold Amount from the General Fund" means the minimum amount which must be budgeted in a fiscal year as Maintenance and Operating Costs for the Library in order to levy a special tax in a fiscal year.

4.109.130 Exemptions.

A. Nothing in this chapter shall be construed as imposing a tax upon any person when imposition of such tax upon that person would be in violation of either the Constitution of the United States or the Constitution of the State of California.

B. The tax imposed by this chapter shall not be levied upon the federal government, the state government, any state agency, or any local governmental agency.

C. The tax imposed by this chapter shall not be levied upon a parcel of property or improvement to property which is owned by a religious facility or community service organization which qualifies for an exemption from ad valorem taxation under California law.

D. The tax imposed by this chapter shall not be levied upon any owner if such owner receives a senior citizen or disability exemption from the utility user's tax imposed by Chapter 4.56 of the Pasadena Municipal Code.

E. The tax imposed by this Chapter shall not be imposed upon any owner if such owner is a person who meets the following qualifications: The claimant's annual household income shall not exceed the U.S. Department of Housing and Urban Development (HUD) Very Low (50%) Income Limit for Los Angeles-Long Beach-Glendale at the start of the calendar year for which the exemption is claimed.

4.109.140 Special tax.

A. There is hereby imposed a special tax on each residential dwelling unit or non-residential parcel within the City of Pasadena for the purposes set forth in this chapter at the rate specified herein.

B. This tax is enacted under the authority of Section 301 of the Charter of the City of Pasadena, other authority held as a charter city, and, independently thereof, under the authority of California Government Code Sections 50075-50077.5.

4.109.150 Legislative findings and declarations.

The City Council and the people of the City of Pasadena make the following findings with respect to the Library Special Tax:

A. Importance of the Library to the quality of life for Pasadena residents.

1. The Library of the City of Pasadena pre-dates the incorporation of the City itself, and since 1926, Pasadena has maintained an excellent library which has attained a unique position as a very highly regarded educational and cultural resource. The Library is an essential partner in the educational, social and recreational well-being of Pasadena's residents.

2. The Library has a strong connection to the maintenance of a healthy family community due to its tangible presence in Pasadena's neighborhoods through the branch libraries, designed and laid out in such a way that no Pasadenan is more than 1 mile from a library, and residents can walk to their neighborhood library. The presence of branch libraries adds a special quality to the neighborhoods of Pasadena and makes a visible statement regarding the importance of reading and learning. In addition to fulfilling their traditional library role, they serve as meeting places for community groups, gathering places for families and provide valuable support to other community institutions such as schools, and business and cultural associations. The branch libraries provide a unique perspective on the neighborhood in which they are located. The languages spoken in the neighborhood are reflected in the branch library collections, the needs of the neighborhood are recognized in the special materials and programming offered at the branch libraries, and the quality of life in the neighborhood is enhanced because of the branch library's presence. The branch libraries represent a safe haven in our neighborhoods. The Library works steadfastly with neighborhood schools to raise the level of literacy in the community.

3. For these reasons, the City Council and the people of the City of Pasadena find that the continuing vitality and viability of the entire Library system, including all branch libraries, must be assured through a funding mechanism which provides a stable source of funding for the entire system.

4. In the first five years of the Library Special Tax, full hours of operation were restored to the entire library system and a new collection and basic

library services were established at the Villa-Parke Community Center, which serves a predominately Hispanic community, and outreach programs throughout Pasadena.

5. Pasadena residents support quality library services as evidenced by high levels of utilization of library services ranging from adult literacy to children's book programs, and city-wide surveys ranking the library among the top municipal services valued most by residents.

B. Validity of funding mechanism – background and rationale.

1. The results of a management audit conducted in 1993 clearly demonstrated that the Library is being managed very efficiently, and the quality of services provided is high, particularly in terms of the branch libraries. Each of these findings was reconfirmed by previous citizen surveys in the time since 1993. On the basis that the goal is a funding program which would preserve the high level of service to which Pasadena has been accustomed, the target level of service for which funding is sought is that which is currently provided. In terms of operations, the current level of service can be generally described as seven days a week service at the Central Library, and a minimum of five days a week service at the branch libraries, except to the extent any particular library is closed for public safety purposes or for improvements; a materials budget for acquisitions and preservation of the library collection no less than 9% of the total adopted budget; and other programs designed to meet the needs of the community. The cost of providing this level of service was $7.1 million in 1993, the first year of the special tax, indexed for cost of living increases each subsequent year. In the time since the Library Special Tax has been in place, the level of service has been maintained as planned, and the general fund commitment embodied in the provisions of this chapter has been met.

2. A significant reduction in Library funding (such as the loss of approximately 20% of the budget should the Library Special Tax expire without some form of replacement) would likely result in a drastic and unacceptable reduction in library services.

3. The Library continues to be particularly well suited for a separate dedicated source of funding due to the nature of its operations – a clearly defined physical plant and a series of core programs and services which are relatively stable and enduring from year to year.

4. Before enacting this special tax, various alternative sources of funding were explored including sales tax, construction tax, utility tax, business license tax, transient occupancy (hotel) tax, library users fees, an endowment, general fund expenditure, formation of a community facilities district, benefit assessment, residential parcel or unit tax and a non-residential parcel tax. Selection of the current special library tax came after examining these options and library tax ordinances from the cities of San Jose and Oakland.

5. The rationale for adopting the specific tax rates for dwelling units and non-residential parcels contained in the "Recommendations of the Pasadena Public Library Future Funding Task Force" dated October 20, 2006, is well thought-out and the City Council and people of the City of Pasadena hereby ratify such rationale, as refined by the public hearing process conducted in connection therewith, and incorporate it as if fully set forth herein. Such rationale provides a rational basis for the tax rate classification system adopted in this ordinance, and appropriately meets the objective of designing a taxing scheme which relates the amount of the tax to the benefits received from the Library by the person paying the tax, and incorporates the element of ability to pay into the tax rates.

6. The Library Commission found, and the Board of the Friends of the Pasadena Public Library found, and the Council affirms, that the Library Special Tax continues to best meet the needs of the City for financing the library system.

4.109.160 Purpose.

A. The purpose of this special tax is to provide funds to the City to pay:

1. Maintenance and operations costs of the Library, and

2. The costs of enforcement and administration of the special tax, including refunds.

B. The City Council may provide for the collection of the special tax in the same manner and subject to the same penalty as, or with, other charges and taxes fixed and collected by the City, or by the County of Los Angeles on behalf of the City of Pasadena. If the special tax is collected by the County on behalf of the City, the County may deduct its reasonable costs incurred for such service.

C. City costs of enforcement and administration of the tax, including refunds, shall be paid from the special tax revenue.

4.109.170 Special fund.

A. There is hereby established a special fund entitled "Library Special Tax Fund" (hereinafter the "special fund"). Money collected pursuant to this chapter shall be deposited into said special fund and shall be used exclusively as provided in this chapter for the purposes for which the tax is imposed, and for no other purposes. Nothing in this section shall prevent disbursements from this special fund to reimburse the general fund if, and only if, money has been advanced from the general fund to pay for the uses provided for in this chapter.

B. Any money raised by the special tax, including any interest accrued thereon, that remains unencumbered at the end of any fiscal year may only be used in a succeeding fiscal year for the purposes stated in this chapter.

C. The director of finance shall annually provide a report on the receipt of revenue under this chapter and the expenditure of those revenues as required by Government Code Sections 50075.1(d) and 50075.3.

4.109.180 Tax rate.

A. In Fiscal Year 2024, the following special tax rates shall apply:

1. For each single-family or residential unit in a residential condominium project, the annual special tax shall be equal to: a) the special tax in Fiscal Year 2023 adjusted in accordance with Section 1.08.060 of the Pasadena Municipal Code.

2. For each residential unit of a multi-unit building which is not a condominium project, the annual special tax shall be equal to: a) the special tax in Fiscal Year 2023 adjusted in accordance with Section 1.08.060 of the Pasadena Municipal Code.

3. For each nonresidential parcel, the annual special tax shall be equal to: a) the special tax in Fiscal Year 2023 adjusted in accordance with Section 1.08.060 of the Pasadena Municipal Code.

B. For each fiscal year from Fiscal Year 2024 through Fiscal Year 2037, the special tax rates shall be adjusted annually in accordance with Section 1.08.060 of the Pasadena Municipal Code.

C. The Library Special Tax cannot be levied in any year in which the City has not appropriated one hundred percent (100%) of the Required Threshold Amount from the General Fund.

D. If at any time following the levy of a Library Special Tax for a fiscal year, the amount finally budgeted and appropriated as Maintenance and Operations Costs for the Library for such fiscal year shall be less than the Required Threshold Amount from the General Fund for such fiscal year, then no annual special tax shall be levied in the immediately following fiscal year. In no event shall the inability to levy the Library Special Tax extend the Library Special Tax beyond the stated expiration date herein.

E. For any fiscal year the City Council may, by ordinance, adjust the tax rate below the maximum amounts stated in this chapter, provided that all of the rates on each category are all adjusted proportionately, so that the relationship among categories remains constant. Such a reduction shall not prevent a subsequent levy of taxes for any succeeding fiscal year up to the limits set forth in this section or require renewed voter approval for such a subsequent levy. However, in no case shall the amount of the tax rate to be levied exceed the maximum amount established by this chapter without the approval of two-thirds of voters voting upon such change in the tax rate maximum.

4.109.185 Required General Fund Threshold Amount.

A. The Required Threshold Amount from the General Fund in Fiscal Year 2024 shall be equal to eighty percent (80%) of the total amount necessary to fund the entire operations of the Information Services Department (Library) at the level of service described in this ordinance.

B. For each fiscal year from Fiscal Year 2024 through Fiscal Year 2037, the dollar amount of the Required Threshold Amount from the General Fund shall be adjusted annually by multiplying the prior fiscal year's minimum Threshold Amount from the General Fund by a factor equal to one plus the change in the Consumer Price Index (CPI) in accordance with Section 1.08.060 of the Pasadena Municipal Code.

C. An ending balance in the Library Services Fund for any fiscal year may be credited the following fiscal year towards the minimum Threshold Amount from the General Fund.

4.109.190 Term.

This annual special tax provided for herein may be levied in each of fifteen consecutive fiscal years, commencing with the first fiscal year (2024) in which there is a levy pursuant to this ordinance. Such levy may only be extended with the approval of the voters by two-thirds of the votes cast by voters voting upon such a change at a municipal election called for that purpose, unless the applicable law at the time of such election authorizes a lesser number of votes to do so.

4.109.200 Adjustments and refunds:

A. Requests for adjustments of this tax may be filed with the director of finance. Upon sufficient evidence of error in the computation of the tax as to any taxpayer, the director of finance or his/her designee shall cause the tax to be recalculated as to that taxpayer, and shall so advise the Los Angeles County Tax Collector or other appropriate official.

B. Whenever it is alleged that the amount of any tax has been overpaid or paid more than once or has been erroneously or illegally collected or received by the City under this chapter, the refund procedure shall be as follows:

1. No claim for refund of tax payment shall be allowed in whole or in part unless filed with the city clerk within a period of three years from the date of the claimed overpayment, and signed by the taxpayer on behalf of whom it is filed; no class or representative claim shall be permitted. All such claims for refund of the amount of the overpayment must be filed on forms furnished, and in the manner prescribed by the finance department. Refunds may be made solely from the Library Special Tax Fund.

2. In the event the director of finance denies a claim for a refund, he/she shall notify the claimant pursuant to California Government Code Section 913.

C. The director of finance shall have the power to settle claims involving the special tax, and the power to accept and record underpayments or overpayments of such tax. The director of finance shall have the authority to make refunds of this tax as provided in this chapter.

D. If the County of Los Angeles does not collect any tax due under this chapter, then the director of finance shall have the power and duty to do so. In such cases, an assessment may be made against the owner of a parcel and improvements in the manner provided by law. Any unpaid tax due under this chapter shall be subject to all remedies provided by law.

E. The special tax shall be due in two equal installments in accordance with the collection procedures of the Los Angeles County Tax Collector, with the first installment due November 1st, and the second installment due the next succeeding February 1st, in each fiscal year. The owner of the land, land and improvements, at the time set forth in California Revenue and Taxation Code Sections 405 and 2192 for each fiscal year shall have a personal obligation to the City of Pasadena until the tax is paid for each fiscal year.

F. The director of finance may prepare a questionnaire to be served on the owner of a parcel or improvements subject to the tax imposed by this chapter. The questionnaire may request information which would be useful to the director of finance in the enforcement or administration of this article. The failure by an owner to provide the information requested within thirty (30) days of receipt of the request, or the act of an owner in knowingly providing false information, shall be a misdemeanor.

4.109.210 Amendments:

The City Council is hereby authorized to amend the provisions of this ordinance without voter approval in any manner which does not extend the special tax to a taxpayer who would otherwise not pay it or increase the amount of the tax beyond the amount authorized by this ordinance. Any amendment to this ordinance which extends the special tax to a taxpayer who would otherwise not pay it or increases the amount of the tax beyond the maximum tax rates authorized by this ordinance may be approved only by a vote of the people of Pasadena.

4.109.220 Severability.

If any section, subsection, paragraph, subparagraph or item of this ordinance or the application thereof is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, the validity of the remaining portions of the ordinance, the application thereof, and the tax imposed shall not be affected thereby but shall remain in full force and effect, it being the intention of

the City Council and the voters to adopt each and every section, subsection, paragraph, subparagraph or item regardless of whether any other section, subsection, paragraph, subparagraph or item or the application thereof is held to be invalid or unconstitutional.

4.109.230 Effective date.

This ordinance as amended, which amends and extends the Library Special Tax (P.M.C. Chapter 4.109) and levies the special tax described therein shall be submitted to the voters of the City of Pasadena at a General Municipal Election to be held on November 8, 2022. The taxes determined and proposed by amendments to this ordinance shall be levied only if the amendments to this ordinance are approved by a vote of not less than two-thirds of the votes cast by the voters voting on the special tax proposal set forth in the ordinance. If the amendments to the ordinance are approved by the requisite number of votes, Chapter 4.109 as amended, shall thereafter be considered a part of the Pasadena Municipal Code, effective at the expiration of the current Library Special Tax."

I HEREBY CERTIFY that the foregoing ordinance was approved by a vote of the people at the General Municipal Election, which was consolidated with the Statewide General Election, held on November 8, 2022, and that said ordinance received over two-thirds approval of the votes cast on the special tax proposal set forth in the ordinance, as follows:

Yes:	40,000 votes	(84.60%)
No:	7,280 votes	(15.40%)

Mark Jomsky, City Clerk

APPROVED AS TO FORM:

Lisa Hosey 12/6/22

Lisa Hosey
Assistant City Attorney

RESOLUTION NO. 9970

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA, CALIFORNIA, DECLARING THE RESULTS OF THE CITY'S GENERAL MUNICIPAL ELECTION HELD ON TUESDAY, NOVEMBER 8, 2022

WHEREAS, a General Municipal Election in the City of Pasadena for Ballot Measure L and Charter Amendment Measure H was called by the City Council to be held on November 8, 2022; and

WHEREAS, the Los Angeles Registrar Recorder/County Clerk conducted said election on behalf of the City, canvassed the returns, and certified the results of said election, and those results are attached as "Exhibit A" and incorporated herein by reference; and

WHEREAS, the City Clerk has submitted the certified results of said canvass to the City Council of the City of Pasadena.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pasadena that:

1. The following is declared to be the results of the General Municipal Election for Ballot Measure L (required 2/3 of the votes cast):

> **MEASURE L** – Pasadena Public Library Services Continuation Measure – To keep City libraries well-maintained; provide books/materials, youth reading/homework programs; maintain library hours/days open; retain qualified librarians; ensure computer access; shall the City of Pasadena continue the voter-approved annual parcel tax, currently $41 for single-family residences and condominium units and specified rates for other parcel types, generating $2,800,000 annually for 15 years, limiting annual increases to the Consumer Price Index; requiring audits, locally controlled funds, be adopted?
>
> | | | |
> |---|---|---|
> | Yes: | 40,000 votes | (84.60%) |
> | No: | 7,280 votes | (15.40%) |

2. That Measure L, having determined that more than 2/3 of the total votes cast were in support of the Ballot Measure, hereby is declared to be approved by the voters of Pasadena, and that Ordinance No. 7408, attached as "Exhibit B", is adopted, and shall be codified in the Pasadena Municipal Code.

3. The following is declared to be the results of the General Municipal Election for Charter Amendment Measure H:

MEASURE H – Pasadena Charter Amendment Initiative Petition Measure Imposing Rent Control – Shall an amendment to the Pasadena City Charter limiting rent adjustments in the City of Pasadena annually to 75% of the percentage increase in the Consumer Price Index for multifamily rental units built before February 1, 1995; prohibiting evictions from rental units, except for just cause based on 11 specified criteria; and creating an independent Rental Housing Board appointed by the City Council to oversee and adopt rules and regulations, be adopted?

Yes:	25,029 votes	(53.80%)
No:	21,493 votes	(46.20%)

4. That Measure H, having determined that a majority of the total votes cast were in support of the Charter Amendment (attached as "Exhibit C"), hereby is declared to be approved by the voters of Pasadena.

Adopted at the regular meeting of the City Council on the 12th day of December, 2022, by the following vote:

AYES: Councilmembers Jones, Madison, Masuda, Rivas, Williams, Vice Mayor Wilson, Mayor Gordo

NOES: None

ABSENT: Councilmember Hampton

ABSTAIN: None

Mark Jomsky, CMC
City Clerk

APPROVED AS TO FORM:

Theresa Fuentes
Assistant City Attorney

MJ:\DATA\ELECTION-2022\CANVASS RESO CITY COUNCIL - NOVEMBER