

CITY OF SOUTH SAN FRANCISCO MEASURE DD
CITY ATTORNEY'S IMPARTIAL ANALYSIS

This measure was placed on the ballot by an initiative petition signed by the requisite number of voters. It places before the voters the question of whether to enact an Ordinance that would establish an annual parcel tax on commercial office parcels, as defined, at the rate of \$2.50 per square foot of parcel size. Commercial office parcels less than 25,000 square feet would be exempt.

The Ordinance does not have an automatic expiration date. The tax would be collected by the County with regular property taxes. All revenue from the tax would be placed into a special account and restricted to the uses authorized in the Ordinance. The City Manager would be authorized to hear and make final decisions on appeals regarding the tax.

The Ordinance would establish a program that would provide free enrollment for eligible children at participating family childcare providers and early learning and care centers, as defined, located within the South San Francisco Unified School District boundaries. Participating providers and centers would be required to compensate eligible teachers and staff members with the minimum wages determined through a process established by the Ordinance. To be eligible for enrollment at no cost, a child would need to be 2.5 to 5 years old by September 1 of the enrollment year, and have one parent, legal guardian, foster parent, or authorized caregiver residing or employed within the South San Francisco Unified School District boundaries. The Ordinance would direct subsidized-enrollment priorities if tax revenue is insufficient to subsidize enrollment for all eligible children in a given year.

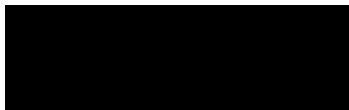
Revenue from the tax could be used for lease, purchase, development, maintenance, or improvement of facilities for participating centers and providers. Up to 10% of annual revenue from the tax could be used for the City's administrative costs associated with implementing the Ordinance.

The Ordinance requires the appointment of a City department or contracting with a nonprofit organization to administer the program. The administering organization would be required to complete certain implementation actions by June 30, 2024, including developing the compensation matrix that establishes the minimum wages participating providers and centers must pay eligible teachers and staff members. The Ordinance would require that the organization begin administering the program by July 1, 2024.

This measure would establish an oversight committee appointed by the City Council. The oversight committee would meet quarterly to facilitate public accountability on the program's structure, development, and implementation. It would review financial information relevant to the tax, including quarterly reports from the administering organization, and conduct regular public hearings and evaluations regarding the program. Voting members of the committee would receive a stipend to cover specified costs.

A "Yes" vote is a vote in favor of the parcel tax and related early learning and care program. A "No" vote is a vote against the tax. Under current court precedent, this measure will be approved if it receives a simple majority of "Yes" votes; however, a two-thirds majority of "Yes" votes would be required if the court precedent changed or a court ruled otherwise regarding this initiative.

DATED: August 29, 2022



Sky Woodruff, City Attorney
City of South San Francisco