



TOWN OF FAIRFAX
STAFF REPORT
January 15, 2014

TO: Mayor and Town Council

FROM: Michele Gardner, Town Clerk ^{MG}

SUBJECT: Adoption of a resolution in support of removing commercial properties from Proposition 13 to close the loophole to avoid tax assessments

RECOMMENDATION

Adopt resolution

DISCUSSION

Council Member John Reed submitted the attached resolution for Council consideration.

FISCAL IMPACT

None

Attached: Resolution

AGENDA ITEM # 5

RESOLUTION 14-__

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX
IN SUPPORT OF REMOVING COMMERCIAL PROPERTIES FROM
PROPOSITION 13 TO CLOSE THE LOOPHOLE
TO AVOID TAX ASSESSMENTS**

WHEREAS, Proposition 13, passed in 1978, is unfair in that it allows commercial property owners to avoid paying their fair share and has shifted the tax burden to residential property and away from business, including everyday homeowners and working families; and

WHEREAS, the state of California and local municipalities continue to face chronic budget crises in large part because Proposition 13 has forced the state to rely on more volatile revenue sources than the property tax, like income taxes and sales taxes paid by working families that move in tandem with economic cycles, causing deficits and requiring cuts to vital services that grow our economy and thereby worsening economic downturns; and

WHEREAS, regularly reassessing non-residential commercial property would, according to an analysis of data provided by the California Board of Equalization, generate at least \$6 billion in additional revenue for California, and shift the tax burden from homeowners, renters, and working families to corporations and commercial landholders;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Town Council of the Town of Fairfax does hereby support commercial property tax reform that will require non-residential commercial properties to be reassessed regularly while maintaining residential property owners' protections under Prop 13.

The foregoing Resolution was adopted at a regular meeting of the Town Council of the Town of Fairfax held in said Town on the 15th day of January 2014, by the following vote, to wit:

AYES:
NOES:
ABSENT:

DAVID WEINSOFF, Mayor

Attest: _____
Michele Gardner, Town Clerk