

**IMPARTIAL ANALYSIS BY CITY ATTORNEY
CITY OF LAGUNA BEACH
MEASURE CC**

Laguna Beach Open Space Acquisition and Preservation Parcel Tax Measure

This ballot measure, if approved by the voters, would establish a funding mechanism for the acquisition of land for the permanent preservation of open space within the City. For each year during a twenty-year period, a special parcel tax of \$120 would be levied on each parcel of property in the City, except for properties already exempt from property taxes or on which no property taxes are levied. A two-thirds majority of the voters must approve the ballot measure for it to be adopted.

The revenues collected from the parcel tax would be placed in a separate account and may only be used for the following purposes:

- The purchase of open space lands within the City for open space purposes. Purchase would be from willing sellers only. Tax proceeds could not be used to acquire property through eminent domain proceedings.
- The provision of fire safety and trail maintenance on City-owned open space lands that are purchased with tax proceeds. Four percent of the tax proceeds each year would be specifically dedicated to this purpose.
- The creation and, as necessary, the provision of limited funding for a Citizens' Oversight Committee to monitor use and spending of the tax proceeds.
- The payment of administrative costs necessary to collect and administer the parcel tax.

The ballot measure defines "open space uses" to mean greenbelts, watershed areas, wildlife preserves, marine preserves, hiking trails, historical preserves, scientific studies, and vista points. The City may approve conditional use permits for additional low-impact passive uses that do not conflict with open space uses and do not have a significant effect on the environment. Permanent open space requirements would be established through deed restrictions on lands acquired with tax proceeds.

The ballot measure creates a five-member Citizens' Oversight Committee to be appointed by the City Council. Three members would be representatives of a local taxpayer group, a local business group or the financial community, and a local open space advocacy group; and two members would be selected from the community at large. State open meeting and conflict of interest laws would apply to the Committee's activities.

The responsibilities of the Citizens' Oversight Committee include reviewing proposed expenditures of tax proceeds and submitting comments to the City concerning the cost-effectiveness of proposed expenditures and their consistency with the purposes of the ballot measure. If the Committee objects to a proposed expenditure, then the City could not approve it unless the City Council adopts written findings explaining the basis for its decision not to follow the Committee's recommendation. The Committee would be responsible for preparing an annual public report making recommendations and evaluating progress concerning expenditures of tax proceeds. The report would be reviewed by the City Council at a noticed public meeting. Also annually, the City's chief fiscal officer must file a report stating the amount of tax funds collected and expended, and the status of any purchase or activity authorized to be funded.

Dated: July 20, 2012

s/ Philip D. Kohn
City Attorney

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