

**RESOLUTION NO. 09-15**  
**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA CAÑADA FLINTRIDGE IN**  
**OPPOSITION TO THE SEIZURE OF ADDITIONAL CITY PROPERTY TAX FUNDS AND**  
**ADDITIONAL UNFUNDED MANDATES BY**  
**THE STATE OF CALIFORNIA**

WHEREAS, the current economic crisis has placed cities under financial pressure and caused city officials to reopen already adopted budgets to make painful cuts, including layoffs and furloughs of city workers, decreasing maintenance and operations of public facilities, and reductions in direct services to keep spending in line with declining revenues; and

WHEREAS, since the early 1990s, the state government of California has seized over **\$8.6 billion** of city property tax revenues statewide to fund the state budget, even after deducting public safety program payments to cities by the state; and

WHEREAS, in FY 2007-08 alone, the state seized **\$895 million** in city property taxes statewide to fund the state budget after deducting public safety program payments; and an additional \$350 million in local redevelopment funds were seized in FY 2008-09; and

WHEREAS, the state has taken \$1.4 million from the City of La Cañada Flintridge for state use; and

WHEREAS, the most significant impact of taking local property taxes has been to reduce the quality of public safety services cities can provide since public safety comprises the largest part of any city's general fund budget; and

WHEREAS, in 2004 the voters by an 84% vote margin adopted substantial constitutional protections for local revenues, but the legislature can still "borrow" local property taxes to fund the state budget; and

WHEREAS, on May 5, 2009, the Department of Finance announced it had proposed to the Governor that the state "borrow" over \$2 billion in local property taxes from cities, counties and special districts to balance the state budget, causing deeper cuts in local public safety and other vital services; and

WHEREAS, in the past the Governor has called such "borrowing" proposals fiscally irresponsible because the state will find it virtually impossible to repay and it would only deepen the state's structural deficit, preventing the state from balancing its budget; and

WHEREAS, the Legislature is currently considering hundreds of bills, many of which would impose new costs on local governments that can neither be afforded nor sustained in this economic climate; and

WHEREAS, state agencies are imposing, or considering, many regulations imposing unfunded mandates on local governments without regard to how local agencies will be able to comply with these mandates while meeting their other responsibilities; and

WHEREAS, the combined effects of the seizure of the City's property taxes, increasing unfunded state mandates, and the revenue losses due to the economic downturn have placed the city's budget under fiscal pressure.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF LA CAÑADA FLINTRIDGE strongly and unconditionally opposes the May 5, 2009 proposal of the Department of Finance to "borrow" \$2 billion of local property taxes and any other state government proposals to borrow or seize any additional local funds, including the property tax, redevelopment tax increment, and the city's share of the Prop. 42 transportation sales tax; and

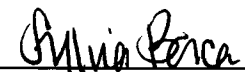
RESOLVED FURTHER, that the City Council strongly urges the state legislature and Governor to suspend the enactment of any new mandates on local governments until such time as the economy has recovered and urges the state to provide complete funding for all existing and any new mandates.

RESOLVED FURTHER, that the City Clerk shall send copies of this resolution to the Governor, Senator Carol Liu, Assembly Member Portantino and the League of California Cities.

PASSED, APPROVED and ADOPTED this 1st day of June, 2009.

  
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Laura Olhasso, Mayor

ATTEST:

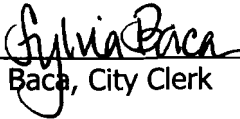
  
\_\_\_\_\_  
Sylvia Baca, City Clerk

State of California            )  
County of Los Angeles        )        ss.  
City of La Cañada Flintridge )

I, Sylvia Baca, City Clerk of the City of La Cañada Flintridge, California, do hereby certify that the foregoing Resolution No. 09-15 was duly adopted by the City Council of the City of La Cañada Flintridge at a Regular Meeting held on the 1st day of June 2009, by the following vote:

AYES:                    COUNCILMEMBERS: Brown, Spence, Voss, Olhasso  
NOES:                    COUNCILMEMBERS: None  
ABSENT:                 COUNCILMEMBERS: Del Guercio  
ABSTAIN:                COUNCILMEMBERS: None

Dated: June 2, 2009

  
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Sylvia Baca, City Clerk