

Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE INCREASED LIBRARY PARCEL TAX RATES FOR FISCAL YEAR 2021-2022 BY 1.57% OVER THE FISCAL YEAR 2020-2021 RATES AND APPROVING THE PLACEMENT OF THE LIBRARY PARCEL TAX ON THE FISCAL YEAR 2021-2022 SANTA CLARA COUNTY PROPERTY TAX ROLL

WHEREAS, in August 2004, the City Council (“City Council”) of the City of San José (“City”) adopted Resolution No. 72268, placing a ten (10) year Library Parcel Tax, as provided in the San José Library and Reading Protection Ordinance (Chapter 4.79 of the San José Municipal Code), on the November 2004 General Municipal Election ballot, which was approved; and

WHEREAS, the Library Parcel Tax took effect on July 1, 2005 with an expiration date of June 30, 2015 and provides funding to maintain and enhance Citywide library services and facilities; and

WHEREAS, in August 2005, the City Council adopted Resolution No. 72844 approving the placement of the Library Parcel Tax on the fiscal year (“FY”) 2005 – 2006 Santa Clara County Property Tax Roll, with rates set at the same rates that had been charged through the Library Benefit Assessment District: \$25 per single-family or condominium/townhome parcel and varying rates for other residential, industrial, and vacant parcels; and

WHEREAS, in March 2014, the City Council adopted Resolution No. 76935 placing a twenty-five (25) year extension of the existing Library Parcel Tax on the June 2014 Special Municipal Election ballot; and

WHEREAS, the twenty-five (25) year extension was approved by voters and extends the Library Parcel Tax for the period beginning July 1, 2015 through June 30, 2040; and

WHEREAS, in order for the County of Santa Clara to place the Library Parcel Tax on the FY 2021-2022 Property Tax Roll, the City Council is required to adopt a resolution approving the tax rate for FY 2021-2022; and

WHEREAS, per the San José Library and Reading Protection Ordinance, the City Council may increase the Library Parcel Tax rates if it finds that the cost of living in the City of San José as shown on the Consumer Price Index ("CPI") has increased over the preceding Base Period, but in no event shall the increase exceed 3.0%; and

WHEREAS, currently, the Library Parcel Tax provides approximately 20% of the San José Public Library System's Operating Budget and 10% of its Capital Budget; and

WHEREAS, following the methodology used since FY 2006 – 2007 for the CPI adjustment to the Library Parcel Tax rate, the City recommends an increase of 1.57% for FY 2021-2022; and

WHEREAS, the complete Library Parcel Tax schedule is attached to this resolution as Exhibit A and shows the current tax schedule and the proposed tax schedule to be placed on the County Property Tax Roll for FY 2021-2022 for all types of parcels; and

WHEREAS, assuming the same land use classifications and number of parcels as in FY 2020-2021, the approximate tax collection for all land use classifications in FY 2021-2022 will be approximately \$10.1 million or an increase of approximately \$160,000 over FY 2020-2021 collections of approximately \$9.9 million; and

WHEREAS, approval of the increase in Library Parcel Tax rates will continue to provide funding to maintain and enhance City-wide library services and facilities through the acquisition of materials; the development and delivery of homework and educational programs; and the repair, equipping, and staffing of libraries;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. Pursuant to the provisions of Chapter 4.79 of the San José Municipal Code, the City Council approves the increased Library Parcel Tax rates for FY 2021-2022 as set forth in the attached Exhibit A, including the calculation of the Consumer Price Index adjustment, as more fully described in the memorandum to this Council, presented to this Council for its meeting on June 15, 2021, from the Director of the Finance Department. Further, the Library Parcel Tax is to be levied on parcels of land in the City of San José for FY 2021-2022 in accordance with the tax rate schedule for FY 2021-2022 set forth in the attached Exhibit A.
2. The City's Director of Finance shall cause a certified copy of this Resolution to be delivered to the Auditor of the County of Santa Clara for entry in the assessment book of the respective sums in dollars and cents, to be paid as established by this Resolution and Chapter 4.79 of the San José Municipal Code.

ADOPTED this _____ day of _____, 2021, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

EXHIBIT A
LIBRARY PARCEL TAX RATES
(FY 2020-2021 ACTUAL AND FY 2021-2022 Proposed Library Tax Rates)

Land Use Classification	FY 2020-2021 Parcel Tax Rate	Proposed FY 2021-2022 Parcel Tax Rate (1.57% Increase)
Single Family Parcels	\$36.31/Parcel	\$36.88/Parcel
Condominium/Townhome Parcels	\$36.31/Parcel	\$36.88/Parcel
Other Residential Parcels (Fraternity, Sorority, Boarding, Rooming House, Farm Labor Camp)		
Up to 20 Units	\$13.59/Unit	\$13.80/Unit
21 to 50 Units	\$267.70 + \$9.07/Unit Greater than 20 Units	\$271.90+ \$9.21/Unit Greater than 20 Units
51 to 100 Units	\$544.22 + \$4.54/Unit Greater than 50 Units	\$552.76 + \$4.61/Unit Greater than 50 Units
Over 100 Units	\$770.69 + \$1.83/Unit Greater than 100 Units	\$782.79 + \$1.86/Unit Greater than 100 Units
Multi-Family Residential Parcels		
Up to 20 Units	\$18.26/Unit	\$18.55/Unit
21 to 50 Units	\$364.64 + \$12.13/Unit Greater than 20 Units	\$370.36 + \$12.32/Unit Greater than 20 Units
51 to 100 Units	\$729.17 + \$6.06/Unit Greater than 50 Units	\$740.62 + \$6.16/Unit Greater than 50 Units
Over 100 Units	\$1,032.57 + \$2.42/Unit Greater than 100 Units	\$1,048.78 + \$2.46/Unit Greater than 100 Units

Land Use Classification	FY 2020-2021 Parcel Tax Rate	Proposed FY 2021-2022 Parcel Tax Rate (1.57% Increase)
Commercial Parcels		
Less than or equal to 0.5 acre	\$108.87/Acre	\$110.58/Acre
Greater than 0.5 acre to 1.0 acre	\$54.43 + \$72.61/Acre Greater than 0.50 Acre	\$55.28 + \$73.75/Acre Greater than 0.50 Acre
Greater than 1.0 acre to 5.0 acres	\$90.72 + \$54.43/Acre Greater than 1.00 Acre	\$92.14 + \$55.28/Acre Greater than 1.00 Acre
Greater than 5.0 acres to 10 acres	\$308.45 + \$36.31/Acre Greater than 5.00 Acres	\$313.29 + \$36.88/Acre Greater than 5.00 Acres
Greater than 10 acres	\$489.93 + \$9.07/Acre Greater than 10 Acres	\$497.62 + \$9.21/Acre Greater than 10 Acres
Minimum Special Tax per Parcel	\$18.13/Acre	\$18.41/Acre
Professional Parcels		
Less than or equal to 0.5 acre	\$163.31/Acre	\$165.87/Acre
Greater than 0.5 acre to 1.0 acre	\$81.67 + \$108.87/Acre Greater than 0.50 Acre	\$82.95 + \$110.58/Acre Greater than 0.50 Acre
Greater than 1.0 acre to 5.0 acres	\$136.08 + \$81.67/Acre Greater than 1.00 Acre	\$138.22 + \$82.95/Acre Greater than 1.00 Acre
Greater than 5.0 acres to 10 acres	\$462.70 + \$54.43/Acre Greater than 5.00 Acres	\$469.96 + \$55.28/Acre Greater than 5.00 Acres
Greater than 10 acres	\$734.89 + \$13.59/Acre Greater than 10 Acres	\$746.43 + \$13.80/Acre Greater than 10 Acres
Minimum Special Tax per Parcel	\$27.25/Acre	\$27.68/Acre

Land Use Classification	FY 2020-2021 Parcel Tax Rate	Proposed FY 2021-2022 Parcel Tax Rate (1.57% Increase)
Industrial Parcels		
Less than or equal to 0.5 acre	\$54.43/Acre	\$55.28/Acre
Greater than 0.5 acre to 1.0 acre	\$27.25 + \$36.31/Acre Greater than 0.50 Acre	\$27.68 + \$36.88/Acre Greater than 0.50 Acre
Greater than 1.0 acre to 5.0 acres	\$45.37 + \$27.25/Acre Greater than 1.00 Acre	\$46.08 + \$27.68/Acre Greater than 1.00 Acre
Greater than 5.0 acres to 10 acres	\$154.26 + \$18.13/Acre Greater than 5.00 Acres	\$156.68 + \$18.41/Acre Greater than 5.00 Acres
Greater than 10 acres	\$244.94 + \$4.54/Acre Greater than 10 Acres	\$248.79 + \$4.61/Acre Greater than 10 Acres
Minimum Special Tax per Parcel	\$9.07/Acre	\$9.21/Acre
Vacant Parcels		
Less than or equal to 0.5 acre	\$13.58/Acre	\$13.79/Acre
Greater than 0.5 acre to 1.0 acre	\$6.79 + \$9.07/Acre Greater than 0.50 Acre	\$6.90 + \$9.21/Acre Greater than 0.50 Acre
Greater than 1.0 acre to 5.0 acres	\$11.32 + \$6.79/Acre Greater than 1.00 Acre	\$11.50 + \$6.90/Acre Greater than 1.00 Acre
Greater than 5.0 acres to 10 acres	\$38.51 + \$4.54/Acre Greater than 5.00 Acres	\$39.11 + \$4.61/Acre Greater than 5.00 Acres
Greater than 10 acres	\$61.13 + \$1.12/Acre Greater than 10 Acres	\$62.09 + \$1.14/Acre Greater than 10 Acres
Minimum Special Tax per Parcel	\$9.07/Acre	\$9.21/Acre