

CITY OF LOS ANGELES PROPOSITION SP

TITLE:

PARKS AND RECREATIONAL FACILITIES PARCEL TAX

THE ISSUE:

Do you approve an ordinance providing funding for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, and increasing park equity in the City of Los Angeles, through a tax of approximately 8.4 cents per square foot on improved parcels, reduced to approximately 2.2 cents upon completion of certain programs or in 30 years, with citizen oversight and exemptions for low-income households?

THE SITUATION:

In 1996, voters adopted Proposition K: LA for Kids Program which created a citywide assessment district to fund the acquisition, development, improvement and restoration of parks and recreational facilities. Proposition K funding will expire in Fiscal Year 2026-27.

THE PROPOSAL:

The measure would authorize a new parcel tax of approximately 8.4 cents per square foot that would generate approximately \$227 million annually. The tax would be reduced to approximately 2.2 cents per square foot upon completion of capital programs or in 30 years, whichever occurs first. These funds would be dedicated to the rehabilitation, remediation, improvement, development, addition, acquisition, and operations and maintenance of open spaces and recreational venues and programs, including the Los Angeles Zoo and civic center green spaces, waterways and water elements, including the Los Angeles River and the Sepulveda Basin, and park facilities, such as pools, childcare facilities, and playgrounds. Monies in the fund may be used to pay the costs of audits and operation of the oversight committees. A Citizen Oversight Committee shall be established to make recommendations to the City on projects to be funded. Such recommendations shall consider the City's equity index.

A YES VOTE MEANS:

You want to authorize a parcel tax to provide funding with equity considerations for costs associated with park and recreational facilities.

A NO VOTE MEANS:

You do not want to authorize a parcel tax to provide funding with equity considerations for costs associated with park and recreational facilities.

THE FULL TEXT OF THIS PROPOSITION BEGINS ON PAGE 20.



SP **PARKS AND RECREATIONAL FACILITIES PARCEL TAX.**
PROPOSITION SP.

Shall an ordinance providing funding for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, and increasing park equity in the City of Los Angeles, through a tax of \$0.08414 per square foot on improved parcels, reduced to \$0.0222 upon completion of certain programs or in 30 years, with citizen oversight and exemptions for low-income households, generating approximately \$227 million annually, be adopted?

IMPARTIAL SUMMARY
BY SHARON M. TSO, CHIEF LEGISLATIVE ANALYST

In 1996, voters approved the passage of Proposition K: LA for Kids Program (Proposition K) which created a citywide assessment that has generated \$25 million annually for the acquisition, development, improvement and restoration of parks and recreational facilities. Proposition K will expire in Fiscal Year (FY) 2026-27 and will result in the loss of funding to support parks and recreational facilities.

The proposed measure on the ballot would amend the Municipal Code to allow the City to collect funds for the rehabilitation, remediation, improvement, development, and acquisition of open spaces and recreational venues, such as museums, theaters, the Los Angeles Zoo, and civic green spaces, waterways and water elements, such as the Los Angeles River, Sepulveda Basin, lakes, dams, reservoirs, and beaches and park facilities, such as regional parks, recreation centers, pools and bathhouses, childcare facilities, senior centers, trails, picnic areas, playgrounds, athletic fields and courts, and other open public spaces, along with their operation and maintenance, through the imposition of a special parcel tax on improved real property parcels within the City. The distribution of the special tax funds will be prioritized based on the City's equity index with the goal of providing park poor communities with safe healthful access to parks and recreational facilities.

If approved, the special parcel tax rate to be imposed shall be \$0.08414 per square footage of improvement (generating approximately \$227 million annually) on real property parcels beginning in FY 2023-24 and reduced to \$0.0222 (approximately \$60 million annually) upon completion of capital programs or in FY 2053-54, whichever occurs first.

The measure provides exemptions from the special parcel tax for parcels owned by non-profits, low income households, and government bodies. The City shall establish the procedures and guidelines for parcel owners to apply for an exemption from the special parcel tax.

Unless the City Council seeks another method for collection of the special parcel tax, such tax shall be levied and collected by the County at the same time and manner, and subject to the same penalties, and interest as ad valorem property taxes collected by the County no sooner than July 1, 2023.

TQ3-E



NOVEMBER 2022

Monies collected from the special parcel tax, including penalties and interest, shall be deposited in a fund entitled “Parks and Recreational Facilities Special Parcel Tax Fund” (Fund). Monies deposited in the Fund shall not be subject to reversion to the City’s Reserve Fund. Any interest earnings generated by the Fund shall remain in the Fund and be used for the purposes for which the special parcel tax is imposed.

A Citizens Oversight Committee shall be established by ordinance to make recommendations on projects to be funded from the special parcel tax and to monitor the implementation and performance of the projects, programs, and services funded by the special parcel tax. An Administrative Oversight Committee, consisting of the Mayor, City Administrative Officer, and the Chief Legislative Analyst, shall be established by ordinance to review, amend, and adopt any project recommendations prepared by the Citizens Oversight Committee based on funding priorities and awards. Such recommendations shall consider the City’s equity index, as amended from time to time by the City, with the goal of providing park poor communities access to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities.

The Controller shall prepare and present to the City Council an annual report identifying all receipts and expenditures associated with the Fund in accordance with state law.

This measure will become effective if approved by no less than two-thirds of the voters voting.

**FINANCIAL IMPACT STATEMENT
BY MATTHEW W. SZABO, CITY ADMINISTRATIVE OFFICER**

The proposition imposes a new parcel tax on properties based on the square footage of improvements, at a rate of \$0.08414 per square foot of parcel improvements. The tax is expected to generate approximately \$227.4 million in annual revenue. Tax revenues shall be used for the purposes of funding the acquisition, maintenance, and operation of parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities.

The tax would be reduced to \$0.0222 per square footage of improvements upon the completion of certain capital programs or in the fiscal year beginning 2053-54, whichever occurs sooner. The reduced rate is expected to generate approximately \$60 million in annual revenue, to continue funding program administrative, operational and maintenance costs.

The proposition is not anticipated to have a significant impact on City finances as program expenses would be fully funded from the parcel tax collections.



ARGUMENT IN FAVOR OF PROPOSITION SP

We all need safe, clean parks. Today, our parks need our help.

That's why we need Measure SP.

We absolutely must address homelessness in our neighborhood parks. This can be done humanely, in partnership with local religious organizations, nonprofits and social service organizations – but it must be done. Our parks must be safe and clean for all of us to use.

More than 100,000 LA kids participate in organized afterschool and summer programs, which help keep kids on the right track and out of trouble. Measure SP supports these vital programs and helps reduce gang activity.

Too many local parks and recreation centers suffer from asbestos, mold, leaky roofs, lack of safe drinking water, termite damage, decaying walls, bad plumbing, old gas and sewer lines, unsafe lighting and restrooms. Too many are not accessible for people with disabilities, and often for senior citizens.

We need Measure SP to fix these problems.

Measure SP will maintain safe drinking water at parks and rec centers.

Measure SP will fix unsafe conditions at neighborhood parks, playgrounds, recreation centers, senior centers and other facilities to keep us safe.

Measure SP also helps fight ongoing drought and protect water quality.

Measure SP cleans up our parks, beaches and natural areas, keeping trash and pollutants out of local creeks, rivers, lakes, coastal waters and beaches.

Measure SP prevents contamination of our critical local groundwater.

Measure SP saves money and helps protect our scarce local drinking water supplies, through water conservation, including drought-tolerant plants and increased use of recycled water for playfields, landscaping, grass and natural areas.

Measure SP also removes dead trees and dried brush to reduce wildfire risks and protect our neighborhoods.

Measure SP includes strict accountability and public disclosure of all spending.

We all need safe, clean parks. Vote Yes on SP!

Arguments printed on this page are the opinions of the authors and are not checked for accuracy by any City agency.



PERSONS SIGNING ARGUMENT IN FAVOR OF PROPOSITION SP

JOE BUSCAINO
Councilmember
City of Los Angeles

JIMMY KIM
General Manager
L.A. City Recreation & Parks

ROBERT ARIAS
Chair
San Fernando Coalition on Gangs

GREGORY BOYLE
Founder
Homeboy Industries

CAROLYN RAMSAY
Executive Director
LA Parks Foundation

DR. ALICE "SWEET ALICE" HARRIS
Founder
Parents of Watts



REBUTTAL TO THE ARGUMENT IN FAVOR OF PROPOSITION SP

PROPOSITION SP INCREASES PROPERTY TAXES BY \$84.14 PER 1,000 SQUARE FEET.

The owner of a 1,500-square-foot home will pay an additional \$1,893.15 in just the first 15 years!

TAXPAYERS ARE ALREADY PAYING TO MAINTAIN THE PARKS, BUT THE CITY IS DIVERTING THE MONEY.

The City Council diverts money from the current parks budget by charging Recreation and Parks for city services provided free to other departments. According to Recreation and Parks' own website, "These indirect costs now account for over 23% (\$43 million) of the entire Department's budget." (Source: www.laparks.org/department on 8/21/22)

PROPOSITION SP IS A TAX TO PAY FOR THE OLYMPICS.

Councilman Joe Buscaino admitted in a 2021 City Council motion that a tax increase was needed for "upgrades" to Recreation and Parks facilities for the 2028 Olympics. Proposition SP is a \$6.8 billion tax increase for 30 years!

VOTE NO ON PROPOSITION SP.

More Information:

Howard Jarvis Taxpayers Association
213-384-9656
www.NoNewTaxes.net

PERSONS SIGNING REBUTTAL TO THE ARGUMENT IN FAVOR OF PROPOSITION SP

JON COUPAL
President
Howard Jarvis Taxpayers Association

MICHAEL D. ANTONOVICH
Los Angeles County Supervisor
1980-2016, Ret.

JACK HUMPHREVILLE
Neighborhood Council Budget Advocate

DANIEL M. YUKELSON
Executive Director
Apartment Association of Greater
Los Angeles

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ARGUMENT AGAINST PROPOSITION SP

VOTE NO on PROPOSITION SP because it will cost taxpayers thousands of dollars over 30 years.

Proposition SP will cost every homeowner \$84.14 per 1,000 square feet of their home per year. The owner of a 1,500-sq-ft. home would pay an additional \$1,893.15 in just the first 15 years.

VOTE NO on PROPOSITION SP because it's a massive tax increase.

In 1996, voters passed Proposition K, a tax increase for parks that ends in 2026. Politicians want to replace the expiring tax with a new tax increase. However, Proposition SP will raise taxes \$227 MILLION PER YEAR. That's nearly 10 times as much as Proposition K, which cost \$25 million per year.

VOTE NO on PROPOSITION SP because it's a back-door tax to pay for the Olympics

Last December, Councilman Joe Buscaino presented a motion to direct the city to hire a consultant to develop a ballot measure to raise \$2.1 billion for Recreation and Parks improvements. The motion stated, "With the City hosting the 2028 Summer Olympics, and several of Recreation & Parks facilities serving as venues for various competitions, we must act now, to ensure all needed upgrades and repairs are completed prior to the games." Proposition SP is a tax increase to pay for the Olympics.

VOTE NO on PROPOSITION SP because it's THREE TIMES MORE THAN NEEDED

The planned \$2.1 billion tax increase has turned into Proposition SP, which raises taxes by more than triple that amount. The City Council wanted to spend more, so in May, the City Administrative Officer outlined a \$4.6 billion tax increase. Then in June, the Council identified "other potential projects" that required tax hikes, including the massive L.A. River overhaul. Proposition SP will cost \$6.8 billion!

VOTE NO on PROPOSITION SP.

For More Information:
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PERSONS SIGNING ARGUMENT AGAINST PROPOSITION SP

JON COUPAL
President
Howard Jarvis Taxpayers Association

MICHAEL D. ANTONOVICH
Los Angeles County Supervisor
Ret., 1980-2016

JACK HUMPHREVILLE
Neighborhood Council Budget Advocate



REBUTTAL TO THE ARGUMENT AGAINST PROPOSITION SP

Let's be clear: Measure SP has nothing to do with the Olympics.

The Olympics aren't mentioned in Measure SP or its expenditure plan. That false argument is bad-faith politics.

Measure SP funds can only be spent on one thing: keeping LA's 1,100 neighborhood parks, playgrounds, senior, recreation, youth and community centers clean and safe.

More than 100,000 LA kids rely on safe places to play for afterschool and summer programs, which are essential for reducing gang activity and helping kids stay on the right track.

Angelenos of all ages, from all neighborhoods, rely on local parks, senior centers, recreation centers and community centers, all the time.

Funding from 1996 is running out. It's time to renew local funding to improve public safety, address homelessness and make sure these important public places are safe and clean for all of us to use.

Vote Yes on SP – we all need Safe Parks!

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**PERSONS SIGNING REBUTTAL TO THE ARGUMENT AGAINST
PROPOSITION SP**

JOE BUSCAINO
Councilmember
City of Los Angeles

STEPHANIE VENDIG
President
Los Angeles Federation of
Senior Citizen Clubs

EDWARD JAMES OLMOS
Actor

CANDICE DICKENS-RUSSELL
President and CEO
Friends of the Los Angeles River

KAREN BASS
Member of Congress

EVELYN HERNANDEZ
Health Educator
Wilmington Community Clinic

RICK CARUSO
Businessman

REV. SHANE B. SCOTT
Senior Pastor
Macedonia Baptist Church, Watts

TONY BROWN
CEO
Heart of Los Angeles Programs for
Underserved Youth

TRACY QUINN
President and CEO
Heal the Bay



PROPOSITION SP

TEXT OF THE PROPOSED BALLOT MEASURE

ORDINANCE NO. _____

An ordinance amending Chapter II of the Los Angeles Municipal Code to add Article 1.18, that will fund the rehabilitation, remediation, improvement, development, addition, and acquisition of parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, along with their operation and maintenance, through the imposition of a special parcel tax on improved real property parcels within the City of Los Angeles (City).

WHEREAS, in 1996, the voters of the City adopted Proposition K: LA For Kids Program (Proposition K) which created a citywide assessment district to fund the acquisition, development, improvement and restoration of parks and recreational facilities in the City and fund City park programs and services;

WHEREAS, the Proposition K program assessment is set to expire in the 2026-27 fiscal year and result in the loss of funding to support parks and recreational facilities and park programs and services within the City;

WHEREAS, on May 23, 2022, the City Administrative Officer issued a report (CAO Report) in response to two City Council motions directing staff to report on options for establishing a new citywide assessment program for parks and recreational facilities to fund approximately \$4.6 billion worth of improvements and new developments, as estimated by the Department of Recreation and Parks;

WHEREAS, the CAO Report outlined various revenue options to fund park facilities and park operations such as a parcel tax, a sales (transaction and use) tax, general obligations bonds, and a gross receipts tax;

WHEREAS, at its June 21, 2022, meeting, the City Council further identified funding needs for other potential projects related to the Los Angeles Zoo, Sepulveda Basin, Los Angeles River, civic center green spaces and other improvements to venues, open spaces and waterways in the City, while emphasizing that all projects that are to be funded include equity considerations to address park poor neighborhoods and communities;

WHEREAS, given the upcoming expiration of Proposition K and other priority endeavors in the City to address homelessness, public safety, infrastructure improvements, and an increasingly precarious economy, new funding must be accessed;

WHEREAS, to secure the funding needs for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, along with their operation and maintenance in an equitable manner, without any preset funding levels or commitments, the City Council proposes the placement of a "Parks and Recreational Facilities Parcel Tax" before the voters;



WHEREAS, an imposition of a special parcel tax would provide a source of funding for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, along with their operation and maintenance;

WHEREAS, the deployment of the special tax funds will be prioritized based on the City's equity index with the goal of providing park poor communities with safe healthful access to parks and recreational facilities; and

WHEREAS, a citizens oversight committee and an administrative oversight committee will be established to ensure that the revenue from the special parcel tax are used for the purposes described and authorized by the voters.

NOW THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Article 1.18 is added to Chapter II of the Los Angeles Municipal Code to read as follows:

ARTICLE 1.18

PARKS AND RECREATIONAL FACILITIES PARCEL TAX

SEC. 21.18.1. TITLE.

This article may be referred to as the Parks and Recreational Facilities Parcel Tax.

SEC. 21.18.2. DEFINITIONS.

The following words and phrases whenever used in this article shall be construed as defined in this section:

- (a) **"AMI"** shall mean the Area Median Income or Area Median Household Income as determined and amended by HUD, as applied to the City of Los Angeles.
- (b) **"Capital Programs"** shall mean the addition, rehabilitation, remediation, improvement, replacement, development, or acquisition of real property, equipment, fixtures, or improvements.
- (c) **"City"** shall mean the City of Los Angeles, a municipal corporation.
- (d) **"City Open Spaces and Recreational Venues"** shall mean City owned open spaces and recreational venues in the City, which shall include but not be limited to civic center green spaces, recreational venues, museums, and theaters such as the Los Angeles Zoo and others.
- (e) **"City Waterways and Water Elements"** shall mean rivers, waterways,



tributaries, lakes, dams, reservoirs, embankments, beaches, and other locations of water that are within the control of the City and used for recreation, including but not limited to the Los Angeles River and the Sepulveda Basin.

- (f) **“County”** shall mean the County of Los Angeles.
- (g) **“Fiscal Year”** shall mean the fiscal year of the City as defined under Vol 1, Art. III, Sec. 310 of the City Charter.
- (h) **“HUD”** shall mean the U.S. Department of Housing and Urban Development, or its successor department or agency.
- (i) **“Low Income”** shall mean a household with an annual income of 80 percent of AMI or less.
- (j) **“Owner”** shall mean the person owning, claiming, possessing, or controlling the Parcel as of the lien date.
- (k) **“Parcel”** shall mean any unit of real property designated by an assessor’s parcel map and parcel number as shown on the last equalized assessment roll of the County of Los Angeles.
- (l) **“Parcel Improvement”** shall mean any building, structure, enclosure, facility, or other improvement erected on or affixed to a parcel as shown on the last equalized assessment roll of the County of Los Angeles.
- (m) **“Park Facilities”** shall mean park and recreational sites in the City that include but are not limited to regional parks, recreation centers, pools and bathhouses, restrooms, childcare facilities, senior centers, lakes, trails, picnic areas, playgrounds, community school park facilities, park ranger facilities, athletic fields and courts, and other open public spaces.
- (n) **“Person”** shall mean an individual, corporation, partnership, trust or estate, joint-stock company, association, limited liability company, syndicate, group, pool, joint venture or other unincorporated organization or group as the context may require.
- (o) **“Special Parcel Tax”** shall mean the special tax imposed by this article.

SEC. 21.18.3. SPECIAL PARCEL TAX.

- (a) Except as otherwise provided under this article, there is hereby imposed a Special Parcel Tax on every parcel within the City. The Special Parcel Tax shall be imposed each Fiscal Year, beginning with the Fiscal Year 2023-24.
- (b) The Special Parcel Tax constitutes a debt owed by the Owner to the City.



SEC. 21.18.4. SPECIAL PARCEL TAX RATE.

- (a) The Special Parcel Tax Rate to be imposed on each parcel shall be \$0.08414 per square footage of Parcel Improvement or fractional part thereof.
- (b) The Special Parcel Tax Rate imposed on a Parcel under paragraph 21.18.4(a) shall be reduced to \$0.0222 per square footage of Parcel Improvement or fractional part thereof on the earlier of the Fiscal Year that follows the Fiscal Year in which the Capital Programs related to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities are complete, as determined by City Council, or the Fiscal Year beginning 2053-54.
- (c) City Council may, by ordinance, establish a Special Parcel Tax Rate less than the rate provided in subsections (a) or (b). Following any such decrease in the Special Parcel Tax rate, the City Council may, by ordinance, increase the Special Parcel Tax rate to an amount not to exceed the rate provided in Subsection (a), subject to the provisions of Subsection (b).

SEC. 21.18.5. COLLECTION OF THE SPECIAL PARCEL TAX.

- (a) Unless the City Council seeks another method for collection of the Special Parcel Tax, such tax shall be levied and collected by the County at the same time and manner, and subject to the same penalties, and interest as ad valorem property taxes collected by the County.
- (b) If the City Council selects collection by the County, the Special Parcel Tax shall be imposed on the ad valorem property tax bill for the Fiscal Year beginning July 1. The Special Parcel Tax shall be first imposed no sooner than the ad valorem property tax bill for the Fiscal Year beginning July 1, 2023.

SEC. 21.18.6. EXEMPTIONS.

- (a) The following Parcels shall be exempt from the Special Parcel Tax imposed under this article:
 - (1) a Parcel upon which the imposition of the Special Parcel Tax would be in violation of either the Constitutions of the United States or the State of California;
 - (2) a Parcel having an Owner that is the federal government, a state government, local government, or any federal, state, or local government agency or district;
 - (3) a Parcel having an Owner that is a non-profit organization or entity owned or controlled by a non-profit organization satisfying the requirements of California Revenue and Taxation Code Section 214, as amended; and
 - (4) a Parcel having an Owner who is a Low Income household.



(b) The City, in a separate ordinance, shall establish the procedures and guidelines for Owners to apply for, and be granted, the exemptions identified in this section. Owners who claim an exemption may be required to submit information annually to substantiate their continuing qualification for the exemption.

SEC. 21.18.7. PARK AND RECREATIONAL FACILITIES SPECIAL PARCEL TAX FUND.

There is hereby established a special fund in the City Treasury entitled “Parks and Recreational Facilities Special Parcel Tax Fund” (**Fund**). Monies collected from the Special Parcel Tax under this article, including penalties and interest, shall be deposited into the Fund. Monies deposited in the Fund shall not be subject to reversion to the Reserve Fund, established under Charter Section 302. Monies of the Fund may be deposited in an interest bearing account. All interest earnings generated by monies of the Fund shall remain in it and be used only for the purpose for which the Special Parcel Tax in this article is imposed. The City may establish separate accounts or subaccounts within the Fund to the extent needed to account for the uses permitted under this article.

SEC. 21.18.8. PURPOSE OF THE SPECIAL PARCEL TAX.

(a) Monies in the Fund shall, without any preset spending levels or commitments, be used for:

(1) Capital Programs related to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities, such Capital Programs to take into account the City’s equity index, as amended from time to time by the City, with the goal of providing park poor communities access to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities;

(2) furnishings, accessories, trash and recycling receptacles and other equipment to be used at City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities;

(3) the cost to operate and maintain City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities;

(4) the cost to operate and maintain recreational orientated programs at City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities; and

(5) lease payments under any lease entered into to support lease revenue bonds that finance any of the purposes described under subparagraphs (1) and (2) of this section and to pay any costs or expenses reasonably related thereto.

(b) Monies in the Fund may be used to pay the costs of audits with respect to the uses of the monies in the Fund, including preparation of the Annual Report and other reports under Section 21.18.11.



(c) Monies in the Fund may be used to pay for the costs of administering the Special Parcel Tax, regardless of how or by what entity those administrative services are provided. No more than 10 percent of the Special Parcel Tax deposited into the Fund in any Fiscal Year may be used to pay for such administrative costs. Administrative costs include, but are not limited to:

(1) costs associated with administering, monitoring, and enforcing compliance with this article. Such costs include, but are not limited to, refunds, audits, adjustments, any expenses, including attorneys' fees, associated with any proceedings needed to enforce the requirements of this article;

(2) costs associated with developing ordinances and regulations to implement this article;

(3) costs associated with the operations of the oversight committees described in Sections 21.18.9 and 21.18.10; and

(4) costs associated with the collection of the Special Parcel Tax through the County or by any other method of collection of the Special Parcel Tax as may be selected by the City Council.

(d) If this article or the use of the Special Parcel Tax is legally challenged, monies from the Fund may be used to reimburse the City for its legal defense, including attorneys' fees and other expenses.

SEC. 21.18.9. CITIZENS OVERSIGHT COMMITTEE.

A Citizens Oversight Committee shall be established by ordinance to make recommendations on projects to be funded from the Special Parcel Tax and the Fund and to monitor the implementation and performance of the projects, programs, and services funded by the Special Parcel Tax and the Fund. Such recommendations shall consider the City's equity index, as amended from time to time by the City, with the goal of providing park poor communities access to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities.

SEC. 21.18.10. ADMINISTRATIVE OVERSIGHT COMMITTEE.

(a) An Administrative Oversight Committee shall be established by ordinance to review, amend, and adopt any project recommendations prepared by the Citizens Oversight Committee based on funding priorities and awards.

(b) The Administrative Oversight Committee shall consist of the Mayor, City Administrative Officer, and Chief Legislative Analyst, or their respective designees.

SEC. 21.18.11. ANNUAL REPORT.

The Controller shall (i) prepare and present to the City Council an annual report identifying all receipts into and all expenditures out of the Fund in accordance with Section 50075.3 of the California Government Code or successor provision, and (ii) prepare and



provide to the relevant State authority any information required under Section 12463.2(b) of the California Government Code or successor provision.

SEC. 21.18.12. REFUNDS AND ADJUSTMENTS.

The City shall establish procedures and guidelines relating to refunds, exemptions, adjustments, delinquencies, appeals, and other processes and procedures.

SEC. 21.18.13. AMENDMENTS.

This article may only be amended by a vote of the people if the amendment would result in the Special Parcel Tax being imposed, extended, or increased in a manner not originally approved by the voters. City Council is hereby authorized to amend this article provided such amendment does not require voter approval.

SEC. 21.18.14. SUBMISSION TO VOTERS.

The ordinance enacting this article shall be submitted to the voters of the City. The Special Parcel Tax proposed by this article shall be levied only if the ordinance is approved by a vote of not less than two-thirds of the voters voting. If the ordinance is approved by the requisite number of voters, the article shall thereafter be considered part of the Los Angeles Municipal Code.

SEC. 21.18.15. SEVERABILITY CLAUSE.

If any section, clause, sentence, phrase, or portion of this article is held unconstitutional or invalid by any court or tribunal of competent jurisdiction, the remaining sections, clauses, sentences, phrases, or portions of this article shall remain in full force and effect, and to this end the provisions of this article are severable. In addition, the voters declare that they would have passed all sections, clauses, sentences, phrases, or portions of this article without the section, clause, sentence, phrase or portion held unconstitutional or invalid.

