

City Attorney's Impartial Analysis of Measure P

Measure P is the "City of Paramount Public Safety, Environment, Streets and Business Improvement Measure." If approved by the voters, it would adopt a new Paramount Special Parcel Tax Ordinance (the "Parcel Tax Ordinance").

If approved, Measure P would authorize the City to levy an annual special parcel tax on commercial and industrial properties to pay for designated programs and services at the following maximum rates:

- (1) \$0.08 per square foot on commercial parcels.
- (2) \$0.11 per square foot on industrial parcels.
- (3) \$0.13 per square foot on vacant commercial and vacant industrial parcels.

The parcel tax would not apply to residential property. Parcels that are constitutionally or statutorily exempt from parcel taxes would also be exempt. The City Council could adopt additional exemptions by resolution.

The City estimates that this Measure would generate approximately \$4,000,000 annually in new local revenue. The tax rates above would be phased in over a three-year period with 65% of the full rate in year one, 80% of the full rate in year two, and 100% of the full rate in year three. After year three, beginning in fiscal year 2030-2031, the tax rates above would increase annually by up to 3% to adjust for inflation. The City Council may levy the tax at a rate less than the maximum authorized by the Parcel Tax Ordinance.

Because Measure P would be a special tax, the tax revenue could only be spent for the specific purposes authorized by the voters. The Parcel Tax Ordinance states that the City would be allowed to use the tax proceeds to provide funding for roads and related infrastructure, including pavement repairs and improvements; public safety services, including street takeover abatement and prevention and business burglary prevention and response; environmental services, including air quality monitoring, stormwater permit compliance, illegal dumping cleanup, graffiti abatement, and organics diversion; and business reinvestment programs, including compliance grants and security support, within the City.

Proceeds from the parcel tax established by this Measure would be deposited into a special fund maintained by the City for use on the foregoing programs and services. A City-created Oversight Committee would monitor the revenues collected and expended and issue recommendations to the City Council regarding the use of funds.

The Parcel Tax Ordinance would remain in effect unless and until ended by the voters. Measure P was placed on the ballot by a unanimous vote of the City Council.

The California Constitution requires that the proposed special tax be approved by two-thirds of the voters voting on the Measure. A "yes" vote on Measure P is to adopt the Parcel Tax Ordinance. A "no" vote on Measure P is to not adopt the Parcel Tax Ordinance.

/s/ Nicholas R. Ghirelli
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