

MEASURE I

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE I

A school district, following notice and a public hearing, has authority to levy special taxes upon approval by two-thirds of the votes cast on a special tax proposal pursuant to section 4 of Article XIII A of the California Constitution and sections 50075-50077, 50079, and 53722 of the California Government Code.

The Board of Trustees of the East Side Union High School District (Board) proposes levying a qualified special tax on each parcel of taxable real property within the district. The owners of each parcel of taxable real property in the district would annually pay \$98 per parcel for a period of 6 years, commencing July 1, 2011.

The purpose of the tax proposed by Measure I is to: retain and attract excellent teachers and support staff; increase student access to science, technology, math and core academic classes required for college admission and careers; keep guidance counselors; continue to fund art, music and athletics; and keep schools safe and secure. The proceeds of this special tax would not be used for administrators' salaries. Any parcels owned and occupied by persons age 65 or older would be eligible for an exemption from this parcel tax.

The proceeds of the special tax would be deposited into a separate fund. The proceeds could only be used for the purposes identified above and an annual written report would be made to the Board showing the amount of funds collected and expended, as well as the status of any projects or programs required or authorized to be funded from proceeds of the tax. This report would be filed no later than December 31st of each year. The Board would also be required to appoint an independent citizens' oversight committee to ensure the tax proceeds are spent for the specific purposes approved by the voters, and this oversight committee would report annually to the Board and community regarding expenditure of the funds.

A "yes" vote is a vote to approve a \$98 per year per parcel qualified special tax on parcels within the District for a six-year period of time.

A "no" vote is a vote not to approve a \$98 per year per parcel qualified special tax on parcels within the District for a six-year period of time.

Miguel Marquez
County Counsel

By: /s/ Elizabeth G. Pianca
Deputy County Counsel

COMPLETE TEXT OF MEASURE I

INTRODUCTION

"To retain and attract excellent teachers and support staff, increase student access to science, technology, math and core academic classes required for college admission and careers, keep guidance counselors, continue to fund art, music and athletics and keep our schools safe and secure, shall the East Side Union High School District be authorized to levy \$98 per parcel annually for six years with citizen oversight, an exemption for seniors, no money for administrator salaries, and guaranteed local control of funds?"

PURPOSE

To retain and attract excellent teachers and support staff, increase student access to science, technology, math and core academic classes required for college admission and careers, keep guidance counselors, continue to fund art, music and athletics and keep our schools safe and secure, the East Side Union High School District (grades 9-12 and Adult Education) proposes to establish an education parcel tax for a period of 6 years, beginning July 1, 2011, at the rate of \$98 per year, on each assessor's parcel located within the East Side Union High School District, with an exemption available for senior citizens, and to implement accountability measures in connection with the temporary levy that are over and above those required by law, including the appointment of an independent citizens' oversight committee to provide oversight and accountability to ensure the funds are used to:

- Retain and attract excellent teachers and support staff;
- Increase student access to science, technology, math and core academic classes required for college admission and careers;
- Keep guidance counselors;
- Continue to fund art, music, and athletics; and
- Keep our schools safe and secure.

The Board of Trustees will utilize parcel tax proceeds for the purposes listed above, unless the Board of Trustees determines in any given year that changes in student population, fiscal constraints, or other changes in state or federal funding make doing so infeasible or inadvisable. In any event, the Board of Trustees will not fund any program or reduction other than those listed above from the proceeds of the special parcel taxes.

EXEMPTIONS

All property that would otherwise be exempt from property taxes will also be exempt from the qualified special tax. In addition, in order to provide tax relief to certain citizens within the District, an exemption shall be available to persons who own and occupy as a principal residence a parcel and are 65 years or older, and apply to the District

COMPLETE TEXT OF MEASURE I - Continued

for an exemption under procedures established by the District or otherwise as required by law or by the Santa Clara County Tax Collector.

PROCEDURES

Generally. Subject to two-thirds approval of the voters, the special tax of \$98 per parcel annually (except exempt parcels, as described above) shall become effective as of July 1, 2011 and be collected by the Santa Clara County Tax Collector at the same time as and along with, and shall be subject to the same penalties as general *ad valorem* taxes collected by said tax collector.

Definition of Parcel. A parcel shall be defined as any unit of land in the District that receives a separate tax bill from the Santa Clara County Tax Collector.

Exemptions. Exemptions from the parcel tax are described above under "EXEMPTIONS."

Exclusive Procedures. The procedures described herein with respect to the levy and collection of the special tax and exemptions, and any additional procedures established by the Board of Trustees, shall be the exclusive claims procedure for claimants seeking an exemption, refund, reduction, or re-computation of the special parcel tax. Whether any particular claim is to be resolved by the District or by the County shall be determined by the District, in coordination with the County as necessary. The District's Board of Trustees may adopt such additional or supplemental procedures as it deems necessary or convenient for the administration of the special parcel tax.

ACCOUNTABILITY MEASURES

In accordance with the requirements of California Government Code sections 50075.1 and 50075.3, the following accountability measures, among others, shall apply to the special parcel taxes levied in accordance with this Measure: (a) the specific purposes of the special parcel tax shall be those purposes identified above; (b) the proceeds of the special parcel tax shall be applied only to those specific purposes identified above; (c) a separate, special account shall be created into which the proceeds of the special parcel taxes must be deposited; and (d) an annual written report shall be made to the Board of Trustees of the District showing (i) the amount of funds collected and expended from the proceeds of the special taxes and (ii) the status of any projects, programs, or purposes required or authorized to be funded from the proceeds of the special taxes, as identified above.

In addition to the accountability measures required by State law, an independent citizens' oversight committee shall be appointed by the Board of Trustees to advise the Board on the expenditures funded by the measure in order to ensure that said funds are spent for the purposes approved by the voters. The Citizens' Oversight Committee will monitor the expenditures of these funds by the District and will report on an annual basis to the Board and community on how these funds have been spent.

COMPLETE TEXT OF MEASURE I - Continued

PROTECTION OF FUNDING

Current law forbids any decrease in State or Federal funding to the District because of the District's adoption of a parcel tax. However, if any such funds are reduced because of the adoption of this parcel tax, then the amount of the special parcel taxes will be reduced annually as necessary in order to restore such State or Federal funding.

SEVERABILITY

The Board of Trustees of the District hereby declares, and the voters by approving this measure concur, that every section, paragraph, sentence and clause of this measure has independent value, and the Board of Trustees and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law.

ARGUMENT IN FAVOR OF MEASURE I

YES on Measure I to improve local schools.

All schools in the East Side Union High School District including Andrew Hill, Evergreen Valley, Foothill, Independence, James Lick, Mt. Pleasant, Oak Grove, Piedmont Hills, Santa Teresa, Silver Creek, W. C. Overfelt and Yerba Buena have improved test scores over the last four years. In addition:

- The District API score has increased every year for the past eight years, exceeding the state required goal;
- Graduates earning the state Golden State Seal Merit Diploma have increased to 17%;
- The International Baccalaureate Program at Andrew Hill was ranked the top IB school in Northern California in Newsweek poll last year;
- Annual enrollment in Advanced Placement courses has increased by 1,000 students since 2005.

Measure I will provide a stable source of local funding that will help protect and build on these achievements so we can prepare high school students for college and careers, even during the down economy and state cuts to education

Measure I supports improvements to our local high schools including:

- Attracting and retaining excellent teachers and support staff;
- Maintaining core academic offerings, including critical science, engineering, technology and mathematics courses;
- Improving student access to guidance counselors, including bilingual/bi-cultural counselors;
- Improving school safety and security;
- Ensuring student access to co-curricular activities.

Measure I is fiscally responsible. Funds cannot be used for administrator salaries, all money is for our local high schools and cannot be taken by the State. The measure exempts seniors and requires a citizen oversight committee to carefully review all expenditures.

East Side Union High School District is making steady progress in our local schools. Vote YES on I to keep this momentum going and to prepare students for college and careers.

/s/ Joe Coto
Assemblymember

/s/ Rose Herrera
City of San Jose Councilmember

/s/ Carl Guardino
President/CEO, Silicon Valley Leadership Group

/s/ Lan Nguyen
Board Vice President

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE I

HIGH PAY, LOW PERFORMANCE.

That sums up East Side Union High School District's current state. During this severe economic recession, rewarding this failure with more money is not an option. It's time to send the board and administrators a clear message with your vote of NO confidence on Measure I.

No longer can we tolerate an administration that grants salary increases while cutting education services that are required by law. The following facts about this district cannot be ignored:

- Pays itself the highest salary rates in California and the nation. The cost-of-living within ESUHSD, however, is lower than the state average.
- Bargaining which recently resulted in contracts granting widespread salary increases for 2010-2011, after cutting student educational services.
- Under State law, ESUHSD receives equitable funding as the other school districts yet refuses to provide equitable education services. (*Serrano vs. Priest*)
- There are no guarantees that this parcel tax would be used exclusively to restore and maintain education services.

Visit www.NoEastSideTax.org for details.

This parcel tax will not fix ESUHSD's problems; it will only subsidize them. As taxpayers struggling to make ends meet, we cannot continue to feed this district's mismanagement.

Your No vote on Measure I will tell ESUHSD to put Student Educational Services first.

/s/ Douglas A. McNea
President, Silicon Valley Taxpayers' Association

/s/ Brian S. Darby
Chair, Libertarian Party of Santa Clara County

/s/ Glen Wetzel
Parent

ARGUMENT AGAINST MEASURE I

The East Side Union High School District is back again, asking for more money—on top of the \$349 million bond money **we just gave them in February 2008**.

At a time when people are still losing their jobs (California has the nation's third highest unemployment) and housing foreclosures are at record levels, they want to add another tax!!! **They just don't get it.**

Economist Milton Friedman once remarked that "there's nothing as permanent as a temporary tax." What do you think will happen after six years of this \$98 per parcel tax? You guessed it: they'll be back for more.

They want "to retain and attract excellent teachers," yet California teachers are the second highest paid teachers in the nation, after New York. Will this tax increase be used to make them the highest paid of all? And you won't believe the pension benefits. It's like nothing you'll ever see in the private sector. And those exorbitant pensions are starting to bankrupt cities and counties all across the nation.

Taxpayers have to live within their means and so should the East Side Union High School District. This tax-and-spend frenzy has got to end.

They say they're designating "no money for administrative salaries," but all the other money is fungible—meaning that money now dedicated to teachers' salaries could be moved to administrative salaries if this tax increase is passed. It's a shell game and you shouldn't let them fool you into thinking otherwise.

And don't be fooled by the phony "citizens' oversight," because the School Board gets to hand-pick virtually all of the "oversight" members. It's the foxes watching the hen house.

You can be FOR schools, FOR students, and AGAINST Measure I.

For more information, visit <http://www.SVTaxpayers.org>.

/s/ Douglas A. McNea
President, Silicon Valley Taxpayers' Association

/s/ Brian S. Darby
Chair, Libertarian Party of Santa Clara County

/s/ Elizabeth C Brierly
Homeowner, East Side Union High School District

REBUTTAL TO ARGUMENT AGAINST MEASURE I

Our public schools provide our young people hope and opportunity. Without quality schools neighborhoods deteriorate, children lose opportunities and our community suffers. As former students, staff and/or parents in the East Side Union High School District we know the importance of quality education. For those of us who are alumni, the education and opportunities we enjoyed as high school students played a key role in shaping who we are today.

Our local high schools are getting better. In recent years they have made great strides improving test scores, increasing core academic course offerings, training and retaining excellent teachers and support staff and maintaining college and career counseling services for students. Our teachers, staff and parents have worked hard to increase the quality of education and improve the lives of East Side's diverse and talented students.

But in this era of state cutbacks to education, including millions of dollars cut from our high school budgets, the State is no longer a reliable partner. Our schools recent improvements will be lost without Measure I. Measure I provides the local high schools with a short term, locally controlled source of revenue that can be directly spent on student's classroom education.

The cost of Measure I will cost just \$8.17 a month, which is tax deductible and will expire after 6 years.

This election offers us a choice: Vote YES for continued improvement of our local public high schools, YES for a better future.

Improve our schools - vote YES on I.

/s/ Joe Coto
Assembly Member

/s/ Nora Campos
Councilmember, City of San Jose

/s/ Kansen Chu
Councilmember, City of San Jose

/s/ Ash Kalra
Councilmember, City of San Jose