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Measure D Administration Policy

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Section 1. Authority and Purpose

This Santa Clara Valley Wildfire Protection, Clean Water, and Open Space Act Administration Policy (“Policy”) is adopted by the Board of Directors (“Board”) of the Santa Clara Valley Open Space Authority (“Authority”) to govern the administration, collection, and oversight of the Special Parcel Tax authorized by Measure D, the “Santa Clara Valley Wildfire Protection, Clean Water, and Open Space Act,” (“Act”) approved by a majority of the voters of the Authority at an election held on June 2, 2026.

This Policy sets forth procedures for the annual levy calculation, exemption and appeal administration, tax roll preparation and submission to the County of Santa Clara, and the fiscal accountability and reporting requirements of state law and the Act.

Section 2. Definitions

The following definitions apply to this Policy and supplement those in Section 4 of the Act:

- (a) **“Act”** means the Santa Clara Valley Wildfire Protection, Clean Water, and Open Space Act.
- (b) **“Ad Valorem Tax”** means a tax based on the assessed value of an item or property
- (c) **“Administrator”** means the individual or firm retained by the Authority to administer the Measure D parcel tax.
- (d) **“Assessor”** means the Santa Clara County Assessor’s Office.
- (e) **“Authority”** means the Santa Clara Valley Open Space Authority.
- (f) **“Board of Directors”** or **“Board”** means the Board of Directors of the Santa Clara Valley Open Space Authority.
- (g) **“Building”** means any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person or property of any kind. The word “building” includes the word “structure” and encompasses, without limitation, all residential, commercial, and industrial structures.
- (h) **“County”** means the County of Santa Clara, California.
- (i) **“CPI Adjustment”** means the annual adjustment to the amount of the Special Parcel Tax authorized by Section 5(e) of the Act, based on the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco-Oakland-Hayward statistical area, as reported by the United States Bureau of Labor Statistics.
- (j) **“Fiscal Year”** means the period beginning July 1 and ending June 30 of the following calendar year.
- (k) **“Levy Date”** means July 1 of each Fiscal Year, the date on which the Special Parcel Tax is imposed.
- (l) **k) “Oversight Committee”** means the independent oversight committee created by the Authority in 2015, the Expenditure Plan Oversight Committee, to review the expenditures of all parcel tax revenues collected under Measure Q (as later modified to include 2020 Measure T).
- (m) **“Parcel”** means a lot, unit, or plot of real property having identified boundaries and an identified owner that is within the boundaries of the Authority and is documented for property tax purposes and given an assessor’s parcel number by the Santa Clara County Assessor.
- (n) **“Secured Roll”** means the portion of the assessment roll containing parcels of real property that are secured by a lien, maintained by the Santa Clara County Tax Collector.
- (o) **“Special Parcel Tax”** means the tax imposed by Section 5 of the Act.
- (p) **“Taxable Parcel”** means a Parcel that is not exempt from ad valorem property taxes pursuant to any provision of state or federal law.

Section 3. Amount and Basis of Tax

3.1 Tax Rate

Each Taxable Parcel within the Authority is subject to the Special Parcel Tax at the rate of \$0.02 per square foot of building area, not to exceed \$7,500 per parcel, commencing with the first full Fiscal Year after enactment of Measure D.

3.2 Levy Date and Assessment

The tax is imposed as of July 1 of each year and shall be assessed on the person who owned the parcel on that date unless the owner is by law exempt from taxation, in which case the special parcel tax shall be assessed on the holder of the possessory interest in the parcel unless such holder is also by law exempt from taxation.

3.3 Building Square Footage Determination

The Administrator shall use building square footage data maintained by the Santa Clara County Assessor's Office as the primary source. Where the Assessor's data is incomplete, missing, or demonstrably inaccurate, the Administrator shall conduct supplementary research using one or more of the following:

(a) Aerial imagery analysis and geographic information systems (GIS) tools, (b) third-party building data providers, (c) site visits and field verification, as warranted, or (d) building permit records and other public records maintained by the applicable local jurisdiction.

The Administrator shall document all supplementary research and the basis for any square footage determination that departs from the Assessor's data. The Administrator shall review the current lien roll annually to identify parcels requiring updated square footage research, including new construction and parcels with data discrepancies.

A property owner who believes the square footage used to calculate the tax is incorrect may file an appeal under Section 8 of this Policy.

3.4 Annual CPI Adjustment

Beginning with the second Fiscal Year of the tax, the Board may adjust the tax amount annually in accordance with the CPI-U for the San Francisco-Oakland-Hayward area, as authorized by Section 5(e) of the Act. Any adjustment must be adopted at a public meeting before the final tax roll is submitted to the County.

The Administrator shall calculate the proposed CPI-adjusted amount and present it to the Board with supporting data. The decision to implement a CPI adjustment is discretionary, and the Board's action shall be reflected in its minutes.

3.5 Maximum Parcel Tax Cap

No parcel shall be levied more than \$7,500 in any Fiscal Year, regardless of total building square footage. (Act, § 5(a).) The Administrator shall apply this cap when calculating final levies.

Section 4. Exemptions

4.1 Statutory Exemptions

The tax shall not be imposed on any parcel that is exempt from ad valorem property taxes under state or federal law. Each Fiscal Year, the Administrator shall identify all such exempt parcels within the Authority and exclude them from the Measure D tax roll.

4.2 Public Property

Public property exempt from ad valorem taxes is also exempt from the Measure D tax. However, where a taxable possessory interest exists on public property, the tax applies to that interest regardless of whether the underlying fee is separately subject to ad valorem taxes.

4.3 Senior Exemptions

An exemption from payment of the tax may be granted on a parcel owner who: **(1)** will attain 65 years of age prior to July 1 of the tax year, and **(2)** occupies that parcel as a principal residence. Senior exemptions may be granted based on a one-time application, subject to the Administrator’s verification of a property owner’s continuing qualification for an exemption.

4.4 Supplemental Security Income Exemption

An exemption from payment of the tax may be granted to a parcel owner who **(1)** is receiving Supplemental Security Income (SSI) for a disability, regardless of age, and **(2)** occupies that parcel as a principal residence. Once an SSI exemption has been granted, the property owner will be required to provide an updated benefits verification letter annually to continue to receive the exemption.

4.5 Social Security Disability Insurance Exemption

An exemption from payment of the tax may be granted to a parcel owner who **(1)** is receiving Social Security Disability Insurance (SSDI) benefits, regardless of age, **(2)** whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services, and **(3)** who occupies that parcel as a principal residence. Once an SSDI exemption has been granted, the property owner will be required to provide an updated benefits verification letter and income documentation annually to continue to receive the exemption.

4.6 Exemption Reporting

The Administrator shall provide reports of approved exemption applications monthly for the first six months of the tax. Quarterly reports shall be provided subsequently.

4.7 Exemption Application Process

For the first year of the tax, exemption applications must be submitted by July 27, 2026 to prevent the tax from appearing on the property tax bill.

Exemption applications will continue to be accepted through December 31, 2026. Submitting an exemption application does not suspend the obligation to pay their property tax bill. Property owners should pay the full amount charged to avoid default. Exemptions approved after issuance of a property tax bill in the first year of the tax will be issued refunds. Refund checks will be issued by mail from the Authority as soon as administratively reasonable after approval of an exemption application.

In subsequent years, exemption applications must be submitted by June 1 immediately preceding the tax year for which an exemption is requested. Exemption applications received after June 1 will be processed for the following tax year.

Exemption applications may be submitted through the Administrator’s Online Application Portal or by e-mail or mail to the Administrator as stated on the annual exemption application forms.

Applications must include a copy of the following documentation for verification purposes:

- Ownership Verification: A current Property Tax Bill indicating the applicant’s ownership of the property, and, if the property is held in a trust, a copy of the grant deed and abstract/cover page .
- Age Verification (Senior only): A valid California Driver’s License or Identification Card, or Passport.
- Occupancy Verification: A current utility bill (electric or cable) in the applicant’s name with service address.
- Benefits Verification Letter (SSI/SSDI only): A current Benefits Verification Letter may be obtained by calling the Social Security Administration at (800) 772-1213.
- Income Documentation (SSDI only): Proof of income must be included with your application. Examples include legible income tax returns and payroll stubs.

The Administrator shall provide monthly reports of approved exemption applications for the first six months of the tax. Quarterly reports of approved exemption applications shall be provided subsequently.

Section 5. Method of Collection

5.1 Collection by County Tax Collector

The tax is collected on the Secured Roll in the same manner and at the same time as ad valorem property taxes, under an agreement between the Authority and the County. All County laws and procedures governing due dates, installments, corrections, appeals, cancellations, refunds, penalties, liens, and collections for Secured Roll taxes apply to the Special Parcel Tax.

5.2 Tax Roll Preparation and Submission

The Administrator shall prepare the annual tax roll and submit it to the Santa Clara County Auditor-Controller, no later than the County’s filing deadline. The submission must conform to County formatting and documentation requirements.

The Secured Roll tax bill is the only notice required for collection of the tax.

5.3 Disbursement Schedule

The County disburses parcel tax revenue on its standard property tax apportionment schedule for special taxes and assessment, generally corresponding with an apportionment of the first installment collections in January and the remainder of the tax levied in June. The Authority participates in the “Teeter Plan” with the County whereby the County pays all delinquent parcel taxes to the Authority and in return, the County institutes collection proceedings and, when collected, keeps all delinquent payments with interest and penalties.

Section 6. Authorized Expenditures and Use of Funds

6.1 Permissible Uses

Tax proceeds shall be used solely for the purposes set forth in the Santa Clara Valley Wildfire Protection, Clean Water, and Open Space Act.

6.2 Prohibition on Other Uses

No proceeds shall be spent for purposes outside of the Act. All expenditures are subject to Board approval through the Authority's standard budget process.

Section 7. Fiscal Accountability and Oversight

7.1 Separate Fund

Tax proceeds shall be deposited into a designated account created for this purpose, as required by Section 7 of the Act and Government Code Section 50075.1(c). The Authority's chief fiscal officer shall maintain this as a separate account with all Measure D revenues and expenditures clearly identified.

7.2 Independent Annual Audit

Expenditure of tax proceeds is subject to annual independent audit under Government Code Section 26909, as required by Section 11(b) of the Act. The audit shall examine whether Measure D funds were spent for the authorized purposes.

7.3 Annual Report and Public Presentation

Under Government Code Section 50075.3 and Section 11(a) of the Act, the Authority's chief fiscal officer shall file an annual report with the Board containing:

- (1) The amount of funds collected and expended pursuant to the Act.
- (2) The status of any project required or authorized to be funded by the Act.

The report shall be filed within the timeline required by Government Code Section 50075.3 and presented to the Board at a public meeting, as required by Section 11(a) of the Act.

7.4 Independent Oversight Committee

The Independent Oversight Committee shall review the expenditures of all tax revenues collected under the Act. The Oversight Committee's responsibilities shall include reviewing expenditures on an annual basis to ensure they conform to the requirements of this Act, reviewing the annual report and independent financial audit described above, and submitting its oversight report to the Board.

Section 8. Appeals and Corrections

8.1 Right to Appeal

A property owner who believes the Measure D levy on their parcel has been calculated in error may appeal to the Authority. Grounds for appeal include the square footage determination, application of the tax rate or cap, ad valorem property tax exemption status, or any other aspect of the levy calculation.

8.2 Filing an Appeal

Appeals must be submitted in writing using the Measure D Parcel Tax Correction/Appeal Application, available from the Administrator or the Authority. The application must include the owner’s name, parcel number, contact information, the basis for the appeal, and any supporting documentation. Applications may be submitted to the Administrator at any time.

8.3 Appeals of Building Square Footage

Where the levy was based on Assessor data, the property owner is encouraged to contact the County Assessor’s Office. The Authority will also accept appeals supported by building permits, professional appraisals, architectural plans, or independent measurements. Where the Administrator used supplementary research under Section 3.3, the owner may appeal directly to the Authority with alternative documentation.

8.4 Obligation to Pay During Appeal

Filing an appeal does not suspend the obligation to pay. Property owners should pay the full amount charged to avoid default. If an appeal is granted, the Authority or County will process a refund.

8.5 Resolution of Appeals

The Administrator shall promptly review the appeal, research the parcel data, and present findings to the Authority. The Authority’s designated representative(s) shall review the appeal based on the information presented by the property owner and the Administrator and shall issue a written determination. The Authority may set annual deadlines for appeal submissions and refund processing.

The determination of the Authority’s designated representative is the final administrative determination. The General Manager is the Authority’s designated representative.

Nothing in this Policy limits any right of judicial review under applicable law.

8.6 Refunds

Where an appeal results in a correction, the Administrator shall coordinate with the County to process any refund due, or the Authority may issue a refund directly to the property owner. Refunds are limited to the current fiscal year in which an appeal is filed.

8.7 Appeal Reporting

Appeals shall be reported when they are received. The Administrator shall provide reports of approved appeals monthly for the first six months of the tax and quarterly thereafter.

Section 9. Amendment of Policy

The Board may amend this Policy from time to time as needed to reflect changes in County procedures, state law, or Authority operations. Any amendment to this Policy must remain consistent with the Act.

Section 10. Term of the Special Parcel Tax

The Special Parcel Tax remains in effect until ended by the voters.