



SUMMARY

ACA 1 will propose to voters a constitutional amendment to lower the necessary vote threshold from a two-thirds supermajority to 55 percent to approve local general obligation (GO) bonds and special taxes for affordable housing and public infrastructure projects.

ACA 1 is targeted to the urgent needs of local communities. This measure gives local governments a more realistic financing option to fund an increase in the supply of affordable housing, and to address the numerous local public infrastructure challenges cities, counties, and special districts are facing.

BACKGROUND

The California Constitution requires a two-thirds vote at the local level for both GO bonds and special taxes.

However, local school districts must only achieve 55 percent voter approval for school bonds to fund construction, reconstruction, rehabilitation, replacement of school facilities, furnishing of schools, or the acquisition or lease of real property.

From 2001 to 2013, over 2,200 local revenue measures have been placed before voters concerning school, city, county, or special district taxes or bonds. Majority vote tax measures have proven to be much more likely to pass, while just half of two-thirds vote measures succeeded. School bonds with a 55 percent have been the most successful, with four out of every five passing. In contrast, just half of two-thirds vote measures succeeded. A 55 percent vote threshold for special taxes would have made a dramatic difference. Nearly 80 percent of all two-thirds supermajority measures garnered more than 55 percent of “yes” votes.

1) AFFORDABLE HOUSING NEED

According to the Department of Housing & Community Development (HCD), in the last 10 years California has built an average of 80,000 homes per year, while the need to keep up with the housing need is approximately 180,000 homes per year. There is a shortfall of over one million rental homes affordable to extremely low and very low-income households.

2) LACK OF FUNDING FOR PUBLIC INFRASTRUCTURE

Cities, counties, and special districts face numerous challenges in securing funding for important local public infrastructure projects, including:

Water. Much of the state’s water supply, wastewater, and flood control infrastructure is aging. Rebuilding typically requires costly upgrades to meet increasingly high standards for water quality and infrastructure safety. In the last few decades, new mandates on managing stormwater runoff and climate change have added increased costs and heightened levels of management complexity. The water sector has historically relied heavily on locally generated revenues, which means that Proposition 13 (1978), Proposition 218 (1996), and Proposition 26 (2010), have made it increasingly difficult for local agencies to raise funds.

Parks and Recreation. According to the Statewide Comprehensive Outdoor Plan of 2015, 62 percent of Californians live in areas with less than 3 acres of parkland per 1,000 residents (the recognized standard for adequate parks). Additionally, 9 million people do not have a park within a half mile of their home.

Other Local Needs. Our local governments across the state know best what specific priorities matter most in their communities. For some, funding the costs of a new library or other public building is a means to create local engagement and encourage learning. For others, funding the expansion of broadband is a concern that can seem financially impossible. Strained public safety and emergency response resources in many regions could also benefit from much needed investment. Plus, with discussions underway in Washington D.C. about a possible federal infrastructure initiative, the ability to provide matching-dollars for federal grants is critical to being competitive for new grants.

3) IMPACT OF TWO-THIRDS VOTER REQUIREMENT

The California Constitution limits the opportunity for communities to decide to tax themselves to provide funding for local projects that meet goals and laws approved by the majority. One-third of local voters have the power to overrule fiscal decisions.

THIS CONSTITUTIONAL AMENDMENT

ACA 1 will lower the constitutional vote threshold to 55 percent for both GO bonds and special taxes, when proposed specifically for the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or supportive housing.

The constitutional amendment will also specify requirements for voter protection, public notice, and financial accountability.

In practice, local officials propose a local bond or special tax, and then the voters in that community decide whether they support the idea or not. The voters would still need to overwhelmingly (with 55 percent of the vote) support a bond or special tax in order for it to be approved. ACA 1 will level the playing field and create parity between school districts and cities, counties, and special districts, so that all local governments have a viable financing tool to address community needs.

ACA 1 defines “public infrastructure” to include:

- Projects to provide water or protect water quality, sanitary sewer, treat wastewater or reduce pollution from storm water runoff;
- Protect property from impacts of sea level rise;
- Public buildings, including fire and police facilities;
- Parks, open space, and recreation facilities;
- Improvements to transit and streets and highways;
- Flood control;
- Public library facilities;
- Broadband expansion in underserved areas;
- Local hospital construction;
- Public safety buildings, facilities, and equipment;
- Public library facilities.

ACA 1 defines “affordable housing” and “supportive housing” to include:

- Housing developments that provide workforce housing affordable to households earning up to 150% of countywide median income;
- Housing developments that provide housing affordable to lower, low, or very low-income households, as those terms are defined in state law;
- Targeted housing that is linked to services that assist residents in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community.

This measure proposes an amendment to the California Constitution, which means that if passed by the Legislature, the proposal would then go to the ballot for voter approval during the next statewide election.

SUPPORT

California Professional Firefighters (co-sponsor)
State Building and Construction Trades Council of California (co-sponsor)
AARP
Abode Communities
Abundant Housing LA
Affirmed Housing
All Home
Alta Housing
American Council of Engineering Companies, California
American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO
American Planning Association
American Society of Civil Engineers
Associated General Contractors, California Chapter
Association of Bay Area Governments - Metropolitan Transportation Commission
Brilliant Corners
California Alliance for Jobs
California Asphalt Pavement Association
California Association of Local Housing Finance Agencies
California Association of Recreation and Park Districts
California Conference of Carpenters
California Construction and Industrial Materials Assoc.
California Democratic Party
California Fire Chiefs Association
California Housing Consortium
California Housing Partnership Corporation
California IATSE Council
California Labor Federation
California Library Association
California School Employees Association
California Special Districts Association
California State Association of Counties
California State Association of Electrical Workers
California State Council of Laborers
California Stormwater Quality Association
California Transit Association
California YIMBY
Canal Alliance
Circulate San Diego
City and County of San Francisco
City of Alameda
City of Belmont
City of Emeryville
City of Fremont
City of Half Moon Bay
City of Hayward
City of Kingsburg
City of Long Beach
City of Oakland

City of Palo Alto
 City of Petaluma
 City of San Diego
 City of Santa Rosa
 City of Santa Monica
 City of San Luis Obispo
 City of Soledad
 City of Tulare
 City of Walnut Creek
 City of West Hollywood
 City of West Sacramento
 City of Winters
 Civicwell
 Council of Community Housing Organizations
 County of Marin
 County of Santa Clara
 County of Yolo
 Desert Recreation District
 Destination: Home
 Devine & Gong, INC.
 District Hospital
 EAH Housing
 East Bay for Everyone
 East Bay Housing Associations
 East Bay Municipal Utility District
 East Bay YIMBY
 Eden Housing
 Enterprise
 Evolve California
 Fire Districts Association of California
 Generation Housing
 Grow the Richmond
 Habitat for Humanity California
 How to ADU
 Housing Leadership Council of San Mateo County
 Housing Trust Silicon Valley
 International Union of Operating Engineers, Cal-Nevada
 Conference
 League of California Cities
 League of Women Voters of California
 Local Initiatives Support Corporation (LISC) Bay Area
 Mercy Housing California
 Metropolitan Transportation Commission
 MidPen Housing Corporation
 Midpeninsula Regional Open Space District
 Mission Housing Development Corporation
 Monterey Bay Economic Partnership
 Mountain View YIMBY
 Move LA
 Mutual Housing California
 Napa-Solano for Everyone
 Non-profit Housing Association of Northern California
 Nor Cal Carpenters Union
 North Bay Leadership Council
 Northern Neighbors
 Old Valley Homes and Loans
 PATH
 Peninsula Corridor Joint Powers Board
 Peninsula For Everyone
 People for Housing Orange County
 Professional Engineers in California Government
 Progress Noe Valley
 Public Policy Advocates
 Rebuild SoCal Partnership
 Regional Asthma Management and Prevention
 Resources for Community Development
 Rural County Representatives of California
 San Francisco Bay Area Planning and Urban Research
 Association
 San Francisco Foundation
 San Francisco Housing Accelerator Fund
 San Francisco Housing Development Corporation
 San Francisco YIMBY
 San Joaquin Valley Housing Collaborative
 San Luis Obispo YIMBY
 San Mateo County Transit District
 San Ramon Valley Fire Protection District
 Santa Clara Valley Water District
 Santa Cruz YIMBY
 Santa Rosa YIMBY
 Save The Bay
 Seifel Consulting, Inc.
 SLOCo YIMBY
 Solano Transportation Authority
 Sonoma County Area Agency on Aging
 South Bay YIMBY
 South Side Forward
 Southern California Contractors Association
 St. Mary's Center
 Streets for People
 State Building and Construction Trades Council of
 California
 SV@HomeActionFund
 Tenderloin Neighborhood Development Corp.
 Transportation California
 Tri-Valley Cities of Dublin, Livermore, Pleasanton, San
 Ramon, and the Town of Danville
 Urban Counties of California
 Urban Environmentalists
 United Contractors
 United Way Bay Area
 Valley Water
 Ventura County YIMBY
 Washington Hospital Healthcare System

Western Center on Law and Poverty
Western Regional Association for Pavement
Preservation
YIMBY Action

CONTACT

Rita Durgin, Legislative Aide

Rita.Durgin@asm.ca.gov

(916) 319-2004