



Contra
Costa
County

To: Board of Supervisors
From: LEGISLATION COMMITTEE
Date: September 11, 2018

Subject: Recommended Advocacy Positions on November Ballot Measures

RECOMMENDATION(S):

ADOPT the following advocacy positions on the qualified statewide ballot measures for the November 6, 2018 election, as recommended by the Legislation Committee of the Board of Supervisors: "Support" on Proposition 1, Authorizes Bonds to Fund Specified Housing Assistance Programs; "Oppose" on Proposition 2, Authorizes Bonds to Fund Existing Housing Program for Individuals with Mental Illness; "Support" on Proposition 3, Authorizes Bonds to Fund Projects for Water Supply and Quality, Watershed, Fish, Wildlife, Water Conveyance, and Groundwater Sustainability and Storage; "Support" on Proposition 4, Authorizes Bonds Funding Construction at Hospitals Providing Children's Health Care; "Oppose" on Proposition 5, Changes Requirements for Certain Property Owners to Transfer their Property Tax Base to Replacement Property; and "Oppose" on Proposition 6, Eliminates Certain Road Repair and Transportation Funding, Requires Certain Fuel Taxes and Vehicle Fees to be Approved by The Electorate.

ADOPT the attached resolution in opposition to Proposition 5.

<input checked="" type="checkbox"/> APPROVE	<input type="checkbox"/> OTHER
<input type="checkbox"/> RECOMMENDATION OF CNTY ADMINISTRATOR	<input checked="" type="checkbox"/> RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **09/11/2018** APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 11, 2018

Contact: L. DeLaney,
925-335-1097

David Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

FISCAL IMPACT:

The fiscal impact from each ballot measure on Contra Costa County has not been calculated. However, the following information has been provided as to the statewide impacts.

Proposition 1, which would give the state permission to borrow \$4 billion to fund affordable housing construction (\$3 billion) and to subsidize home loans for veterans (\$1 billion), is estimated to increase state costs approximately \$171 million per year for 30 years.

Proposition 2, which would give the state permission to borrow \$2 billion to fund supportive housing for those suffering with mental illness and to repay the cost of that bond with money set aside for mental health services, is estimated, based on typical long-term bond costs, to likely increase state costs by an extra \$100 million per year for the next 40 years on average.

Proposition 3, which give the state permission to borrow \$8.9 billion, is estimated to increase state costs by approximately \$435 million per year for 40 years.

Proposition 4, which would give the state permission to borrow \$1.5 billion to renovations, expansions, and upgrades at hospitals that treat children, is estimated to cost the state an extra \$80 million annually for 35 years.

The nonpartisan Legislative Analyst has estimated that the fiscal impact of Proposition 5 on local government would be “\$100 million in annual property tax revenue in the first few years, growing over time to about \$1 billion per year (in today’s dollars).”

Proposition 6 would eliminate more than \$52 billion over the next 10 years in existing transportation funding, including the \$15 billion in direct apportionments, and \$11 billion in available competitive grant funding, to cities and counties statewide.

BACKGROUND:

While counties can take official positions on ballot initiatives, county supervisors and county employees cannot use public resources to engage in advocacy related to ballot campaigns. Counties can however, educate their constituents about the impacts propositions would have on the county and their community, despite whether they have taken a position on a ballot initiative.

At its August 13, 2018 meeting, the Legislation Committee received a report on the qualified statewide ballot measures for the November 6, 2018 election that impact Contra Costa County and considered input from staff, the Board's advocate on state issues, and the public. After consideration of the qualified measures, the Committee voted unanimously to recommend the following positions to the Board of Supervisors on the following ballot measures:

1. Proposition 1: SUPPORT

[Authorizes Bonds to Fund Specified Housing Assistance Programs. Legislative Statute.\(PDF\)](#)

2. Proposition 2: OPPOSE

[Authorizes Bonds to Fund Existing Housing Program for Individuals with Mental Illness. Legislative Statute. \(PDF\)](#)

(Note that the California State Association of Counties (CSAC) and the Urban Counties Coalition (UCC) both adopted "Support" positions on Prop. 2.)

The No Place Like Home Act of 2018 will appear on the November 6, 2018 statewide ballot asking the voters to affirm the implementation of the No Place Like Home Program (NPLH). The measure would authorize up to \$1.8 billion in bond funding and the redirection of up to \$140 million in Mental Health Services Act (MHSA) funding annually, to provide grants to counties for permanent supportive housing projects for those who are homeless or at risk of homelessness and living with a serious mental illness.

The Legislature passed AB 1618 (Chapter 43, Statutes of 2016) and AB 1628 (Chapter 322, Statutes of 2016) in 2016 as part of the 2016-17 Budget Act. These bills laid out the framework for the NPLH Program, but the core funding component of the program – authorizing the state to divert up to \$140 million annually from county MHSA allocations to finance the sale of up to \$1.8 billion in bond funding for grants to counties – was subsequently litigated as being counter to the MHSA (Proposition 63 in 2004). In response, and due to the growing homelessness crisis, the Governor and Legislature passed AB 1827 (Chapter 41, Statutes of 2018) in June of this year authorizing the placement of the NPLH Act of 2018 on the November statewide ballot.

Proposition 2 affirms the framework for the NPLH program, and also includes some technical cleanup of the diversion and bond issuance process. It also includes a new provision allowing the Legislature to divert up to \$140 million in MHSA revenue BEFORE the state begins to issue the NPLH bonds, and any diversions made before the bonds would reduce the amount of bonds by a like amount.

The Board of Supervisors took an "Oppose" position on the No Place Like Home proposal in the Budget Trail Bill on June 14, 2016. The Legislation Committee at their August 13, 2018 meeting considered this "Oppose" position in their recommendation on Proposition 2.

3. Proposition 3: SUPPORT [Authorizes Bonds to Fund Projects for Water Supply and Quality, Watershed, Fish, Wildlife, Water Conveyance, and Groundwater Sustainability and Storage. Initiative Statute.\(PDF\)](#)

CSAC Board of Directors voted to Support Prop. 5

4. Proposition 4: SUPPORT [Authorizes Bonds Funding Construction at Hospitals Providing Children's Health Care. Initiative Statute.\(PDF\)](#) **5. Proposition 5: OPPOSE**

Changes Requirements for Certain Property Owners to Transfer their Property Tax Base to Replacement Property. Initiative Constitutional Amendment and Statute.(PDF) CSAC Board of Directors voted to Oppose Prop. 5 and authorized a contribution of \$500,000 to the "No" campaign.

6. **Proposition 6:** OPPOSE Eliminates Certain Road Repair and Transportation Funding. Requires Certain Fuel Taxes and Vehicle Fees be Approved by The Electorate. Initiative Constitutional Amendment.(PDF)

CSAC Board of Directors voted to Oppose Prop. 6 and authorized a contribution to the "No" campaign.

CONSEQUENCE OF NEGATIVE ACTION:

There will be no position adopted by the Board of Supervisors on these statewide ballot measures on the November 6, 2018 election.

CLERK'S ADDENDUM

ADOPTED the positions as presented with the exception of "Oppose" on Proposition 2, Authorizing Bonds to Fund Existing Housing Program for Individuals with Mental Illness. This matter will come back to the Board for further discussion.

ATTACHMENTS

Attachment A: Resolution to Oppose Proposition 5