



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Councilmember Cohen
Councilmember Candelas
Councilmember Jimenez
Councilmember Ortiz

SUBJECT: SEE BELOW

DATE: August 1, 2024

Approved:

Date: 08/01/2024

David Cohen *Sergio Jimenez* *Domingo Candelas* *Juan Jimenez*

SUBJECT: Proposition 5 - Local government financing: affordable housing and public infrastructure: voter approval

RECOMMENDATION:

- 1. Adopt a position of support for Proposition 5 on the November 5, 2024 California General Election Ballot.**

BACKGROUND:

Proposition 5 would reduce the supermajority requirement threshold required to pass local funding bonds from 66.67% to 55%. Proposition 5 can help local governments more easily secure funds to develop affordable housing projects, by lowering the approval threshold and addressing the critical housing shortages affecting many communities across California.

Proposition 5 brings California elections closer to a true democracy so that a minority of voters cannot prevent local jurisdictions from investing in crucial infrastructure and housing. This would bring local jurisdictions in line with local school districts, which require 55% voter approval for school bonds to fund the construction, reconstruction, rehabilitation or lease of real property.

Proposition 5 will help address the high cost of housing in California and ensure that essential infrastructure projects are adequately funded and maintained. The Council has endorsed the Bay Area Regional Housing Bond (BAHFA) on the November 2024 ballot and expressed our hope that there will be resources available to invest in affordable housing to address our region's critical shortage of housing. In order for the BAHFA measure to pass, Proposition 5 has to pass in order to allow for a 55% threshold.

In addition to housing bonds, this measure would apply to other public infrastructure funding. Such bonds could fund important needs including protecting our communities from sea level rise and reducing our backlog of infrastructure maintenance at parks and city-owned facilities.

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Proposition 5 would also modify the California Constitution to require municipalities to implement specific oversight measures to monitor the use of bond revenues. In order to put a bond on the ballot a jurisdiction would be required to provide annual independent audits and appoint citizens oversight committees to oversee spending.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.