TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: CITY MANAGER’S OFFICE

DATE: SEPTEMBER 18, 2006

SUBJECT: RECOMMENDATION TO DIRECT STAFF TO PREPARE RESOLUTIONS IN SUPPORT OF PROPOSITIONS 1C, 1E, 84, 86, AND 89, CALIFORNIA BALLOT MEASURES FOR NOVEMBER 7, 2006 ELECTION

RECOMMENDATION
Staff recommends that Council direct staff to prepare resolutions of support for the following California ballot measures:

- Proposition 1C – Housing and Emergency Trust Fund Act of 2006
- Proposition 1E – Disaster Preparedness and Flood Prevention Act of 2006
- Proposition 84 – Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006
- Proposition 86 – Local Government Resolution Supporting the Tobacco Tax Act of 2006
- Proposition 89 – California Clean Money and Fair Elections Act of 2006

BACKGROUND
Staff has prepared a summary of the propositions on the State ballot for the November 7, 2006 election relevant to the City of Palo Alto. A brief description of each proposition along with the position of the League of California Cities follows. Summaries of the proposition prepared by the Secretary of State and the Legislative Analyst’s Office are attached. Additional information and analysis can be obtained by visiting the Secretary of State’s website at www.ss.ca.gov or the Legislative Analyst’s Office website at www.lao.ca.gov.

DISCUSSION
There are 13 various ballot measures that will be placed before the people of California during the November election. Staff is presenting Council with information on six ballot measures, which have relevance for cities, and recommending that Council direct staff to prepare resolutions of support for five of the measures.
Proposition 1C – California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002
Per the official title and summary from the state Attorney General’s Office, this measure would:

- Allow the state to issue bonds totaling $2.85 billion.
- Funds may be used for the purpose of providing shelters for battered women and their children, clean and safe housing for low-income senior citizens; homeownership assistance for the disabled, military veterans, and working families; and repairs and accessibility improvements to apartments for families and disabled citizens.
- Requires reporting and publication of annual independent audited reports showing use of funds, and limits administration and overhead costs.
- Appropriates money from the State General Fund to pay off bonds.

The League of California Cities supports this measure. Prior clean water and parks bonds have proven beneficial to the City of Palo Alto.

Proposition 1E – Disaster Preparedness and Flood Prevention Bond Act of 2006
Per the official title and summary from the state Attorney General’s Office, this measure would:

- Allow the state to issue bonds totaling $4.09 billion dollars.
- Rebuild and repair California’s most vulnerable flood control structures to protect homes and prevent loss of life from flood-related disasters, including levee failures, flash floods, and mudslides.
- Protect California’s drinking water supply system by rebuilding delta levees that are vulnerable to earthquakes and storms.
- Appropriate money from the State General Fund to pay off bonds.

The League of California Cities supports this measure. This measure is consistent with Council’s priority on emergency and disaster preparedness.

Proposition 84 – Water Quality, Safety and Supply, Flood Control, River and Coastal Protection Bond Act of 2006
Per the official title and summary from the state Attorney General’s Office, this measure would:

- Allow the state to issue bonds totaling $5.388 billion dollars, to be repaid from the state’s General Fund.
- Fund projects relating to safe drinking water, water quality and supply, flood control waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and water conservation efforts.
- Provide funding for emergency drinking water, and exempts such expenditures from public contract and procurement requirements to ensure immediate action for public safety.
The League of California Cities supports this measure. This measure is consistent with Council’s priority on emergency and disaster preparedness.

**Proposition 86 – Local Government Resolution Supporting the Tobacco Tax Act of 2006**
Per the official title and summary from the state Attorney General’s Office, this measure would:
- Impose additional 13 cent tax on each cigarette distributed ($2.60 per pack), and indirectly increase tax on other tobacco products.
- Provide funding to qualified hospitals for emergency services, nursing education and health insurance to eligible children.
- Revenue also allocated to specified purposes including tobacco use prevention programs, enforcement of tobacco related laws, and research, prevention, treatment of various conditions including cancers (breast, cervical, prostate, colorectal), heart disease, stroke, asthma and obesity.
- Exempt recipient hospitals from antitrust laws in certain circumstances.
- Revenue excluded from appropriation limits and minimum education funding (Proposition 98) calculations.

The League of California Cities supports this measure.

**Proposition 89 – California Clean Money and Fair Elections Act of 2006**
Per the official title and summary from the state Attorney General’s Office, this measure would:
- Provide that candidates for state elective office meeting certain eligibility requirements, including collection of a specified number of $5.00 contributions from voters, may voluntarily receive public campaign funding from the Fair Political Practices Commission, in amounts varying by elective office and election type.
- Increase income tax rate on corporations and financial institutions by 0.2 percent to fund program.
- Impose new limits on campaign contributions to state-office candidates and campaign committees, and new restrictions on contributions by lobbyists, state contractors.
- Limit certain contributions and expenditures by corporations.

The League of California Cities has not taken a position on this measure.

**Proposition 90 – Government Acquisition, Regulation of Private Property**
Per the official title and summary from the state Attorney General’s Office, this measure would:
- Limit government’s authority to adopt certain land use, housing, consumer, environmental and workplace laws and regulations, except when necessary to preserve public health or safety.
- Void unpublished eminent domain court decisions
- Define “just compensation”
• Require government to occupy condemned property or lease that property for public, not private, use.

• Require that condemned private property must be offered for resale to prior owner or owner’s heir at current fair market value if government abandons condemnation’s objective.

• Exempt certain governmental actions.

The League of California Cities opposes this measure. Staff recommends that the City take no action related to this measure at this time because the measure has many detailed components and the Secretary of State and Legislative Analyst websites listed above provide more thorough information and analysis.

ENVIRONMENTAL IMPACT
This staff report does not represent a project under the California Environmental Quality Act (CEQA).

ATTACHMENTS
Attachment A: California Legislative Analyst’s Office Ballot Measure Reviews

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CITY MANAGER APPROVAL:  _______________________________
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