

# Agenda Report

**TO:** CITY COUNCIL **DATE:** September 25, 2006  
**THROUGH:** LEGISLATIVE POLICY COMMITTEE  
**FROM:** CITY MANAGER  
**SUBJECT:** SUPPORT FOR PROPOSITIONS 1A; 1B; 1C; AND OPPOSE PROPOSITION 90 FOR THE NOVEMBER 2006 ELECTION

## **RECOMMENDATION**

It is recommended that the City Council support Propositions 1A; 1B; 1C; and oppose Proposition 90 in the upcoming November 7, 2006 State Election.

## **BACKGROUND:**

For the November 7, 2006 election Pasadena residents will have an opportunity to voice their opinion on a number of important bond measures which may bring additional funding for the City of Pasadena. Making available much needed State dollars for city infrastructure and housing is important to the long-term plan to rebuilding California. Propositions 1A, 1B, and 1C are opportunities for voters to see that money is available to Pasadena to improve streets, traffic improvements and housing.

Additionally, staff is recommending that the City Council oppose Proposition 90 – Government Acquisition, Regulation of Private Property which restricts and prohibits state and local government use of eminent domain. Prop 90 is an initiative on the November ballot that purports to be all about eminent domain reform, but could instead have impacts that would undermine the city's ability to plan for and protect their communities.

## **Proposition 1A Transportation Funding Protection - SUPPORT**

Passage of this proposition will close a loophole and ensure that gas tax revenue from Proposition 42, passed by California voters in 2002, will only be spent on

transportation improvement projects as originally intended. Monies from Prop 42 can be used for traffic congestion relief projects, safety improvements, and local streets and roads. In fiscal year 2007, the City is projected to receive \$642,000 and will use the funds for preventive maintenance of asphalt streets; improvements of alleys and concrete streets; and a traffic signal at Orange Grove Boulevard and Craig. The California League of Cities supports Prop 1A.

**Proposition 1B Highway Safety, Traffic Reduction, Air Quality, Port Security Bond Act of 2006 - SUPPORT**

The Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act. The proposition provides \$19.9 Billion to make Safety Improvements on highways, widen roads, reduce congestion, improve public transit and improve anti-terrorism at California ports. The package also provides protection of any future Prop 42 transfers. It would allow the State to borrow the money, but pay it back within three years. It would also restrict the State to only two such transactions every 10 years. Two of the provisions of importance to the city's infrastructure include \$4.0 billion statewide for capital improvements and fleet expansion to enhance public transit, intercity and commuter rail, and waterborne transit. The other provision is \$2.0 billion for improvements to local transportation facilities that will repair and rehabilitate local streets and roads, reduce traffic congestion, improve traffic flow, or increase traffic safety. The California League of Cities supports Prop 1B.

**Proposition 1C Housing and Emergency Shelter Trust Fund of 2006 - SUPPORT**

Proposition 1C is a \$2.85 billion Strategic Growth Plan housing bond to build emergency shelter, affordable homes, and housing-related infrastructure throughout California. Proposition 1C represents a continuation of Proposition 46, the original Housing and Emergency Shelter Trust Fund Act. Since initial approval of the Housing and Emergency Shelter Trust Fund Act in 2000, the City of Pasadena has been able to obtain approximately \$8 million toward the preservation and production of affordable and workforce housing opportunities for our residents.

Proposition 1C will allow the ongoing provision of a great variety of housing options for California's middle- to low-income families throughout the state. Both renters as well as future homeowners benefit from the bond's critically needed programs, which include:

- Multifamily Housing Program – \$395 million
- Emergency Housing Assistance Program – \$50 million
- Supportive Housing Program – \$195 million
- Farmworker Housing Grant Program — \$135 million
- Cal-HOME Program – \$300 million

- California Homebuyer Downpayment Assistance Program – \$200 million
- Programs to provide infrastructure vital to home development – \$1.35 billion

Proposition 1C will not only provide housing for California's workforce and persons with special needs, the bond will also boost California's economy, through new jobs and an overall increase in the affordable housing industry's economic activity. The California League of Cities supports Prop 1C.

**Proposition 90 Government Acquisition, Regulation of Private Property - OPPOSE**

Prop 90 would disallow the use of eminent domain unless the property is to be owned and operated by the government. It would prevent local governments from acquiring property for the purpose of cleaning up blight, eliminating slum lords, building affordable housing and potentially providing public facilities operated by private for-profit agencies. Eminent domain is often the only tool available to local agencies in these situations and that tool would be completely eliminated.

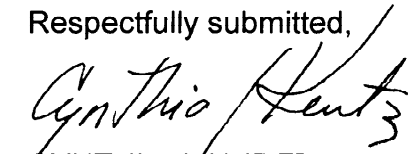
The major provisions of Proposition 90 include changes to laws governing "regulatory takings," redefinition of "just compensation," and a prohibition on the use of eminent domain unless the property is acquired is to be owned and operated by a governmental agency.

The League of California Cities and the California Redevelopment Association are strongly opposed to Proposition 90. They believe it is misleading to say that it resolves eminent domain concerns, when ultimately it goes far beyond eminent domain and will enact constitutional amendments that will cost taxpayers billions in added costs, harm the environment, and hurt the ability to protect neighborhoods.

**FISCAL IMPACT:**

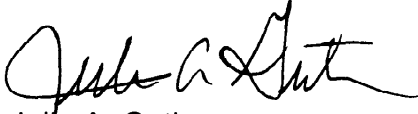
Passage of these State Proposition may lead to additional funding for the City of Pasadena that could be used on capital improvements for streets and traffic and money for housing.

Respectfully submitted,



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Prepared and approved by:



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