



CITY COUNCILMEMBER
RIGEL ROBINSON
 DISTRICT 7

CONSENT CALENDAR
 April 23, 2019

To: Honorable Mayor and Members of the City Council
 From: Councilmembers Rigel Robinson, Ben Bartlett, and Kate Harrison
 Subject: Support for ACA-1: Local Government Financing: Affordable Housing and Public Infrastructure: Voter Approval

RECOMMENDATION

Adopt a resolution supporting ACA-1, which would allow local governments to raise property taxes to fund bonds for the purposes of financing public infrastructure and affordable housing projects, as well as reducing the required vote threshold to authorize certain local special taxes for the purpose of funding public infrastructure and affordable housing. Copies of the resolution to be sent to Senator Nancy Skinner, Assemblymember Buffy Wicks, and Assemblymember Aguiar-Curry.

BACKGROUND

Introduced by Assemblywoman Aguiar-Curry on December 3, 2018, ACA 1 would significantly increase the ability of local governments to fund badly needed public infrastructure and affordable housing projects. If adopted and passed by the voters, it would authorize local governments to raise property taxes beyond the 1% maximum established by Prop 13 for the purposes of funding bond payments to finance public infrastructure and affordable housing projects, as well as reducing the required vote threshold to pass specified types of local taxes to fund the same types of projects.

Since the passage of Proposition 13 in 1978, which limits property tax to 1%, local governments have had to find new ways to generate revenue, resulting in extensive funding loss. While overall California local revenue has slightly increased since 1978, municipal governments in California have shown much less growth than in other areas of the country.¹

Affordable housing is a critical need across the state, and public infrastructure has been allowed to fall into disrepair. This measure would empower local governments with the tools necessary to address both these crises.

The attached resolution states the City of Berkeley's endorsement of the bill and subsequent ballot measure. Copies of the resolution will be sent to Senator Nancy

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[https://lao.ca.gov/publications/report/3497#What_Happened_to_Local_Government_Revenues_After_Proposition.A013.3F](https://lao.ca.gov/publications/report/3497#What_Happened_to_Local_Government_Revenues_After_Proposition_A013.3F)

Skinner, Assemblymember Buffy Wicks, and the bill's author, Assemblywoman Aguiar-Curry.

FINANCIAL IMPLICATIONS

None.

ENVIRONMENTAL SUSTAINABILITY

Consistent with the City's climate and environmental goals.

CONTACT PERSON

Councilmember Rigel Robinson, (510) 981-7170
Jilly Choi, Intern

Attachments:

1: Resolution

2: Bill Text – ACA 1:

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200ACA1

RESOLUTION NO. ##,###-N.S.

RESOLUTION IN SUPPORT OF ACA-1

WHEREAS the State of California faces a housing affordability crisis that demands government investment, and;

WHEREAS, restricted financing has allowed the State's public infrastructure to fall into server disrepair, and;

WHEREAS, the passage of Proposition 13 has devastated the ability of local governments to finance the public projects badly needed to address these crises, and;

WHEREAS, ACA-1 gives local governments the tools they need to build affordable housing and repair public infrastructure.

NOW THEREFORE, BE IT RESOLVED that the City of Berkeley hereby endorses ACA-1 and the ballot measure that will result from its passage; and

BE IT FURTHER RESOLVED that the City of Berkeley may be listed as a supporter of said ballot measure by the official proponents of the measure; and

BE IT FURTHER RESOLVED that copies of this resolution will be sent to Senator Nancy Skinner, Assemblymember Buffy Wicks, and Assemblymember Aguiar-Curry.

