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To: Mayor and City Council  
From: Alison Foulis, City Clerk  
Subject: **Adopt resolution in opposition to Proposition 53**

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**Recommended Motion/Item Description**

Adopt the resolution as part of the Consent Calendar.

**Background**

The League of California Cities has recommended cities adopt a resolution in opposition to Proposition 53, otherwise known as the California Voter Approval Requirement for Revenue Bonds above \$2 Billion Initiative. Proposition 53 is on the November 8, 2016, ballot in California as an initiated constitutional amendment. A “yes” vote will be in favor of requiring voter approval before the state could issue more than \$2 billion in public infrastructure bonds that would require an increase in taxes or fees for repayment. A “no” vote will be a vote against the voter approval requirement and in favor of continuing to allow the state to issue new debt without voter approval. The text of the proposition is available to view here:

*[https://oag.ca.gov/system/files/initiatives/pdfs/15-0003%20\(Bond-funded%20Projects%20V2\).pdf](https://oag.ca.gov/system/files/initiatives/pdfs/15-0003%20(Bond-funded%20Projects%20V2).pdf)*

**Findings**

This measure would make it more difficult for state, regional, and local public agencies to use revenue from a common funding source to finance critical infrastructure projects. This concern is valid as cities and counties could also be members to joint powers agencies created by the state. Additionally, the broadest interpretation could prevent critical state improvements in a community, even under the \$2 billion threshold, as long as they’re “proximate, physically joined/connected, and/or cannot be complete without the other project.”

Regional projects (such as the Bay Bridge) subject to the threshold would require a statewide vote. Thus, regional and local projects would be subject to the control of voters in other areas of the state even when they are neither impacted by the projects nor required to pay for them.

While the immediate impact on a city from this proposal can be debated, its enactment would set a legal and policy precedent of having revenue bonds subject to public votes. Such a precedent could lead to future efforts to expand such a requirement to apply to local government revenue bonds in the future, further limiting local flexibility.

**Recommendation**

Adopt the resolution as part of the Consent Calendar.

**Attachments**

- Resolution
- No on Proposition 52 Fact Sheet

**CITY OF BELVEDERE**

**RESOLUTION NO. 2016-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELVEDERE  
OPPOSING THE CALIFORNIA VOTER APPROVAL REQUIREMENT FOR  
REVENUE BONDS ABOVE \$2 BILLION INITIATIVE, ALSO KNOWN AS  
PROPOSITION 53**

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**WHEREAS**, California and its local communities have a backlog of essential infrastructure needs, including crumbling local streets and roads, unsafe bridges and overpasses, aging water supply infrastructure, inadequate public transportation systems, and overcrowded hospitals and universities; and

**WHEREAS**, Proposition 53 on the November 8, 2016, ballot would erode local control and undermine the ability of cities, counties, and other local agencies and the state to form partnerships to finance the construction of some critical public infrastructure projects; and

**WHEREAS**, this initiative would require a statewide vote on certain local infrastructure projects finance through revenue bonds, where local governments have joined in a Joint Powers Authority (JPA) in partnership with the state or where the state was involved in the creation of the JPA; and

**WHEREAS**, by requiring a statewide vote on some local or regional projects, this initiative would erode local control by empowering voters in distant communities to reject projects which they do not use and do not fund; and

**WHEREAS**, this measure could derail and delay the City of Belvedere's ability to make improvements to critical infrastructure, including after emergencies and natural disasters; and

**WHEREAS**, No on 53 is a growing coalition of organizations representing local governments, water agencies, public safety leaders, businesses, labor unions, hospitals, family farmers, environmentalists and educators that have come together to officially oppose this initiative.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Belvedere does hereby oppose Proposition 53.

**BE IT FURTHER RESOLVED** that the City of Belvedere will join the No on 53 coalition.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Belvedere on \_\_\_\_\_, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:** \_\_\_\_\_

James Campbell, Mayor

**ATTEST:** \_\_\_\_\_

Alison Foulis, City Clerk

# NO 53 ON PROP

**Stop Attack on Local Control**

[www.NoProp53.com](http://www.NoProp53.com)

## PROP 53 UNDERMINES LOCAL CONTROL AND VITAL INFRASTRUCTURE

Prop 53 is opposed by a broad, bipartisan coalition of organizations including the California Professional Firefighters, California Chamber of Commerce, California Hospital Association, California State Sheriffs Association, firefighters, paramedics, family farmers, environmentalists, law enforcement, and local governments. Prop 53 takes away local control by requiring a statewide vote even for some local infrastructure projects. The measure would add new layers of bureaucracy and red tape that will delay or derail needed improvements to critical infrastructure, including after emergencies and natural disasters. Here are some facts:

### Prop 53 Erodes Local Control by Requiring Statewide Vote for Some Local Projects

- Under this measure, cities and towns that want to come together with the state and form a JPA to issue revenue bonds to upgrade local water systems, roads, bridges, and universities would have to put their project on a statewide ballot.
- That means voters in faraway regions could veto some local projects your community needs and supports – even though those distant voters don't use, won't pay for, and don't care about your local community improvements.
- That's why groups representing California's cities, counties and local water agencies, including the League of California Cities and Association of California Water Agencies, all oppose Prop 53.

### Prop 53 Jeopardizes Ability to Repair Outdated Infrastructure

- Our communities already suffer from a massive backlog of local infrastructure needs, including outdated water supply and delivery systems, unsafe bridges, overpasses and freeways, and community hospitals that need to be upgraded to make them earthquake safe.

*Reliable Infrastructure is critical to public safety. This measure erodes local control and creates new hurdles that could block communities from upgrading critical infrastructure such as bridges, water systems and hospitals.”*

**- Sheriff Donny Youngblood, President,  
California State Sheriffs' Association**

### Prop 53 Threatens Water Supply and Drought Preparedness

- The Association of California Water Agencies says: “Prop 53 could threaten a wide range of local water projects including storage, desalination, recycling and other vital projects to protect our water supply and access to clean, safe drinking water. Prop 53 will definitely impede our ability to prepare for future droughts.”

### Prop 53 Contains No Exemptions for Emergencies or Natural Disasters

- Because Prop 53 fails to contain an exemption for emergencies, in cases of an earthquake or flood, local governments and the state may need to wait as long as two years in order to get voter approval to begin rebuilding damaged or destroyed roads, freeways, bridges, hospitals and water delivery systems.

**California Professional Firefighters, representing 30,000 firefighters and paramedics, warns:** “Prop 53 irresponsibly fails to contain an exemption for natural disasters or major emergencies. That flaw could delay our state's ability to rebuild critical infrastructure following earthquakes, wildfires, floods or other natural or man-made disasters.”

**Prop 53 Makes No Fiscal Sense.**

- Private investors bear the financial risk for revenue bonds, not the state or its general fund. And revenue bonds are repaid by users of a project who directly benefit, not taxpayers. For instance, repairs to a bridge would be paid by tolls on the bridge, or customers in a specific water district would pay to build a water recycling plant, not taxpayers. It makes no sense to have a statewide election on projects not financed by taxpayers for which the state and local governments bear none of the financial risk.

**Prop 53 is Financed and Promoted by Multi-millionaire with a Personal Agenda**

- This measure is financed entirely by one multi-millionaire and his family, who are spending millions in an attempt to disrupt a single water infrastructure project. Irrespective of one's position on that single project, his initiative has far-reaching, negative implications for other infrastructure projects throughout California. We cannot allow one wealthy person to abuse the initiative system to push his narrow personal agenda.

Paid for by No on Prop 53 – Californians to Protect Local Control, a coalition of public safety, local government, business and labor organizations, and taxpayers. Major funding by California Construction Industry Labor Management Cooperation Trust **and Members' Voice of the State Building and Construction Trades Council of California** (Committee).