



OFFICERS

President

Chuck Washington
Riverside County

1st Vice President

Bruce Gibson
San Luis Obispo County

2nd Vice President

Jeff Griffiths
Inyo County

Past President

Ed Valenzuela
Siskiyou County



CEO

Graham Knaus

September 11, 2023

The Honorable Anthony Portantino, Chair
Senate Committee on Appropriations
State Capitol, Room 412
Sacramento, CA 95814

RE: ACA 1 (Aguiar-Curry): Local government financing: affordable housing and public infrastructure: voter approval
As Amended – September 5, 2023 – SUPPORT
Set for Hearing – September 12, 2023 – Senate Committee on Appropriations

Dear Senator Portantino:

The California State Association of Counties (CSAC), representing all 58 counties in the state, writes in support of Assembly Constitutional Amendment (ACA) 1, which would empower our local communities to address their critical housing and infrastructure needs. ACA 1 would responsibly empower our local communities by reducing the voter threshold for approval of bond and special tax measures that help fund critical infrastructure, affordable housing projects, and permanent supportive housing for persons at risk of chronic homelessness.

ACA 1 includes important safeguards that prevent excessive administrative overhead, requires local government to appoint a citizen's oversight committee to ensure special tax revenue are spent on their intended purpose, and requires members of the oversight committee to receive educational training on fiscal oversight. As an additional protection for taxpayers, ACA 1 also prevents local governments from placing a bond or special tax measure on the ballot until all funds from a previous proposition are committed to programs and projects listed in the specific local program or ordinance, as described.

The California Constitution currently requires a two-thirds vote at the local level for both general obligation bonds and special taxes, which serve as vital financial tools for local governments, regardless of the intended use for the funds by cities, counties, or special districts in service of their residents. However, local school districts can seek approval for bonded indebtedness with only a 55 percent vote threshold for the construction, reconstruction, rehabilitation, or replacement of schools. The changes included in ACA 1 will create parity for cities, counties and special districts for voter approval thresholds already granted to school districts.

Markedly, ACA 1 lowers the voter approval threshold for issues that are most pressing to the quality of life and well-being of all Californians, including increased local supplies of affordable housing.

Meeting the challenges of our homelessness crisis requires a comprehensive, holistic strategy that includes increasing our stock of affordable housing and supporting those who are at chronic risk of homelessness. Crucially, our local communities cannot fully address the affordable housing shortage without significant resources.

The goals of ACA 1 are aligned with the goals and policy recommendations found in CSAC's [AT HOME](#) plan, the county comprehensive plan to address homelessness. Developed through a lengthy all-county effort, the AT HOME plan (Accountability, Transparency, Housing, Outreach, Mitigation & Economic Opportunity) outlines clear responsibilities and accountability aligned to authority, resources, and flexibility for all levels of government within a comprehensive homelessness response system. It includes a full slate of policy recommendations to help build more housing, prevent individuals from becoming homeless, and better serve those individuals who are currently experiencing homelessness.

Absent ongoing state funding for local governments to address homelessness and the supply of affordable housing, which is a pillar of our AT HOME Plan, local governments have no choice but to seek funding from local sources to increase and maintain housing units across the spectrum of needs. ACA 1 provides an opportunity for communities to continue to do their fair share to support California's most vulnerable residents.

Increasing local capacity to procure and produce the necessary infrastructure to serve our unhoused neighbors is far from being the singular local benefit of ACA 1. This measure would also allow local voters to elect to increase their community's funding for parks and recreation, libraries, maintenance of streets and highways, protection against sea level rise, and more. The necessity for this measure is illustrated, notably, by the 2021 California Statewide Local Streets and Roads Needs Assessment which reports that 55 out of 58 counties are considered at risk of, or presently have, poor pavements. Further, the Federal Environmental Protection Agency estimates that California communities, collectively, have water infrastructure needs of nearly \$64.7 billion. Now, more than ever, is the appropriate time to empower California residents to choose to fund solutions for their communities.

ACA 1 preserves the need for overwhelming voter support for a bond or special tax in order for it to be approved, thus protecting voters' control over how their tax dollars are spent. ACA 1 also provides specific requirements for voter protection, public notice, and financial accountability. With these protections in place, communities should be able to decide the appropriate level of taxation to meet their local needs.

For these reasons, CSAC is in strong support of ACA 1 and respectfully requests your AYE vote. If you have any questions about our position, please do not hesitate to contact me at elawyer@counties.org.

Sincerely,



Eric Lawyer
Legislative Advocate

cc: The Honorable Cecilia Aguiar-Curry, 4th District
Members and Staff, Senate Committee on Appropriations
Cory Botts, Consultant, Republican Senate Caucus