



Government Affairs Committee
Keeping You Informed

CALIFORNIA BALLOT MEASURES --- VOTE NOVEMBER 6, 2018

Below are brief summaries of the important initiatives on the November 2018 statewide ballot. To determine a position regarding a ballot measure, **BOMA-OC Governmental Affairs Committee evaluates** whether the issue has a “**direct and/or disproportionate**” impact on the commercial real estate industry.

In addition, BOMA-OC Governmental Affairs Committee has chosen to support candidates for US Senate, US House of Representatives, CA State Assembly, and CA State Senate that are pro-business and support the commercial real estate industry.

Proposition 1 (Support)

Authorizes Bonds to Fund Specified Housing Assistance Programs. Legislative Statute (SB3).

Authorizes \$4 billion in general obligation bonds for existing affordable housing programs for low-income residents, veterans, farmworkers, manufactured and mobile homes, infill and transit-oriented housing.

Reasons for Position

Proposition 1 will provide much-needed housing, allowing California to leverage federal tax credits and bonds. There will be no cost to the state's General Fund because the CalVet loan program is self-supporting; the bonds are repaid by CalVet loan holders through paying principal and interest on their loans. www.vetsandaffordablehousingact.org (source of write up CalChamber)

Proposition 2 (Support)

Authorizes Bonds to Fund Existing Housing Programs for Individuals with Mental Illness (AB 1827)

Amends the Mental Health Services Act to fund No Place Like Home Program, which finances housing for individuals with mental illness. Ratifies existing law establishing the No Place Like Home Program.

Reasons for Position

Proposition 2 will enable the state to use funding long earmarked for specialized types of mental health and housing services to build housing and keep mental health services in reach for people. Under the No Place Like Home Program, 20,000 permanent supportive housing units will be built, allowing coordinated care of mental health and substance use services, medical care, case managers, education and job training to help people get the treatment and housing stability they need. www.CAyesonprop2.org (source of write up CalChamber)

Proposition 3 (Support)

Authorizes Bonds to Fund Projects for Water Supply and Quality, Watershed, Fish, Wildlife, Water Conveyance, and Groundwater Sustainability and Storage. An Initiative Statute.

Authorizes \$8.877 billion in state general obligation bonds for various infrastructure projects and funds improvements to water safety and quality, watershed and fisheries, habitat protection programs, water conveyance, groundwater sustainability and storage, and surface water storage and dam repairs.

Reasons for Position

California's environment and economy rely on a clean and reliable water supply. Proposition 3 will provide critical funding that will help create sustainable water management in the state. Bond proceeds will go toward: providing major funding for watershed improvements and better management practices that will improve water quality and supply; safe drinking and wastewater treatment for disadvantaged communities; stabilizing groundwater levels in over-drafted groundwater basins; funding for recycling wastewater; funding for leak detection, toilet replacement and landscape conversion; and repairing the Oroville Dam spillway. <https://waterbond.org/> (source of write up CalChamber)



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Proposition 4 (Support)

Authorizes Bonds Funding Construction at Hospitals Providing Children’s Health Care. An Initiative Statute.

Authorizes \$1.5 billion in general obligation bonds, to be repaid from state’s General Fund, to fund grants for construction, expansion, renovation, and equipping of qualifying children’s hospitals.

Reasons for Position

California children’s hospitals provide critical care to children with significant medical needs and it is not possible to set aside money for infrastructure with the current payer mix. Previous bonds enabled the hospitals to build new patient towers that meet 2030 seismic standards and buy new equipment, including medical records systems and new medical technology. Proposition 4 will help the 13 regional children’s hospitals meet growing demand for services and update technology.

www.YesOnProposition4.org (source of write up CalChamber)

Proposition 5 (Support)

Changes Requirements for Certain Property Owners to Transfer Their Property Tax Base to Replacement Property. An Initiative Constitutional Amendment and Statute.

Allows people over 55 years old, severely disabled homeowners and owners of contaminated or disaster-destroyed property to sell their homes, move and transfer their property tax basis to the replacement residence.

Reasons for Position

California is facing a massive housing shortage and needs at least 100,000 additional new units a year to meet demand. Proposition 5 could help ease the shortage by freeing up modest-priced and move-up housing for young families. Seniors, who often are on a fixed income, fear they will not be able to afford a big property tax increase if they sell their existing home and buy another one, discouraging them from ever moving. As a result of this “moving penalty,” almost three-quarters of homeowners 55 and older haven’t moved since 2000. The Legislative Analyst’s Office estimates the initiative would increase home sales in the tens of thousands per year. www.voteyesonprop5.com (source of write up CalChamber)

Proposition 6 (Support)

Eliminates Certain Road Repair and Transportation Funding. Requires Certain Fuel Taxes and Vehicle Fees Be Approved by the Electorate. An Initiative Constitutional Amendment.

Repeals a 2017 transportation law’s taxes and fees designated for road repairs and public transportation.

Reasons for Position

The gas and car tax hikes cost too much and will increase the already-high cost-of-living in California. This year Californians will pay nearly \$1 more per gallon because of taxes, fees and other government mandates. By 2021, many Californians will be paying close to \$2 more a gallon extra because of taxes, fees and other government mandates. That’s a crushing blow to most family budgets at a time when the cost-of-living in California is already skyrocketing! We cannot afford to let these tax increases happen – we must repeal them. Politicians are not interested in fixing or expanding our roads – and the gas tax increase contains zero accountability on where the funds will be spent. In fact, the gas tax measure is specifically written to allow politicians to continue to divert all the funds away from road projects. (source of write up/ Reform California Yes on 6)



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Proposition 10 (Oppose)

Expands Local Governments' Authority to Enact Rent Control on Residential Property. An Initiative Statute.

Repeals state law that currently restricts the scope of rent control policies that cities and other local jurisdictions may impose on residential property.

Reasons for Position

Removing the limitations on locally enacted rent control laws could discourage new construction, decrease the supply of rental housing and reduce the quality of housing available in communities statewide. In a 2016 report, the Legislative Analyst's Office (LAO) concluded that "Rent control will do nothing to increase our supply of affordable housing and, in fact, likely would discourage new construction." Cities with stringent forms of rent control, such as San Francisco and Santa Monica, have lost large numbers of rental units as a result of rent control. Owners of rental housing subject to rent control are more likely to convert their properties to condos or other forms of ownership housing. This results in fewer homes being available for rent and more being available for purchase.

Rental property owners would not be able to afford to adequately maintain their buildings. According to the LAO, "By depressing rents, rent control policies reduce the income received by owners of rental housing. In response, property owners may attempt to cut back their operating costs by forgoing maintenance and repairs. Over time, this can result in a decline in the overall quality of a community's housing stock." www.noprop10.org (source of write up CalChamber)

For more in-depth information about each Proposition, please visit the California Secretary of State website at www.sos.ca.gov



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