



# Memorandum

**TO:** RULES COMMITTEE

**FROM:** Betsy Shotwell

**SUBJECT:** SEE BELOW

**DATE:** August 17, 2006

Approved

*Deanna Jaha*

Date

*8/17/06*

**SUBJECT: PROPOSITION 1D – KINDERGARTEN-UNIVERSITY PUBLIC EDUCATION FACILITIES BOND ACT OF 2006.**

**PROPOSITION 1E – THE DISASTER PREPAREDNESS AND FLOOD PREVENTION BOND ACT OF 2006**

### RECOMMENDATION

That the Rules Committee recommend to the City Council support for Proposition 1D, the Education, Facilities. Kindergarten-University Public Education Facilities Bond Act of 2006 and Proposition 1E, the Disaster Preparedness and Flood Protection Bond Act of 2006, both on the November 7 statewide General Election Ballot. A one-week turnaround to Council is requested as there is no Council meeting on September 5. A complete copy of Propositions 1A-E on the November 2006 State ballot can be reviewed in the City Clerk's Office. The November ballot is also available on the Secretary of State's website at [www.ss.ca.gov](http://www.ss.ca.gov)

### OUTCOME

Should these bond measures pass in November, over \$10 billion will be available for school and university construction and over \$4 billion will be available to repair levees and build flood control infrastructure in California.

### COORDINATION

This memorandum was coordinated with the Environmental Services Department, the Office of Emergency Services, the City's Legislative Representative in Sacramento and the City Attorney's Office.

*Betsy Shotwell*

BETSY SHOTWELL

Director, Intergovernmental Relations

For more information contact: Betsy Shotwell, Director of IGR at 408-535-8270.

Attachment

**PROPOSITION 1D - THE KINDERGARTEN-UNIVERSITY PUBLIC  
EDUCATION FACILITIES BOND**

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*What issue is the proposition trying to address?*

AB 127, (Nunez) the Education facilities: Kindergarten-University Public Education Facilities Bond Act of 2006 placed Proposition 1D on the November 2006 ballot to provide needed funding to relieve public school overcrowding, repair older schools, improve earthquake safety, and repair and upgrade public college and university buildings and build new classrooms to accommodate the growing public college and university student enrollment.

*How would this proposition seek to resolve the issue?*

Under existing law, the California Constitution, prohibits the Legislature from creating a debt or liability that singly or in the aggregate with any previous debts or liabilities exceeds the sum of \$300,000, except by an act that (a) authorizes the debt for a single object or work specified in the act, (b) has been passed by a 2/3 vote of all the members elected to each house of the Legislature, (c) has been submitted to the people at a statewide general or primary election, and (d) has received a majority of all the votes cast for and against it at that election.

Under existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-portable housed-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition.

AB 127 (Nunez) Chapter 35, 2006 Statutes, enacted the Kindergarten-University Public Education Facilities Bond Act of 2006 to authorize \$10,416,000,000 of state general obligation bonds to provide aid to school districts, county superintendents of schools, county boards of education, the California Community Colleges, the University of California, the Hastings College of the Law, and the California State University to construct and modernize education facilities. The bill also submitted to the voters for approval an authorization to use the proceeds of any bond act, approved on or before January 1, 2006, that are designated for joint-use facilities to be used for other related school facilities projects.

*How would passage of this proposition affect San Jose?*

Potential benefit for public schools, K-12, community colleges and San Jose State University. Local districts, including the Evergreen Elementary School District and the Santa Clara County Office of Education, have applied for and have been allocated Proposition 55 (March 2004 State ballot) monies for new construction.

*Staff's recommended position:*

The City of San Jose has supported the previous two most recent public education facilities bond acts – Proposition 47 (November 2002), and Proposition 55 because the City has many programs and capitol project partnerships with both the K-12 schools and higher education in the San Jose area. For those reasons, staff recommends support for Proposition 1D.

*Who are the proposition's supporters and opponents?*

Support for Proposition 1D includes League of California Cities, California Teachers Association, California Community College Board of Governors, and Coalition for Adequate School Housing, California Chamber of Commerce, California State PTA, California Taxpayers Association, California Business Roundtable and the California State Council of Laborers. The opposition listed in the ballot arguments against Proposition 1D includes the California Taxpayer Protection Committee and a member of the editorial board of the California Political Review.

## **PROPOSITION 1E – THE DISASTER PREPAREDNESS AND FLOOD PREVENTION BOND ACT OF 2006**

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*What issue is the proposition trying to address?*

Proposition 1E, the Disaster Preparedness and Flood Prevention Act of 2006 (AB 140 (Nunez) Chapter 33, 2006 Statutes) will appear on the November 2006 ballot and is the flood protection component of the infrastructure bond package negotiated by Governor Schwarzenegger and the Legislature. This measure addresses the need for urgent repairs and essential improvements to levees and flood control facilities; increased flood protection for urban areas; and evaluation and repair of the current flood control system.

*How would this proposition seek to resolve the issue?*

Proposition 1E starts to rebuild and repair the State's most vulnerable flood control structures to protect homes and prevent loss of life from flood-related disasters including levee failures, flash floods, and mudslides; it will work to protect California's drinking water supply system by rebuilding delta levees that are vulnerable to earthquakes and storms by authorizing a \$4.09 billion bond act. The Legislative Analyst's Office estimates the total State's costs to be \$8 billion over 30 years to pay off both the principal (\$4.1 billion) and interest (\$3.9 billion) costs on the bonds. The proceeds of the bonds to be allocated as follows:

- \$500 million for the Flood Control Subventions Program;
- \$300 million for stormwater flood management projects located outside the Central Valley;
- \$290 million for flood plain mapping and for the protection, creation and enhancement of flood protection corridors and bypasses;
- \$3 billion for flood protection and levee rehabilitation projects in the Central Valley and Delta.

*How would the passage of this proposition affect San Jose and our region?*

The Santa Clara Valley Water District (SCVWD) currently has outstanding claims of more than \$32 million for projects authorized under the Flood Control Subventions Program, and total claims for these authorized projects are projected to exceed \$180 million over the next 10 years. The \$500 million that would be provided for the Flood Control Subventions Program under Proposition 1E, when combined with the \$100 million included for that Program in next year's State Budget and the \$180 million included for the Program in the citizens' initiative should be adequate to fund all currently authorized projects for the next ten years. The SCVWD projects could also benefit from the \$500 million included in Proposition 1E for stormwater flood management and flood corridor protection projects. The SCVWD could also benefit indirectly from the funding for Delta levee repairs; to the extent those repairs help safeguard Delta water supplies.

*Staff's recommended position:*

The City's Environmental Services Department, and the Office of Emergency Services recommends support for Proposition 1E. It is a Legislative priority for the City to support legislation and policies that expand efforts to promote water efficient, sustainable practices ensuring a clean affordable water supply and support state funding for the mitigation of potential physical damage from all hazards, including natural disasters.

*Who are the proposition's supporters and opponents?*

Support for Proposition 1E includes the SCVWD, the League of California Cities, the California Chamber of Commerce, the California Taxpayers Association, that California Office of Emergency Services, and the California State Council of Laborers. The opponent listed in the ballot arguments against Proposition 1E is the California Taxpayer Protection Committee