



Date: May 24, 2018
To: Mayor and Members of the City Council
From: Patrick H. West, City Manager *P.H. West*
Subject: **Statewide Ballot Measures — June 5, 2018**

On Tuesday, June 5, 2018, voters will consider five statewide ballot measures. A summary of these ballot measures is provided below. For more information, please visit the California Secretary of State Official Voter Information Guide at: <http://voterguide.sos.ca.gov>.

Proposition 68. California, Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018

Proposition 68 was placed on the June ballot by the State Legislature. This measure would authorize a \$4 billion general obligation park bond. The increased state bond repayment costs would average \$200 million annually over 40 years. This measure includes \$1.3 billion for city parks and recreation projects. Of that amount, \$725 million is to be used for parks in neighborhoods with few parks and provisions for assisting disadvantaged communities and very disadvantaged communities.

Long Beach Impacts: Proposition 68 would provide the City of Long Beach (City) with \$310,000 in new park revenues, as well as opportunities to apply to the State for funding that could be used to benefit local open space projects.

Proposition 69. Motor Vehicle Fees and Taxes: Restriction and Expenditures: Appropriation Limit

Proposition 69 was placed on the June ballot by the State Legislature. This measure proposes to restrict new and existing diesel sales taxes and transportation improvement fees from SB 1 to only be used for transportation purposes; the measure prohibits the Legislature from diverting funds to other purposes without voter approval.

Long Beach Impacts: Proposition 69 protects the City's SB 1 transportation revenues. These revenues are used to maintain local streets and roads.

Proposition 70. Greenhouse Gas Reduction Reserve Fund

Proposition 70 proposes to require, beginning in 2024, that cap-and-trade revenues accumulate in a new State fund reserve called the Greenhouse Gas Reduction Fund (Reserve Fund) instead of the existing Greenhouse Gas Reduction Fund (GGRF) until the Legislature, by a two-thirds majority, authorizes use of the revenues through a bill that spends money from the Reserve Fund. After the effective date of the bill passed, further revenue would be

deposited in the GGRF and could be spent by a majority vote of the Legislature. Passage of the proposition requires a two-thirds vote.

Long Beach Impacts: Proposition 70 does not have a direct impact on the City.

Proposition 71. Ballot Measures: Effective Date

Proposition 71 provides that ballot measures approved by a majority of voters shall take effect five days after the Secretary of State certifies the results of the election instead of one day after Election day.

Long Beach Impacts: Proposition 71 is a clarifying measure, with no direct impacts on the City.

Proposition 72. Property Tax: New Construction Exclusion: Rainwater Capture System

Proposition 72 permits newly constructed rain-capture systems, completed on or after January 1, 2019, to be exempt from a property's taxable value. The intent of this measure is to remove deterrents that may influence a property owner's decision to install rain-capture systems on site.

Long Beach Impacts: Proposition 72 incentivizes on-site stormwater management. The City expects our local government will be responsible for meeting \$600-\$900 million in unfunded stormwater mandates over the next 30 years. Proposition 72 has the potential to reduce the magnitude of stormwater mitigation measures the City would need to do per existing Municipal Separate Storm Sewer System (MS4) permit, Total Maximum Daily Load (TMDL), and NPDES permits. The ballot measure may reduce potential increases to the City's property tax receipts by a small amount, and only as it relates to property value increases as a result of on-site stormwater improvements; however, the greater benefit of this measure is improved stormwater management.

If you have any questions, please contact Diana Tang, Manager of Government Affairs, at 562-570-6506.

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