                                                                    LETTERHEAD

DATE

The Honorable Cecilia Aguiar-Curry

Assemblymember, California State Assembly

State Capitol, Room 5144

Sacramento, California  95814

**Subject: ACA 1 (Aguiar-Curry) Local government financing -** **SUPPORT**

Dear Assemblymember Aguiar-Curry:

ORGANIZATIONwrites in strong support of ACA 1, which will lower the necessary voter threshold from a two-thirds supermajority to 55% to approve local general obligation (G.O.) bonds and special taxes for affordable housing and public infrastructure projects. ACA 1 is targeted to the urgent needs of local communities. This measure gives local governments a more realistic financing option to fund an increase in the supply of affordable housing, and to address the numerous local public infrastructure challenges cities, counties, and special districts are facing.

The California Constitution currently requires a two-thirds vote at the local level for both G.O. bonds and special taxes, regardless of what the city, county, or special district proposes to use the funds for. However, local school districts can seek approval for bonded indebtedness with only a 55% vote threshold for the construction, reconstruction, rehabilitation, or replacement of schools.

ACA 1 will level the playing field and create parity with school districts so that cities, counties, and special districts have a viable financing tool to help address important community needs for affordable housing and public infrastructure. Local voters would still need to overwhelmingly support a bond or special tax (with 55%) in order for it to be approved, thus protecting voters’ control over how their tax dollars are spent. The bill also provides specific requirements for voter protection, public notice, and financial accountability.

Cities, counties, and special districts face numerous challenges in funding important public infrastructure and housing projects for their communities. According to the Department of Housing & Community Development, in the last 10 years California has built an average of 80,000 homes per year when the need is approximately 180,000 per year to keep up with growth. The status of infrastructure in our state is similarly challenged, with storm water management, transit development, park facilities, streets and roads, and broadband expansion all underfunded with limited options. Local officials must have a greater role in proposing and funding local needs that often do not rise to the top of regional, state, or federal funding lists.

If approved by the Legislature, the proposal would then have to achieve voter approval during a statewide election. This would further solidify the fact that voters support this change. Californians want to have an impact on their communities, because they know best what their families and neighbors need.

Thank you for your consideration of our SUPPORT position on ACA 1. Please include ORGANIZATION on your list of supporters and contact us at EMAIL/PHONE with additional questions.

Sincerely,

NAME

TITLE