

R-24-102 Meeting 24-21 August 14, 2024

AGENDA ITEM 6

AGENDA ITEM

Resolutions taking positions on ballot measures to be presented for the November 5, 2024 general election.

GENERAL MANAGER'S RECOMMENDATION(S)

- 1. Consider adoption of a resolution in support of Proposition 4, the "Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024," on the November 5, 2024 general election ballot.
- 2. Consider adoption of a resolution in support of Proposition 5, the "Lower Supermajority Requirement to 55% for Local Bond Measures to Fund Housing and Public Infrastructure Amendment," on the November 5, 2024 general election ballot.

SUMMARY

In California, ballot initiatives can reach the general election ballot through two main pathways: the citizen initiative process and the legislative referral process. While a legislative referral may be placed on any state primary ballot or the general election ballot, citizen's initiatives may only be considered on the statewide general election ballot that are held every November in even-numbered year.

The November 5, 2024 election contains 10 ballot measures. Two have been selected for consideration by the Board due to their potential to impact the ability for the District to achieve its mission and its previously expressed values. Both are legislative referrals.

DISCUSSION

Proposition 4

Placed on the November ballot with the passage of SB 867 (Allen, 2024), Proposition 4, also known as the "Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024," is a \$10 billion state general obligation bond advanced by the state legislature to finance a variety of climate resilience projects. A breakdown of the funding allocations by major category can be found in Attachment 1. Attachment 2 includes several funding sources that may benefit the pursuit of District's mission.

Proposition 5:

Proposition 5 has been placed on the general election ballot by the state legislature after the passage of <u>ACA 1 (Aguiar-Curry, 2023)</u>: Local government financing: affordable housing and public infrastructure: voter approval, and later updated with <u>ACA 10 (Aguiar-Curry, 2024)</u>. The

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measure would lower the voter-approval threshold for bond financing for affordable housing and other types of public infrastructure from 66.67% to 55%.

Eligibility

"Public infrastructure" includes any of the following:

- Facilities or infrastructure for the delivery of public services, including education, police, fire protection, *parks, recreation, open space*, emergency medical, public health, libraries, flood protection, streets or highways, public transit, railroad, airports, and seaports.
- Utility, common carrier or other similar projects, including energy-related, communication-related, water-related, and wastewater-related facilities or infrastructure.
- Projects identified by the State or local government for recovery from natural disasters.
- Equipment related to fire suppression, emergency response equipment, or interoperable communications equipment for direct and exclusive use by fire, emergency response, police, or sheriff personnel.
- Projects that provide protection of property from sea level rise.
- Projects that provide public broadband internet access service expansion in underserved areas.
- Private uses incidental to, or necessary for, the public infrastructure.
- Grants to homeowners for the purposes of structure hardening of homes and structures, as defined in state law.

Auditing Requirements

Prop 5 would also require the local jurisdiction (city, county, or special district) to conduct an annual audit to ensure that the funds are being used according to their intended purposes until all the proceeds have been expended. It would also require audits to be publicly released and submitted to the California State Auditor.

Other restrictions

- Prohibition on Use for Salaries or Operating Expenses: The revenue cannot be used for local government salaries or operating costs.
- Cap on Administrative Costs: The administrative costs associated with the bond sale are capped at 5% of the proceeds.
- Conflict of Interest Prohibition: Entities owned or led by members of the local governing board that voted to place the bond on the ballot are prohibited from bidding on any projects funded by the bond.

FISCAL IMPACT

Proposition 4:

There is no fiscal impact associated with adoption of a resolution in support of the "Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024."

The ballot initiative includes funding that may facilitate the completion of, or complement, numerous District Measure AA projects in addition to other priority capital projects the District may have. District staff will better understand the funding eligibility of District projects once grant guidelines for the different sections of the bond are developed.

Propositions 5:

There is no fiscal impact associated with adoption of a resolution in support of the measure.

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The ballot initiative lowers the approval threshold for bond-related funding, so any fiscal benefit will only be seen when the Districts initiates such a measure.

BOARD AND COMMITTEE REVIEW

On December 13, 2023, the full Board adopted the 2023 Legislative Program (<u>R-23-144</u>, <u>minutes</u>), accepting recommendations from the Legislative, Funding, and Public Affairs Committee (LFPAC).

On November 7, 2023, LFPAC reviewed and provided input on the draft 2024 Legislative Program and took action to forward the item to the full Board of Directors for approval with their recommended changes incorporated (R-23-130, minutes).

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

This item is not a project subject to the California Environmental Quality Act.

NEXT STEPS

If approved by the Board of Directors, a copy of the resolutions (Attachments 3 and 4) stating the District's position will be forwarded to key partners and is available on the District's website. Attachment(s)

- 1. Proposition 4 climate bond funding allocations matrix
- 2. Proposition 4 beneficial funding sources for Midpen
- 3. Resolution in support of Proposition 4
- 4. Resolution in support of Proposition 5

Responsible Department Head:

Lori Low, Public Affairs Department Manager

Prepared by:

Joshua Hugg, Governmental Affairs Program Manager

Contact person:

Joshua Hugg, Governmental Affairs Program Manager

The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024

Chapter Totals	
Safe Drinking Water, Drought, Flood, and Water Resilience	3,800
Wildfire and Forest Resilience	1,500
Sea Level Rise and Coastal Resilience	1,200
Protect Biodiversity and Accelerating Nature-Based Climate Solutions	1,200
Clean Air	850
Park Creation and Outdoor Access	700
Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working Lands	300
Extreme Heat Mitigation	450
Total	10,000

Line #								
	Safe Drinking Water, Drought, Flood, and Water Resilience	ce						
1	Safe Drinking Water	610						
2	Tribal Water Infrastructure (minimum amount of line 1)	25						
3	Groundwater Storage							
4	Tribal Water Groundwater (minimum amount of line 3)	25						
5	Land Repurposing Program (DOC)	200						
6	Water Recycling	386.25						
7	Water Storage	75						
8	Water Conservation	75						
9	Water Data Management	15						
10	Regional Conveyance	75						
11	Flood (see suballocations)	550						
12	State Plan of Flood Control	250						
13	Flood Subvention Program	150						
14	Delta Levees	150						
15	Dam Safety	480						
16	Stormwater	110						
17	Watershed Resilience (IRWM)	100						
18	Rivers, Lakes, Streams, Wetlands (see suballocations)	335						
19	Upper LA	40						
20	Lower LA River	40						
21	Riverine Stewardship	50						
22	Santa Ana Conservancy - SCC	25						
23	Urban Streams - DWR	25						
24	Wildlife refuges - CNRA	25						
25	Lower American River Conservancy - WCB	10						
26	Coyote Valley - SCC	25						
27	West Coyote Hills - SCC	25						
28	Clear Lake	20						
29	Cross-Border Rivers - SWB	50						
30	Salton Sea Management Plan	170						
31	Streamflow Enhancement	150						
32	Desalination	62.5						
33	Nature Education Facilities	20						
34	Total	3,800						

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Line #										
Wildfire and Forest Resilience										
35	CAL FIRE/OES Mitigation Grants (home hardening) 135									
36	Regional Fire Forest Capacity Program	185								
37	Implement Regional Wildfire Prevention Strategies	170								
38	Wildfire Conservancy	15								
39	Vegetation Removal/Firefighting Equipment	15								
40	CAL FIRE Long-Term Forest Health Projects	175								
41	CAL FIRE Local Fire Prevention Grants	185								
42	CAL FIRE Training Center	25								
43	CNRA Forest Health/Watershed Restoration	200								
44	Fuel Reduction/Defensible Space	50								
45	Conservancy Funding for Wildfire Prevention	185								
46	Biomass Innovation to Reduce GHG Emissions - CEC/DOC	50								
47	CAL FIRE fire ignition detection technology	25								
48	Conservation corps and local corps	50								
49	Electric transmission for wildfire prevention	35								
50	Total	1,500								

	Sea Level Rise and Coastal Resilience					
51	State Coastal Conservancy	415				
52	SF Bay Restoration Authority/SF Bay Conservancy Programs	85				
53	Coastal Flood/SLR (SCC)	350				
54	SLR Adaptation/Mitigation	75				
55	Ocean Protection Trust Fund	135				
56	State Parks - Sea Level Rise	50				
57	Fisheries, Islands, and Ocean Ecosystems Restoration	75				
58	Salmon Restoration (see suballocations)	100				
59	Hatcheries	25				
60	Dam Removal	75				
61	Total	1,200				

	Extreme Heat Mitigation						
62	OPR Extreme Heat Program	50					
63	Transformative Climate Communities (TCC)						
64	Urban Greening (CNRA)	100					
65	Urban Forests (CAL FIRE)	50					
66	Community Resilience Centers (SGC)/ Fairground upgrades (CDFA)	100					
67	Total	450					

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Line #									
	Protect Biodiversity and Accelerating Nature-Based Climate Solutions								
68	30 x 30 (WCB) (see some suballocations)	870							
69	Ballona Wetlands	22							
70	Wildfire corridors	180							
71	San Andreas Corridor Prog.	80							
72	Conservancies (see suballocations)	320							
73	Baldwin Hills	48							
74	Coachella	11							
75	Delta	29							
76	Lower LA	48							
77	San Diego	48							
78	San Joaquin River	11							
79	Santa Monica Mountains	48							
80	Sierra Nevada	48							
81	Tahoe	29							
82	Tribal nature-based solutions (CNRA)	10							
83	Total	1,200							

Clin	Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working Lands						
84	Healthy Soils	65					
85	SWEEP/sustainable, climate-smart water use/efficiency	40					
86	Invasive Species	20					
87	Programs for socially disadvantaged farmers, ranchers, tribal producers, veterans (CDFA)						
88	Year-round certified farmers markets	20					
89	Certified mobile farmers markets	20					
90	Tribal producer infrastructure	15					
91	Urban agriculture	20					
92	Tool/Equipment sharing	15					
93	Student farms/climate ag research facilities	15					
94	CalVans/van pool	15					
95	Weatherization/energy upgrades/farmworkers	10					
96	Land Access - socially disadvantaged farmers (DOC+SGC)	30					
97	Protection and Enhancement of Ag Lands (DOC)	15					
98	Total	300					

	Park Creation and Outdoor Access						
99	Park Creation in Park Poor Communities 200						
100	Parks Restoration/Enhancement and Expand Access	200					
101	Expanded Trail Access	100					
102	Deferred Maintenance (State Parks)	175					
103	Nature Education Facilities	25					
104	Total	700					

	Clean Air							
105	Electric transmission financing	325						
106	Battery energy storage	50						
107	Ports infrastructure to advance offshore wind energy	475						
108	Total	850						

109	Total	10,000

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Proposition 4 funding sources that may be beneficial to Midpeninsula Regional Open Space District work

Chapter 2: Safe Drinking Water, Drought, Flood, and Water Resilience

Section 91032. \$335 million allocated for projects protecting and restoring rivers, wetlands, and watersheds, emphasizing climate resilience and benefiting disadvantaged communities.

Section 91040. \$150 million allocated to the Wildlife Conservation Board for Stream Flow Enhancement and Habitat Enhancement and Restoration programs, focusing on water acquisition, transfers, and fishery projects.

Section 91045. \$20 million allocated to the Natural Resources Agency for nature and climate education and research grants, promoting biodiversity and cultural literacy.

Chapter 3: Wildfire and Forest Resilience

Section 91520: Allocates \$1,205,000,000 to the Natural Resources Agency for:

- \$185,000,000 for the Department of Conservation's Regional Forest and Fire Capacity Program.
- \$170,000,000 for regional projects including landscape-scale efforts.
- \$175,000,000 for the Department of Forestry and Fire Protection's Forest Health Program.
- \$185,000,000 for local fire prevention grants and workforce development.
- \$200,000,000 for forest health and watershed improvement projects.
- Allocations to conservancies for regional projects.

Chapter 4: Coastal Resilience

Section 92010: Allocates \$415,000,000 to the State Coastal Conservancy for:

- Various coastal resilience projects and programs.
- Grants for beach, bay, coastal dune, wetland, forest, watershed, trail, and public access facility restoration and resilience.
- Projects under the Climate Ready Program, natural infrastructure projects, and projects for the San Francisco Bay Area Conservancy Program.

Chapter 6: Protect Biodiversity and Accelerating Nature-Based Climate Solutions

Section 93010: Allocates \$870,000,000 to the Wildlife Conservation Board for grants enhancing fish and wildlife resources, biodiversity, and public access. Eligible programs include land acquisition, habitat restoration, climate adaptation, and conservation efforts like monarch butterfly rescue and desert and oak woodland conservation.

Section 93030: Allocates \$180,000,000 to the Wildlife Conservation Board for projects improving habitat connectivity and establishing wildlife corridors, including \$80,000,000 for the San Andreas Corridor Program along the inner Coast Ranges and San Andreas Fault.

Chapter 7: Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working lands

Section 93520: Allocates \$20,000,000 to the Invasive Species Account for funding invasive species projects recommended by the Invasive Species Council of California, prioritizing projects that restore biodiversity and ecosystem health with geographic equity considerations.

Section 93530: Allocates \$15,000,000 to the Department of Conservation for projects protecting, restoring, conserving, and enhancing farmland and rangeland. This includes acquiring fee title or easements for projects improving climate resilience, soil health, carbon sequestration, erosion control, watershed health, water quality, and retention, with preference for small- and medium-sized farms.

Chapter 8: Park Creation and Outdoor Access

Section 94020: Allocates \$200,000,000 to the Natural Resources Agency for:

- Reducing climate impacts on disadvantaged communities through improvements to city, county, and regional parks, focusing on natural infrastructure resilience and water conservation.
- Funding multiple-benefit projects addressing toxic exposure risks from climate-related disasters and enhancing public access to state parks and open spaces, particularly for disadvantaged communities.

Section 94030: Allocates \$100,000,000 to the Natural Resources Agency for protecting, restoring, and enhancing natural resources within the state park system, expanding non-motorized trail networks, and improving recreational opportunities.

Section 94050: Allocates \$25,000,000 to the Natural Resources Agency for grants supporting nature and climate education, research facilities, nonprofit organizations, museums, zoos, aquariums, and geologic heritage sites. Funds can be used for buildings, equipment, and exhibits promoting climate literacy, biodiversity protection, and species recovery.

RESOLUTION 24 -

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SUPPORTING PROPOSITION 4, THE "SAFE DRINKING WATER, WILDFIRE PREVENTION, DROUGHT PREPAREDNESS, AND CLEAN AIR BOND ACT OF 2024," AS PUT BEFORE THE VOTERS BY THE STATE OF CALIFORNIA

WHEREAS, on July 3, 2024, the Governor of California signed into law SB 867 (Allen): Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, now designated as Proposition 4, placing a \$10.0 billion bond proposition on the November 5, 2024 ballot; and,

WHEREAS, climate resilience across California is sorely in need of funding as the effects of climate change are more intense than ever; and,

WHEREAS, Proposition 4 will fund important statewide water, wildfire, biodiversity, and climate protection priorities; and,

WHEREAS, Proposition 4 is consistent with the Midpeninsula Regional Open Space District mission of open space preservation, habitat restoration, and outdoor recreation and environmental education; and,

WHEREAS, Proposition 4 would provide a significant source of funding to support important open space, resource protection, and recreation projects across the state, including within the San Francisco Bay Area and the Midpeninsula Regional Open Space District jurisdiction; and,

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Midpeninsula Regional Open Space District hereby endorse the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, as put to the voters by the State of California.

PAS Open Space								-												_	ional
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AYES: NOES: ABSTAIN: ABSENT:																					

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ATTACHMENT 3

ATTEST:	APPROVED:
Secretary	President
Board of Directors	Board of Directors
APPROVED AS TO FORM:	
ATTROVED AS TO FORM.	
General Counsel	
that the above is a true and correct copy	eninsula Regional Open Space District, hereby certify of a resolution duly adopted by the Board of Directors are District by the above vote at a meeting thereof duly
	District Clerk

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Resolutions/2024/24-__Endorse Climate Bond

RESOLUTION 24 -___

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SUPPORTING PROPOSITION 5, THE "LOWER SUPERMAJORITY REQUIREMENT TO 55% FOR LOCAL BOND MEASURES TO FUND HOUSING AND PUBLIC INFRASTRUCTURE AMENDMENT," AS PUT BEFORE THE VOTERS BY THE STATE OF CALIFORNIA

WHEREAS, Proposition 5 has been placed on the general election ballot by the state legislature after the passage of ACA 1 (Aguiar-Curry, 2023): Local government financing: affordable housing and public infrastructure: voter approval, and later updated with ACA 10 (Aguiar-Curry, 2024); and,

WHEREAS, public infrastructure across California is sorely in need of funding and has been hampered by the current 2/3 voter approval threshold for new funding; and,

WHEREAS, school districts have benefitted from a 55% voter approval threshold for bonds with the passage of Proposition 39 in 2000; and,

WHEREAS, passage of Proposition 5 would create a new constitutional vote threshold of 55% for general obligation bonds, when proposed specifically for the construction, reconstruction, rehabilitation, or replacement of public infrastructure, including open space, or affordable housing, or the acquisition or lease of real property for those purposes; and

WHEREAS, Proposition 5 also specifies requirements for voter protection, public notice, and financial accountability; and

WHEREAS, passage of Proposition 5 would be supportive with the Midpeninsula Regional Open Space District mission of open space preservation, habitat restoration, and outdoor recreation and environmental education; and,

WHEREAS, Proposition 5 would provide a significant source of funding to support important open space, resource protection, and recreation projects across the state, including within the San Francisco Bay Area and the Midpeninsula Regional Open Space District jurisdiction; and,

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Midpeninsula Regional Open Space District hereby endorse the Lower Supermajority Requirement to 55% for Local Bond Measures to Fund Housing and Public Infrastructure, as put to the voters by the State of California.

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on _____, 2024, at a regular meeting thereof, by the following vote:

Resolutions/2024/24-_Endorse Voter Threshold 1

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
ATTEST:	APPROVED:
Secretary	President
Board of Directors	Board of Directors
APPROVED AS TO FORM:	
General Counsel	
I, the District Clerk of the Midpeninsula Regi	
that the above is a true and correct copy of a resolution	
of the Midpeninsula Regional Open Space District by held and called on the above day.	the above vote at a meeting thereof duly
-	District Clerk
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Resolutions/2024/24-__Endorse Voter Threshold