BALLOT MEASURE ON NOVEMBER 6, 2018 ELECTION AUTHORIZING CONTINUATION OF THE AUTHORITY TO DEVELOP LOW-RENT HOUSING PROJECTS IN STOCKTON

RECOMMENDATION

It is recommended that the City Council adopt a resolution:

1. Submitting to the City of Stockton’s qualified voters at the General Municipal Election a ballot measure proposing authorization of location of low-rent housing projects for low-income, elderly, and handicapped persons in Stockton;

2. Requesting the San Joaquin County Board of Supervisors to direct the County Registrar of Voters to conduct the election, which shall be consolidated with the General Municipal Election on November 6, 2018;

3. Directing the City Attorney to prepare an impartial analysis of the measure, authorizing arguments and the filing of rebuttal arguments for or against the measure;

4. Authorizing the City Manager to appropriate the funds necessary to pay the City’s cost of placing the measure on the election ballot;

5. Directing the City Clerk to take steps necessary to place the measure on the ballot and to cause the measure to be printed; and

6. Authorizing the City Manager to take necessary and appropriate actions to carry out the purpose and intent of the resolution.

Summary

Article 34 (XXXIV) of the California Constitution requires voter approval of publicly-assisted low-income housing projects. In November 2010, voters of the City of Stockton approved Measure G entitled “Meeting Stockton’s Housing Needs,” that gave the City Council authority to approve up to 500 units per year for ten years, of low-income rental housing within the Stockton city limits. This authority expires in November 2020 and will need to be renewed to continue supporting the development of new affordable housing in Stockton.

DISCUSSION

Background

Pursuant to Article 34, California public agencies may not develop, construct, or acquire in any manner, low-rent housing projects until approved by a majority of qualified electors of the city. Projects that require such authorization are those composed of dwellings for persons of low income,
financed in whole or in part by the Federal government or a State public body or when certain types of assistance such as labor or loan guarantees are provided. The City and the Housing Authority of San Joaquin County fall within the definition of a State public body and many of the larger housing projects that are assisted by the City would require an election. In addition, publicly-assisted private developers fall within the definition requiring elections.

There are certain types of projects that do not require Article 34 elections. These types of projects include those that receive no property tax exemption or provide for full reimbursement to all taxing entities within a specific period of time and, in general, those in which no more than 49% of the units are occupied by low-income persons. Replacement of existing low-rent housing units is also excluded.

In 2010, the City Council authorized a resolution placing a low-income housing measure on the ballot in November 2010. The measure provided the City with general authority for a period of ten years to assist up to 500 low-income housing units each year without conducting special elections for individual projects. On November 2, 2010, voters approved the measure with more than 50% in favor. Since that time, the City has assisted 341 affordable housing units in Stockton under the City’s Article 34 authority.

Present Situation

The City’s authority under Article 34 expires in November 2020. In order to avoid placing constraints on housing projects that might otherwise be funded by the City, it will be necessary to seek voter approval again by placing a measure on the November 6, 2018 ballot. The measure would need to be approved by more than 50% of the voters and would become effective on January 1, 2021 and would continue for a period of twenty (20) years. The measure would authorize up to five hundred (500) units annually with the balance carried over from year to year if the full annual authorization is not utilized. It has become substantially more expensive to place measures on ballots in recent years and expanding the duration of the proposed measure from ten to twenty years will save the City money. There also seems to be increasing support within the community of affordable housing in general.

If the Council chooses to adopt the resolution approving the ballot measure (attached as Exhibit 1 to the resolution), the measure will be placed on the ballot and consolidated with the State’s General Election on November 6, 2018. The resolution will direct the City Attorney to prepare an impartial analysis of the measure and authorize deadlines for submitting arguments and rebuttals for or against the measure. The deadline for submitting arguments to the City Clerk is August 3, 2018. Rebuttals to any argument for or against must be submitted to the City Clerk by August 13, 2018. The City Clerk will deliver rebuttals received to the Registrar’s Office.

FINANCIAL SUMMARY

There will be no additional assessment or increase in taxes as a result of this measure. Placing this measure on the ballot will require an estimated expenditure of $200,000. Sufficient funds in the amount of $60,000 are available in the Community Development Block Grant Fund Account No. 054-8120-640 and have been included in the FY18-19 Budget. The balance of $140,000 will be paid from General Fund Account No. 010-0131-510, which has been included in the FY18-19 Budget.
RESOLUTION SUBMITTING TO THE CITY OF STOCKTON'S QUALIFIED VOTERS AT THE GENERAL MUNICIPAL ELECTION A BALLOT MEASURE PROPOSING AUTHORIZATION OF LOCATION OF LOW-RENT HOUSING PROJECTS FOR LOW-INCOME, ELDERLY, AND HANDICAPPED PERSONS; REQUESTING THE SAN JOAQUIN COUNTY BOARD OF SUPERVISORS DIRECT THE COUNTY REGISTRAR OF VOTERS TO CONDUCT THE ELECTION WHICH SHALL BE CONSOLIDATED WITH THE GENERAL MUNICIPAL ELECTION ON NOVEMBER 6, 2018; DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURE; AUTHORIZING ARGUMENTS AND THE FILING OF REBUTTAL ARGUMENTS FOR OR AGAINST THE MEASURE; AUTHORIZING THE CITY MANAGER TO APPROPRIATE THE FUNDS NECESSARY TO PAY CITY'S COST OF PLACING THE MEASURE ON THE ELECTION BALLOT; DIRECTING THE CITY CLERK TO TAKE STEPS NECESSARY TO PLACE THE MEASURE ON THE BALLOT AND TO CAUSE THE MEASURE TO BE PRINTED

The City Council desires to hold a General Municipal Election on November 6, 2018 (the "Election"); and

The City Council desires to submit to the voters at the Election a measure authorizing low-rent housing projects for low-income persons in Stockton; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

SECTION 1. The City Council hereby submits to the qualified voters of the City of Stockton at the General Municipal Election of November 6, 2018, a ballot measure proposing to authorize development, construction, or acquisition of low-rent housing projects for low income, elderly, or handicapped persons pursuant to Article XXXIV (34) of the California Constitution. The measure would commence on January 1, 2021, and authorize up to five hundred (500) units annually for twenty (20) years with the balance carried over from year to year if the full annual authorization is not utilized.

SECTION 2. The City Council hereby order the following question to be submitted to the voters at the municipal election called for Tuesday, November 6, 2018:
MEASURE ______ Meeting Stockton’s Housing Needs

Without increasing local taxes, and only by using existing affordable housing funding, shall public or publicly assisted housing providers within the City of Stockton, according to the City’s General Plan, construct, develop, acquire, and/or convert housing project(s) into decent, safe, sanitary, and uncrowded units for low-income, elderly, or handicapped persons, up to 500 units annually for twenty years, with any unused units carried over each year?

| YES | NO |

SECTION 3. The City Attorney is hereby authorized and directed to prepare an impartial analysis of the measure pursuant to Elections Code section 9280 by such deadline as the City Clerk may establish, and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election in time, form, and manner as required by law.

SECTION 4. The City Council hereby declares its intent to consolidate the Election with the General Election to be held on November 6, 2018, and requests that the San Joaquin County Board of Supervisors add this measure to that ballot as set forth herein. The City Council acknowledges that the consolidated election shall be held and conducted in the manner prescribed in Elections Code section 10400 et seq.

SECTION 5. The City Clerk is hereby authorized to use the services of the San Joaquin County Registrar to conduct the Election. The City of Stockton agrees to reimburse the County of San Joaquin for the City’s share of the County’s costs of the Election.

SECTION 6. The City Clerk is hereby authorized and directed to take all steps necessary to place the Measure on the ballot, to cause it to be printed, and to procure and furnish (or cause to be procured and furnished) any and all official ballot notices, printed materials, and all other supplies that may be necessary to prepare for and conduct the Election. A copy of the Measure shall be made available to any voter upon request.

SECTION 7. The City Clerk is directed to file a certified copy of this Resolution with the Board of Supervisors of San Joaquin County and the Registrar of Voters of San Joaquin County no later than 88 days prior to November 6, 2018.

SECTION 8. The City Manager is hereby authorized to appropriate the necessary funds to pay for the City of Stockton’s cost of placing the Measure on the election ballot and to execute any necessary agreements with the County of San Joaquin for that Election.

SECTION 9. The deadline for the filing of arguments for or against the Measure shall be August 3, 2018, for direct arguments, and August 13, 2018, for rebuttal arguments.
SECTION 10. In all particulars not recited in this Resolution, the Election shall be held and conducted as provided by applicable law.

SECTION 11. Notice of the time and place of holding the Election is hereby given and the City Clerk is authorized, instructed, and directed to sign and publish notice as required by law.

SECTION 12. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, AND ADOPTED June 19, 2018.

MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:

BRET HUNTER, CMC
City Clerk of the City of Stockton