[Place on your letterhead or include your address block]

To: Debbie Michel, Chief Consultant, Asm. Local Government Committee

 Debbie.Michel@asm.ca.gov

Cc: JR Starrett, Director of Advocacy and Community Engagement, NPH

jr@nonprofithousing.org

 [Insert Date]

The Honorable Cecilia Aguiar-Curry

Assembly Member, California State Assembly

State Capitol, Room 5144

Sacramento, California  95814

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

Assembly Member Aguiar-Curry,

[Insert your organization's name] writes in strong support of ACA 1, which supports local voters' decision-making opportunities by offering a more realistic financing option to increase affordable homes and to address their local public infrastructure challenges, by lowering the vote approval threshold to 55% for affordable housing and infrastructure revenue measures.

[Include 1-2 sentences to briefly describe your organization: *You may include how many people you serve and where, how many people you employ and where, etc.*]

**ACA 1: Support Local Communities’ Ability to Raise Local Revenue**

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.

**ACA 1 Designed to Support the Urgent Needs of Local Communities**

The California Constitution currently requires a two-thirds threshold of voter approval at the local level for both general obligation bonds and special taxes, regardless of what the city, county, or special district proposes to use the funds for. In 2018, an overwhelming majority of voters from Santa Cruz County, the City of Santa Rosa and City of San Jose supported three local measures totaling $714 million[[1]](#footnote-1) in dedicated funding for the production of affordable housing. However, even though each of these measures received strong majority support from voters (reaching at least 55% support), the policies failed to be passed into law owing to the severely restrictive two-thirds threshold needed to secure voter approval. Local revenue is an important component to create local affordable homes and can often free up five state and federal dollars for every one local dollar spent on a project. **The two-thirds threshold cost these local communities an estimated $3.5 billion in new funding for affordable housing development, when accounting for this state and federal match.**

**ACA 1: Support Local Decision-making, Strengthen Local Communities, Represent Voters’ Will**

By providing local governments a more realistic financing option to increase affordable homes and to address the numerous local public infrastructure challenges cities, counties, and special districts are facing, ACA 1 will support local voters’ decision-making opportunities.

ACA 1 will strengthen local communities and level the playing field and create parity with school districts so that cities, counties, and special districts have a viable financing tool to address critical community needs for affordable homes 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.

And ACA 1’s process is designed to ensure that it represents voters’ will. 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, and lawmakers must give them this opportunity by passing ACA 1 and referring it to voters’ ballots.

Thank you for your leadership in drafting legislation. As a [your organization/industry type] and as a member of the Non-Profit Housing Association of Northern California (NPH), we look forward to working with you to pass this important legislation.

Sincerely,

[Insert Your Full Name]

[Insert Your Title]

[Insert Your Organization’s Name]

1. Santa Cruz County Measure H - $140 million GO Bond, City of Santa Rosa Measure N.- $124 million GO Bond, and City of San Jose Measure V - $450 million GO Bond. [↑](#footnote-ref-1)