

Fall 2018 Elections – LWVA Pros & Cons (Measures F & K)

Alameda City

Measure F

51% required for Passage

City of Alameda Essential Services Measure F

The Question

“Shall the Measure maintaining the City of Alameda’s financial stability and protecting services and infrastructure such as police response to violent crimes and burglaries; 9-1-1 emergency medical and fire response; maintaining neighborhood parks; repairing potholes; maintaining streets and protecting the Bay from pollution by enacting a .5% sales tax until repealed by voters, providing approximately \$5,000,000 annually in locally controlled revenues, requiring independent audits and public spending review be adopted.”

The Situation

Currently, the tax on retail sales in Alameda is 9.25%, of which the City receives 1%, with the remaining 8.25% sent to the State, County and BART. Revenue from the current sales tax generates approximately \$10.4 million annually and is expected to remain relatively flat. The City projects a deficit of \$4.7M by FY 21/22.

The Proposal

The proposed Ordinance would authorize an additional .50% transaction and use tax for Alameda City that would increase the total sales tax rate to 9.75%. In comparison, the sales tax in Berkeley and Oakland is 9.25% and 9.75% in Albany, Hayward, Newark, San Leandro and Union City. The measure requires a yearly independent audit reviewed annually by City Council and will continue until repealed by voters.

Fiscal Effect

Measure F will bring in approximately \$5 M annually in revenue and will fund operating or capital expenditures such as police, fire services, park and beach maintenance, and street repair.

It would become effective on April 1, 2019, and the California Department of Tax and Fee Administration would issue the first monthly payment to the City in June 2019. State law authorizes the City of Alameda to submit to its voters in any general election before January 1, 2025, a request to raise its add-on sales tax above the cap by one half cent.

What a Yes or No Vote Means

A YES vote means the sales tax will increase by .50% effective April 1, 2019.

A NO vote means the sales tax will remain at 9.25%.

Supporters say

- Alameda is facing significant budget shortfalls. Delays in maintaining streets, parks and beaches mean the quality of life will decline.
- The measure supports the goal of ensuring recurring revenues (versus one-time revenues) meet expenditures (i.e., a structurally balanced budget) and of continuing to meet, and perhaps even help reduce, the City’s annual contributions to OPEB and CalPERS Unfunded Liability.
- Measure F will maintain 21 community parks and keep pollution out of the Bay: address the \$25 M backlog in repairing potholes, repaving streets; and, maintain fast 911 response and neighborhood police patrols keeping crime rate low.
- State and federal government cannot touch funds raised through Measure F.
- Annual audits ensure funds are spent properly.
- Essential purchases such as groceries and medicine are exempt.

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Opponents say

- There are no restrictions on how the City Council will spend the additional revenues. The categories listed in the ballot measure are only suggestions, not mandates.
- There is no guarantee that the City Council will use the additional revenues to reduce operating deficits.
- Sales taxes are a regressive form of taxation that hit lower and middle income households the hardest.
- An additional increase in the City of Alameda's already high sales tax could impact local sales negatively.
- There is no sunset provision for this tax and requires a vote of the people to repeal the tax.

Supporters

Sandra Russell, West End Small Business Owner

Jim Sweeney, Founder of the Jean Sweeney Open Space Park Fund, Longtime Alameda Resident and Park Advocate

Ruth Abbe, Environmental Advocate and 32 year Alameda Resident

Benjamin T. Reyes III, Retired U.S. Army Airborne and 40 year Alameda Resident

Cynthia Silva, President of the Alameda Library Board, 25 year Alameda Resident and Longtime Library Advocate

Opponents

No opponents on file

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Measure K

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Rent Charter Amendment Initiative Measure K

The Question

“Shall the Charter be amended by incorporating Ordinance 3148, the City’s Rent Review, Rent Stabilization and Limitations and Limitations on Evictions law, with the following modifications: (a) preclude City Council from amending the law in response to changing conditions and concerns, and require voter approval instead, and (b) eliminate the December 31, 2019 sunset clause?”

The Situation

In March 2016, the Alameda City Council adopted Ordinance 3148, a rent stabilization ordinance. On August 8, 2016, the City Council voted to place the Ordinance on the November 8, 2016 ballot. Voters approved the ordinance, including the provision that the City Council retain authority to amend the Ordinance in ‘response to changing conditions and concerns.

The current Ordinance:

- Limits rent increases to once a year
- Allows renters to challenge a rent increase of any amount, no matter how small
- Requires a review process for all rent increases above 5%, which can result in a binding and enforceable restriction on the rent increase depending upon the type of rental unit
- Provides a mediation process for residents living in units that are otherwise not subject to rent control
- Requires landlords to pay relocation fees when property owners need to terminate tenancy through no fault of the tenant
- Limits grounds upon which a landlord may terminate tenancy.

The Ordinance remains in effect until December 31, 2019, unless the City Council extends it.

The Proposal

The proposed measure would add the Ordinance into the City Charter with two significant changes: (a) it would require a vote of the people to amend the ordinance (b) it would extend the Ordinance indefinitely until voters amend or repeal it.

Fiscal Effect

There is no fiscal impact on the City’s budget as the program is completely funded by fees collected from Alameda property owners, and would continue if Measure K were enacted. In cases of ‘no fault’ or ‘no cause’ evictions, landlords must pay for relocation benefits of around \$1,595, periodically adjusted for inflation. Additionally, landlords must pay the equivalent of one month’s rent for each year of rental up to four month’s rent for these types of evictions.

What a Yes or No Vote Means

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A **YES** vote means the current Ordinance remains in effect with two changes: (a) the Ordinance will not Sunset on December 31, 2019 and (b) the Ordinance can only be modified by a vote of the people not by the City Council.

A **NO** vote means the current Ordinance will continue until December 31, 2019, unless the City Council extends or modifies it.

Supporters say

- Whether you own or rent the cost of housing is too high. Measure K will protect our seniors, working families and our most vulnerable residents.
- Measure K is a common sense initiative that will protect Alameda's rent control law and prevent politicians from changing it in the future. By putting the people of Alameda in charge, Measure K protects our rent control system and ensures it will continue to work for tenants and property owners alike.
- Measure K will cap rent increases at 5% annually and require a hearing to approve a larger increase.
- Landlords will not be permitted to evict tenants just to raise rent but can evict tenants who violate the terms of their lease.
- When a tenant is terminated for no cause, the unit withdrawn from the market or demolished, Measure K will provide relocation assistance where tenants must find new housing.

Opponents say

- Measure K locks Ordinance 3148 into the City Charter and can be changed only by a vote of the people.
- Under Measure K all changes require a costly, time-consuming election, regardless of whether it's to fix minor errors or to remedy major flaws.
- Ordinance 3148 is a good start but the housing policy is complicated and the Ordinance will need continual modifications as State laws change.
- We should be practical in addressing the housing crisis and maintain flexibility to adapt to unique circumstances in Alameda.

Supporters

Anthony (Tony) Daysog, former Councilmember, City of Alameda

Michael Gorman, former City Councilmember, City of Alameda

Trish Spencer, Mayor, City of Alameda

Dan Tuazon, Retired Tax Accountant and Martial Arts Instructor

Candace Gutleben, Retired Teacher, Alameda Unified School District

Victor Jin, Resident

Terry Harrison, Vice President, Alameda Naval Air Museum

Opponents

Malia Vella, Vice Mayor, City of Alameda

Marilyn Ezzy Ashcraft, Councilmember, City of Alameda

Frank Matarrese, Councilmember, City of Alameda

Jim Oddie, Councilmember, City of Alameda