

## **Ballot Simplification Committee**

**FINAL Approved Digest - February 24, 2014: Packard, Fasick, Fraps, Jorgensen, Unruh**

**Requests for Reconsideration were due by 5 p.m. on Tuesday, February 25**

### **Earthquake Retrofit Bond** *(working title only, subject to change)*

#### **The Way It Is Now:**

The City owns and operates facilities that provide services for public safety and response to emergencies, including earthquakes. These facilities include:

- The Emergency Firefighting Water System, which provides a dedicated water supply system for fighting fires. This includes a reservoir, pipes, cisterns, pump stations and high-pressure fire hydrants;
- Neighborhood police and fire stations;
- The Medical Examiner's facility; and
- The police motorcycle unit and crime lab.

These facilities do not meet the seismic standards of the current building code and are not expected to remain functional in the event of a major disaster.

The City's 10-year Capital Plan identifies the repairs and relocation of public safety facilities as a high priority. To pay for large projects such as those included in the Capital Plan, the City borrows money by selling general obligation bonds. The City uses property tax revenues to pay the principal and interest on those bonds.

The spending of bond revenue is overseen by the Citizens' General Obligation Bond Oversight Committee. This nine-member committee is appointed by the Mayor, the Board of Supervisors, the Controller, and the Civil Grand Jury.

#### **The Proposal:**

Proposition A is a general obligation bond measure that would authorize the City to sell up to \$400 million in bonds to improve specific public safety and emergency response facilities.

The bond proceeds could only be used to:

- Upgrade, repair and retrofit the Emergency Firefighting Water System and related facilities;
- Improve and retrofit neighborhood police and fire stations;
- Build a seismically secure structure for the Medical Examiner; and
- Build a seismically secure structure for the police motorcycle unit and crime lab.

Proposition A would allow an increase in the property tax to pay for the bonds. It would permit landlords to pass through 50% of the resulting property tax increase to tenants.

Proposition A also would require the independent Citizens' General Obligation Bond Oversight Committee to oversee the spending of bond funds. One-tenth of one percent (0.1%) of the bond funds would pay for the committee's audit and oversight functions.

This measure requires the approval of two-thirds of the voters.

**A “YES” Vote Means:** If you vote "yes," you want to allow the City to sell up to \$400 million in general obligation bonds to finance the construction, improvement and seismic retrofitting of specific public safety and emergency response facilities.

**A “NO” Vote Means:** If you vote “no,” you do not want to allow the City to sell bonds to finance the construction, improvement and seismic retrofitting of specific public safety and emergency response facilities.

word count: 408 [suggested word limit: 300]