



CITY OF
**PALO
ALTO**

CITY COUNCIL Staff Report

From: City Clerk and City Manager
Report Type: ACTION ITEMS

Meeting Date: October 21, 2024
Report #:2408-3349

TITLE

Adoption of City Council Positions on State and Local Measures Presented to Palo Alto Voters on the November 5, 2024 Ballot; CEQA status – not a project

RECOMMENDATION

Staff recommends that City Council review and discuss the November 5, 2024 state and local ballot measures and consider adoption of formal positions as relevant to the City of Palo Alto or desired by the City Council.

BACKGROUND

The Secretary of State has qualified ten measures for the November 5, 2024 statewide ballot. There is one local ballot measure in Palo Alto. There are no other measures from other relevant local jurisdictions (such as Santa Clara County, Palo Alto Unified School District, or Valley Transportation Authority) that will be presented to Palo Alto voters this year.

This report summarizes the ballot measure that will be presented to Palo Alto voters on the November 5, 2024 ballot and recommends positions for the City Council to consider adopting. The positions are intended to provide information for Palo Alto voters to consider when casting their votes. The City Council considered taking positions on ballot measures on the November 3, 2020¹ and November 8, 2022² ballots.

Townsend Public Affairs, the City's legislative consultant, prepared **Attachment A** which summarizes the statewide measures and includes potential local impacts of each measure. The staff-recommended positions are based on the City Council-approved 2024 legislative guidelines³. The legislative guidelines reflect and activate the City Council's priorities. The legislative guidelines follow one or more of the following four foundational principles:

¹ City Council, 9/14/2020; Agenda Item 11, Staff Report #11550:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=98045&repo=r-704298fc>

² City Council, 10/3/2022; Agenda Item #10; Staff Report #14787:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59209&repo=r-704298fc>

³ City of Palo Alto's 2024 Federal and State Legislative Guidelines:
<https://www.cityofpaloalto.org/files/assets/public/v/1/city-manager/legislation/adopted-2024-legislative-guidelines.pdf>

1. Promote local fiscal sustainability
2. Support funding opportunities
3. Preserve local control
4. Protect the health and safety of the community

Staff recommended positions only where the legislative guidelines clearly apply.

At your discretion, Council may take positions on these or other ballot measures.

ANALYSIS

The below section summarizes the November 5, 2024 statewide and local ballot measures. Additional information on statewide and local measures, including arguments in favor and against, impartial analyses, and full text may be found at the California Secretary of State’s Official Voter Information Guide⁴ or City’s ballot measure page⁵.

Statewide Ballot Measures

Proposition	Secretary of State Official Summary	Staff Recommended Position
Proposition 2	<ul style="list-style-type: none"> • Authorizes \$10 billion in state general obligation bonds for repair, upgrade, and construction of facilities at K–12 public schools (including charter schools) and community colleges. • Provides funding for new facilities, to improve school health and safety conditions at existing facilities, and for classroom upgrades (e.g., science, engineering, transitional kindergarten, and vocational classrooms). • Expands eligibility for financial hardship grants for small and disadvantaged school districts. • Provides higher percentage of state matching funds to schools demonstrating greatest need. • Requires public hearings and performance audits. • Appropriates money from General Fund to repay bonds. 	No recommended position.
Proposition 3	<ul style="list-style-type: none"> • Amends California Constitution to recognize fundamental right to marry, regardless of sex or race. • Removes language in California Constitution stating that marriage is only between a man and a woman. 	Support. Applicable guidelines: Support policies that promote equity.

⁴ California Secretary of State November 5, 2024 Official Voter Information Guide – Propositions: <https://voterguide.sos.ca.gov/propositions/>

⁵ City of Palo Alto November 5, 2024 Ballot Measure D: <https://www.cityofpaloalto.org/Departments/City-Clerk/Municipal-Elections/November-5-2024-Ballot-Measure-D>

Proposition	Secretary of State Official Summary	Staff Recommended Position
Proposition 4	<ul style="list-style-type: none"> • Authorizes \$10 billion in state general obligation bonds for various projects to reduce climate risks and impacts: \$3.8 billion for safe drinking water and water resilience; \$1.95 billion for wildfire prevention and extreme heat mitigation; \$1.9 billion for protection of natural lands, parks, and wildlife; \$1.2 billion for protection of coastal lands, bays, and oceans; \$850 million for clean energy; and \$300 million for agriculture. • Prioritizes projects benefitting disadvantaged communities. • Requires annual audits. • Appropriates money from General Fund to repay bonds. 	Support. Applicable guidelines: Promotes the use of renewable resources, water conservation, and the flexible use of existing resources; Supports the protection of our natural environment, including open space, trees/tree canopy, and biodiversity.
Proposition 5	<ul style="list-style-type: none"> • Allows local bonds for affordable housing for low- and middle-income Californians, or for public infrastructure including roads, water, and fire protection to be approved by 55% of voters, rather than current two-thirds approval requirement. • Bonds must include specified accountability requirements, including citizens oversight committee and annual independent financial and performance audits. • Allows local governments to assess property taxes above 1% to repay affordable housing and infrastructure bonds if approved by 55% of voters instead of current two-thirds approval requirement. 	Support. Applicable guidelines: Supports lowering or maintaining of voter thresholds for local revenue measures.
Proposition 6	<ul style="list-style-type: none"> • Amends the California Constitution to remove the current constitutional provision that allows jails and prisons to impose involuntary servitude to punish crime (i.e., forcing incarcerated persons to work). • Prohibits the California Department of Corrections and Rehabilitation from punishing incarcerated persons for refusing a work assignment. Allows incarcerated persons to voluntarily accept work assignments in exchange for credit to reduce their sentences. 	No recommended position.
Proposition 32	<ul style="list-style-type: none"> • California's minimum wage is currently \$16 per hour. This measure increases that minimum, as follows: <ul style="list-style-type: none"> ○ Employers with 26 or more employees would pay \$17 hourly for the remainder of 2024 and \$18 hourly beginning on January 1, 2025. ○ Employers with 25 or fewer employees would pay \$17 hourly beginning January 1, 2025, and \$18 hourly beginning January 1, 2026. • Thereafter, as existing law provides, the minimum wage annually adjusts for inflation. • In addition to the generally applicable minimum wage described above, current laws establish a higher minimum wage in specified industries. This measure does not amend those laws. 	No recommended position.

Proposition	Secretary of State Official Summary	Staff Recommended Position
Proposition 33	<ul style="list-style-type: none"> • Current state law (the Costa-Hawkins Rental Housing Act of 1995) generally prevents cities and counties from limiting the initial rental rate that landlords may charge to new tenants in all types of housing, and from limiting rent increases for existing tenants in (1) residential properties that were first occupied after February 1, 1995; (2) single-family homes; and (3) condominiums. • This measure would repeal that state law and would prohibit the state from limiting the ability of cities and counties to maintain, enact, or expand residential rent-control ordinances. 	No recommended position.
Proposition 34	<ul style="list-style-type: none"> • Requires health care providers meeting specified criteria to spend 98% of revenues from federal discount prescription drug program on direct patient care. • Applies only to health care providers that: (1) spent over \$100,000,000 in any ten-year period on anything other than direct patient care; and (2) operated multifamily housing reported to have at least 500 high-severity health and safety violations. • Penalizes noncompliance with spending restrictions by revoking health care licenses and tax-exempt status. • Permanently authorizes state to negotiate Medi-Cal drug prices on statewide basis. 	No recommended position.
Proposition 35	<ul style="list-style-type: none"> • Makes permanent the existing tax on managed health care insurance plans (currently set to expire in 2026), which, if approved by the federal government, provides revenues to pay for health care services for low-income families with children, seniors, disabled persons, and other Medi-Cal recipients. • Requires revenues to be used only for specified Medi-Cal services, including primary and specialty care, emergency care, family planning, mental health, and prescription drugs. • Prohibits revenues from being used to replace existing Medi-Cal funding. • Caps administrative expenses and requires independent audits of programs receiving funding. 	No recommended position.
Proposition 36	<ul style="list-style-type: none"> • Allows felony charges for possessing certain drugs and for thefts under \$950—both currently chargeable only as misdemeanors—with two prior drug or two prior theft convictions, as applicable. Defendants who plead guilty to felony drug possession and complete treatment can have charges dismissed. • Increases sentences for other specified drug and theft crimes. • Increased prison sentences may reduce savings that currently fund mental health and drug treatment programs, 	No recommended position.

Proposition	Secretary of State Official Summary	Staff Recommended Position
	K-12 schools, and crime victims; any remaining savings may be used for new felony treatment program.	

Palo Alto Ballot Measure

Proposition	Ballot Question	Staff Recommended Position
Measure D	Undedicates a 0.33-acre portion of existing parkland in El Camino Park for the purpose of creating a new road primarily for transit vehicles linking the Palo Alto Transit Center with El Camino Real	Support. Applicable guidelines: supports expansion and/or maintaining of public transit options throughout Palo Alto, especially funding for transit.

FISCAL/RESOURCE IMPACT

There is no financial impact associated with adopting support or oppose positions on ballot measures. The City Council annually budgets for legislative advocacy services, and these efforts are led by staff in the City Clerk’s Office with stakeholder support across departments, especially the City Manager’s Office.

STAKEHOLDER ENGAGEMENT

Staff from multiple departments are involved in the City’s legislative advocacy process. Staff meet regularly with the City’s legislative consultants to review pending state and federal activity, including legislation, grant opportunities, and ballot measures with potential impacts to the City.

ENVIRONMENTAL REVIEW

The City’s legislative advocacy activities are not a project under section 15378(b)(25) of the California Environmental Quality Act Guidelines (administrative activities that will not result in direct or indirect physical change in the environment).

ATTACHMENTS

Attachment A: Townsend Public Affairs November 2024 Ballot Initiatives Memo

APPROVED BY:

Mahealani Ah Yun, City Clerk

Staff: Christine Prior, Deputy City Clerk