

CCAPA TAKES POSITIONS ON NOVEMBER BALLOT MEASURES

At the CCAPA Board meeting on Sunday, October 17th, the CCAPA Board took the following positions on ballot measures that will be on the November, 2004 ballot:'

YES ON PROP 1A – LOCAL GOVERNMENT/GOVERNOR LOCAL REVENUES PROTECTION COMPROMISE

NO ON PROP 65 – ABANDONED LEAGUE LOCAL REVENUE PROTECTION INITIATIVE

NO ON PROP 68 - CARD ROOM/RACE TRACK OWNERS' GAMBLING INITIATIVE (NOW DROPPED BY SPONSORS)

NO ON PROP 70 – AGUA CALIENTE BAND OF CAHUILLA INDIANS' GAMBLING INITIATIVE

ANALYSIS (From Vince Bertoni, Vice President for Policy and Legislation)

PROP 1A

The League of California Cities, the California Association of Counties, the California Redevelopment Agencies, and California Special Districts Association have placed on the ballot, along with the Governor, this ballot initiative that represents a compromise with the Governor and state Legislature to insure stable financing for local government. The initiative locks in place the current property and sales tax mechanisms, requiring any changes to be approved by another statewide ballot initiative, while making it much more difficult for the state to raid local revenues as they have in the past with ERAF. The initiative puts in place for the first time stability for local government revenues. For information about the initiative, and a full list of supporters, the website is www.YesonProp1A.com. There is no anti-Prop 1A website, but an objective analysis appears on the CA Budget Project website at www.cbp.org. The CSAC analysis appears as an attachment on this e-mail.

There are several issues involved with this initiative that impacts how we do planning in California and I believe that the CCAPA Board of Directors should take a position. Unfortunately, this is not a simple decision because the initiative involves two competing issues in our current Legislative Platform that was adopted by CCAPA two years ago.

The Legislative Platform lists 10 General Principles and a long list of action items. Principle 3 states that "Stable financing of all levels of government is essential for

the provision of critical public facilities and services, and continued economic health." Planning is certainly a critical public service and when I was at the State Senate the other week testifying on infill housing along with Elaine Costello and Janet Ruggiero, one of the recommendations that we heard from both housing advocates and developers was that there needed to be more funding for local planning agencies to provide the resources for infill housing.

On the other hand, the next action item in our Legislative Platform after Principal 3 is to "rethink the state's property tax structure (including Proposition 13) to ensure fairness to both new and existing residents and to encourage rather than to frustrate good planning practices." It has been widely accepted that local government's reliance on sales tax (an outcome of Proposition 13) has not encouraged good planning practices as local agencies have favored high sales tax generating uses to the detriment of providing adequate housing and an appropriate balance of uses.

Understanding that this initiative has both positive and negative impacts to planning, [I would recommend that the Board support Proposition 1A as a short term solution to insure stable revenues for local government with the goal of tying long-term fiscal reform and new local revenue sources to solutions that reduce local government's reliance on sales tax.](#)

PROP 65

Proposition 65 was the original League of Cities revenue protection initiative that the CCAPA Board agreed to support at the beginning of the year. Following the agreement on Prop 1A, the League and other sponsors "orphaned" or abandoned this initiative, and has asked past supporters to oppose it. For this reason, [I would recommend that the Board oppose Prop 65.](#)

PROP 68 AND PROP 70

Propositions 68 and 70, although different in content and goals, share one major flaw: they would inhibit local governments from insuring that land use and environmental impacts from gambling facilities are adequately mitigated and that CEQA is followed. Attached are the analyses of both Propositions from CSAC. The Sierra Club and League of Conservation Voters are also opposed. In addition, I asked Terry Rivasplata to review the CEQA implications of these initiatives as well. His analysis is below. I think the Board should oppose these Propositions. The tribes need to comply with CEQA, period. I think the Board should oppose any legislation or initiative, from the Legislature or by ballot box that does anything to inhibit local government from insuring that land use and environmental impacts are adequately mitigated and that CEQA is followed. And, even though Prop 68 has now been dropped by its sponsors, it still will appear on the ballot. For these reasons, [I would recommend that the Board oppose Propositions 68 and 70.](#)

Analysis from Terry Rivasplata of Propositions 68 and 70:

The new compacts signed with the 5 tribes (4 of which were signed into law yesterday) provide for "tribal EIRs" to be prepared and consideration of casino impacts for new or expanded casinos on those reservations/rancherias. They also guarantee the state a cut of the proceeds. The rest of California's tribes operate under the Davis Administration compacts that have not provided environmental reviews or local input in most cases. Only those tribes that have wanted to work with locals have done so. The others have proven to be under no obligation.

There are at least a couple of local problems that would arise from Prop 68. First, there's the reality that the tribes will never renegotiate their compacts under the provisions of Prop 68. So, the existing vague and generally ineffective land use and environmental analysis provisions of those compacts will remain in effect. Second, since the tribes won't renegotiate, the existing card rooms and race tracks will be authorized to greatly expand the number of "gaming devices" that they can have on site. Prop 68 appears to preempt all other state or local laws that would attempt to regulate this expansion -- although not expressly stated, this looks broad enough to include zoning. So, the card rooms/race tracks would potentially be allowed to expand without local land use controls applying. In any case, the locals would not be able to control the number or use of the gaming devices. This looks like a great opportunity for some litigation by local governments.

Prop 70 has a good side and a bad side. On the good side, it would improve the existing land use/environmental review problems with the majority of the tribal compacts. The tribes would be required to prepare an EIR-like assessment of off-site impacts and make a good faith effort at mitigation, in cooperation with adjoining jurisdictions. The contents of the EIR are left to the tribes to decide in relation to their "governmental interests" (in other words, the quality is not guaranteed).

The bad side is that Prop 70 would require the Governor to enter into new 99-year compacts that would allow a limitless number of gaming devices and an expansion of Indian casinos to full-on Las Vegas games (craps or roulette anyone?). Other than any concessions to locals arising from the mitigation negotiations, there could be amazing traffic, water quality, water supply, and other impacts as a result. Under CEQA regs, the baseline for analysis of the new operations would be existing facilities. So, technically, the new EIR would have to analyze only the incremental change from the existing casino if the project is a casino expansion. Past shortcomings fall under the baseline and wouldn't be open to mitigation. Mitigation would apply only to the new impacts from the expansion.

Neither of these looks like a great deal for locals. Prop 68 may act to limit land use restrictions that would affect the expansion of existing card clubs/racetracks to accommodate the Prop 68-authorized devices. Prop 70 would allow locals

more input into the mitigation of casino impacts, but in the case of a casino expansion, only those impacts resulting from the expansion, not from the original casino.

The Sierra Club position on Prop 68 is as follows:

"The issue for the Sierra Club is not whether gambling is right or wrong. Instead, it is what this initiative would do to land use planning, the protections communities have under the California Environmental Quality Act, and local control of development and land use decisions.

Buried deep in the initiative is a provision that explicitly states that they will have the right to put huge numbers of slot machines on their property "notwithstanding...any provision of state or local law." In other words, this Constitutional Amendment abrogates any local land use controls, any state environmental laws, and any environmental assessment under CEQA. It gives the racetracks and card rooms the legal right to put the slot machines on their property no matter what the local community says and no matter how bad the environmental impacts will be.

You can see what a disaster this would be for land use planning and environmental control in this state. The Sierra Club opposed Prop. 68 for this reason. It should be opposed on this ground alone.

In addition, we fear that if this initiative is successful, then other corporate interests will try the same thing with other paid initiative drives."

More information on both Prop 68 and 70 can be found on the oppose website at www.stop68.com.