

Speaker 1 ([00:00:00](#)):

Hello. Hello. Welcome. We could all just find our seats. How's everyone doing? Pol fast. How fun has it been? Uh, come on. Better. Yeah. Pol.

Speaker 1 ([00:00:24](#)):

Well, welcome to this Year's Politics 2024. Can our government meet the moment? I'm Andrea Lopez Ana, and I'm the managing editor at Voice of San Diego. In case you're not familiar with Voice of San Diego, we're a nonprofit investigative news organization committed to holding public officials accountable and giving you the public the information you need to be advocates for good government. As a nonprofit, we depend on members, donors, and sponsors like you to make our work possible. So just you being here in these seats, um, is a lot of help. So thank you for your support. I'd like to take a minute to recognize our sponsors who help make political possible. A special thanks to the College of Arts and Sciences at the University of San Diego for being our partner for a seventh year. Our thanks also to the Sequan Band of the Kumeyaay Nation, the United Domestic Workers Union, A A RP, the San Diego Foundation Business for Good TKI Development, the San Diego Municipal Employees Association, the Asian Business Association, plant Parenthood of the Pacific Southwest Atlantis Group, SD Art Matters, and Southern California Rental Housing Association. We'd also like to recognize KPBS and I News Source are partners at Public Matters. We're partnering to share content, conversation and events like Polus to ensure that all San Des understand their opportunity to participate in the democratic process and what it means more, and what it means more than voting in an election. A special thanks to the San Diego Foundation and the United Domestic Workers for sponsoring this specific session. Um, please welcome Smith Korn from United Domestic Workers to say a few words about their organization.

Speaker 2 ([00:02:18](#)):

Good afternoon. My name is Smith Risor and I'm with the United Domestic Workers UDW. We are a union of caregivers of older adults, people with disabilities and children here in our region. Um, I am the special assistant to the executive director, Doug Moore. And it is so good to be here with all of you today to celebrate politics here in San Diego. I wanted to briefly talk to you all about two things, who we are and why we're here. So, UDW represents around 200,000 caregivers throughout the state of California, about 40,000 of whom live here in San Diego. We're neighbors, friends and family. We've taken one of our community's most important and critical jobs, and we take great pride in doing so. Unfortunately, we're also grossly underpaid here in San Diego, one of the most expensive areas in our country. We make \$18 and 50 cents an hour.

Speaker 2 ([00:03:13](#)):

The MIT living wage calculator indicates that for a single person with no children, the living wage should be \$29 and 54 cents. You don't need to go to MIT to know that we're nowhere close to meeting that number. This leads to why we're here as folks at the forefront of keeping people in their homes and making sure our most vulnerable don't end up on the streets. We know politics is a mechanism through which change happens. We're here because we wanna support the work that Scott and Andrea and the entire team are doing to hold government accountable in their promises to meet the moment. We are membership and leadership are here for the same reason. Many of you are here to educate ourselves on what is happening in our communities. Issues like Prop five that we're about to discuss are gonna have huge impacts on our lives. So, uh, with election day on November 5th coming up, I wanted to say that we don't have to all agree on the myriad of issues that we're dis discussing here today, but surely we can agree that our democracy and civic engagement are critical to the future of our country. So as a Big West Wing fan, no matter who you vote for, please make sure you vote. And the United domestic workers who would wanna, who would love to congratulate, uh, the Voice of San U on another great Polita Fest. Thank you.

Speaker 1 ([00:04:40](#)):

Thank you Smith. And now I'll introduce our wonderful moderator, Joey Schaf. ic.

Speaker 3 ([00:04:47](#)):

Hi, I am Joey ic. I'm the political reporter at NBC San Diego. Very excited to be here. I think we can all agree that West Wing is a great show and that our panelists have great socks. And that might be the extent of what we agree on here today, but, uh, we'll figure it out from there.

Speaker 4 ([00:05:04](#)):

We both drive EVs now that I've, wow, okay. Look at that. So, yeah, so we agree on that too. We agree he was tired of paying the gas tax, so,

Speaker 3 ([00:05:11](#)):

And we agree that filling 70,

Speaker 4 ([00:05:13](#)):

Think about that. That's good. I did get outta the paying the gas tax. Right. Okay.

Speaker 3 ([00:05:16](#)):

So we agree that filling 75 minutes on one prop might be a little bit of a challenge. So we encourage you to ask good questions and send them our way. Uh, and on that note, let's introduce our panelists. We have assembly member Chris Ward. Thank you Joey. Thank you for being here. And we have Senate minority leader Brian Jones. Good afternoon. Good to be here. Both of whom represent districts within San Diego in the State House in Sash in

Speaker 4 ([00:05:40](#)):

Chris's district right now. This is Stones are away from yours, so <laugh>

Speaker 3 ([00:05:45](#)):

Uh, so we'll go to you for dinner recommendations. Anytime.

Speaker 3 ([00:05:48](#)):

Okay. So what is Prop five? Like? So many propositions that we see on our ballots, it can be a little bit convoluted upon first reading. You might read it and feel like you have to go back to like seventh grade English comprehension. But we're gonna hopefully send you out of here today understanding what it is and perhaps how you're going to vote for it so that you can go and educate your friends. I think we have a new slide. Okay, great. So Prop five allows local bonds for affordable housing and public infrastructure with 55% voter approval. As it stands now that needs a super majority, which is 66% voter approval. So what the ask is here is to lower that threshold, two 55%. So here you go. When a city or county wants to borrow money, we call that bonds, they need to get voter approval.

Speaker 3 ([00:06:40](#)):

You've all probably voted on that before they put it on a ballot measure. And again, they need 66% voter approval. One more slide. So what would Prop five change? It would lower that threshold to 55%, and then it would be used for affordable housing projects for low and middle income Californians and for public infrastructure. That includes roads, parks, police stations, public safety investments. One more slide please, but not so fast. Opponents say, and I will let Brian get into this in a minute, but, uh, the

nonpartisan state legislative analyst office says that the borrowed funds would be repaid with higher property taxes. And that has a lot of people doing a double take. The amount of increased borrowing would depend on the ask by local governments. So each time a bond is put forth before voters, you'd have to determine and assess how much property taxes might need to go up to repay that bond.

Speaker 3 ([00:07:37](#)):

That's not something that Prop five addresses right off the bat. So the question that we're hoping to address here is, how easy should it be for, to raise taxes for your local government to borrow money? And what kind of impact does that have on you as a property owner? Okay, just a couple more points of context. California homes are about twice as expensive as the typical US home. That also comes from the legislative analyst office. 30% of renters in San Diego spend half of their paycheck on rent. That is a lot. If prop five passes, it does apply to bonds that are on the ballot this year. And then there is oversight built into Prop five. So it does include accountability structures that are built in. Uh, also the threshold for school bonds has already been lowered to 55%. That happened a while ago. I miss anything. That was very fair. Okay, thank you. We try, we do our best. Okay. So let's get into this discussion. First of all, can you tell us all where you stand on Prop five and why? And we'll try to make this less intense than like a high school debate because those are very scary.

Speaker 5 ([00:08:49](#)):

No, thank you Joey. Thank you everybody for being here, for those online. Uh, happy to give, uh, I guess the support, uh, position, um, as I was a co-author on ACA one and a few other measures that have brought you now proposition vibe to put this question really before the voters. Um, I think it's an accurate statement to say how easy should it be to raise taxes, right? That is, that is an accurate statement, but it's equally as accurate to say how difficult should be to be able to fund community infrastructure. And that's what we're running up against. I think you all know I had the, um, privilege of being able to serve on the San Diego City Council for a number of years before this opportunity to be at the State House. And it was incredibly difficult as we saw our infrastructure deficit grow, uh, as we saw our tools in our toolbox limited.

Speaker 5 ([00:09:31](#)):

And we even tested some questions I'll probably talk about, you know, a little bit later about putting ideas before the voters, but forth this two thirds vote threshold that we knew is the requirement to be able to get things passed is just subverting local government's opportunities to be able to decide for themselves what they want to see happen in the form of affordable housing or, um, being able to correct some of that infrastructure deficit that we have. So, uh, connecting it to what we've already done as voters back in the year 2000 for school facilities, it was a natural extension to say, look, if a threshold is good enough for school facilities, I think it should be good enough for community facilities as well. And I wanna include affordable housing in that because of the crisis that we're in.

Speaker 3 ([00:10:15](#)):

I think that's a fair point. We could have called this session a couple of different titles. We could have posed a few questions. What do you think Prop five at its crux is about?

Speaker 4 ([00:10:23](#)):

Well, I'm gonna start where, uh, a similar member award ended in, in talking about the school district bond threshold being lowered to 55% in 2000. And if you're paying attention to the media, which I know all of you are, 'cause that's why you're here. And if you look at the history of the school districts in San Diego County, and specifically San Diego Unified and their success rate with their bonds and the, the accountability in how they've spent that money, there's been lots of coverage on, uh, mismanagement of

those funds. There's, uh, embezzlement of those funds, uh, waste of those funds. And so that argument might actually, uh, make the argument against Proposition five. Uh, what Proposition five does at its core is give politicians political consultants and wealthy Wall Street bankers more access to your money. It makes it easier for them to come into your, your pocket and take the cash outta your pocket and put it into, uh, the general fund of the, either the city or the special district.

Speaker 4 ([00:11:30](#)):

And we should be as just as concerned about cities as we are special districts. A special district is a, is a fire. If you live in an area that has a fire district or every, we all live someplace that has a water district, uh, or any other kind of district where you're electing the board of directors, they will have access through Prop five to increase your property taxes. Now, what that means specifically is there will be an additional line on your property tax bill every, uh, twice a year when you pay your property tax, uh, with a, with a, a expenditure to repay these bonds that that local district, uh, took out. Now, look, if you're a renter, uh, like lots of people in San Diego are, you're still a property tax. Everybody pays property tax one way or another. So if you're a renter, uh, whoever owns that apartment or house or where, wherever it is that you live, there is a property tax added to that cost of that piece of property. And as property taxes go up, your rent increases, uh, at the same rate or even sometimes at a higher rate. So I'm a no on prop five because I believe that the governments in California currently have enough money. They just need to prioritize better how they're spending it and make these core functions of government the priority first before their pet projects. Let's fund core, core priorities of government first and avoid raising our property taxes. Do

Speaker 3 ([00:12:58](#)):

You agree that there is enough money, enough revenue right now to tackle these projects?

Speaker 5 ([00:13:02](#)):

No, it's right in front of you on an annual basis as you're reviewing as a city your ability to meet the need. And we see that infrastructure backlog grow, we know that billions of dollars that the city is behind and being able to meet its basic needs on storm water, on providing adequate police, fire, um, uh, park and library facilities, um, street repair. So one of the challenges that we had here, and I remember back to one of the efforts that I really tried to work on the last year I was on city council, uh, is putting these questions before the voters and saying it's up to them if we do want to pay more altogether and for a housing bond. 'cause we know that is the biggest crisis that many argue we are facing as a community. That was something that we had designed to be able to support \$900 million.

Speaker 5 ([00:13:49](#)):

Yes, it is like school bonds tied back to a property tax. So when you get that bill, you see the community college district, San Diego Unified, I wanna come back to that in a second. 'cause I don't think that the, the fraud and the, the, the, the characterization I think was a fair as, as, as Senator had made it. Um, but we use that as an opportunity then to be able to meet the public's demands. And that's what's always coming at us. And to say that there's this wild, you know, wasteful spending and all this fraud that's going on. I'm telling you we're meeting our operational needs to the best that we can. And then what? And then what more can we do to be able to solve the questions that are coming at council members to say, why isn't my community getting anything? And you say, well, here's the budget and it's basically maxed out for what we have right now.

Speaker 5 ([00:14:33](#)):

Now, the good thing about Proposition five is accountability. There is a required expenditure plan. It can not go to salaries. This isn't about backfilling something that should be, uh, the responsibility of a general fund. Uh, there needs to be oversight, uh, for a citizens commission that looks at all the projects that were

promised to the voters to make sure we're on time and on task with those projects. And a review by the state auditor. No other structure that we afford, including some of the school bond governance, um, uh, uh, measures requires such a high level of accountability. So we believe that that is tightened up the question as best as we could to be able to offer something fair for voters to be able to consider when we are talking about moving a threshold from two thirds to 55%.

Speaker 3 ([00:15:17](#)):

Do you feel that the super majority threshold is undemocratic? That a third of voters can shoot down a project that 65% of voters may want? As we have seen,

Speaker 5 ([00:15:29](#)):

I do. Um, there was another measure that we did not move forward on this year's ballot that is gonna be on the 2026 ballot, but it addresses super majority questions because some have tried to be able to raise the bar even higher. And that is undemocratic. Even ask that question as undemocratic because maybe two thirds of the electorate doesn't agree with that. So why would you raise a bar when you don't even have the same level of voter support? It's a related but separate question. Um, but I do think that even on a 55% vote threshold, let's run some rough math, right? In the year 2000 when I ran this bond measure, um, we had about 640,000 votes cast in the city of San Diego. My measure beat the no side by a hundred thousand votes. It was something around 360 to two 60 was sort of how it shook out, but that was just 57%.

Speaker 5 ([00:16:18](#)):

So it still is incredibly reflective of what the will of the voters are when they say, yeah, we all wanna chip in, we wanna see more affordable housing. We would have close to 7,500 units of affordable housing either by 2024 doors open or under construction right now. But for that threshold, we had an affordable housing question in the Bay Area, a \$20 billion bond that local officials up there wanted to be able to move forward. They decided just at the last second in August to not move that forward because they were uncertain about, they were really hinging on prop five passing. And they need to know that it's a lot of investment to run a campaign on a very contentious issue when it comes to revenues. Um, you wanna do it right, but not knowing what that threshold is is preventing us from being able to even put these questions before to the voters.

Speaker 3 ([00:17:07](#)):

Is it undemocratic?

Speaker 4 ([00:17:08](#)):

I think that the two thirds, uh, vote threshold on, uh, property taxes and bonds is very democratic. And the reason why that is, that is a protection that we all get to enjoy on frivolous projects not being approved. And I'll, I'll even share with prop, the, the process of Prop five, the way that Prop five came together actually even itself underscores the, the importance of the two third super majority. So when Prop five was originally, uh, proposed last year in 2023, it included, uh, lowering the vote threshold for, uh, bonds, which it currently does, but it also had in the, in the original proposal, lowering the vote threshold for special taxes. And so that would be, uh, either your local city, they able to raise your, your sales tax or coming up with a parcel tax or some kind of o other tax. Well, the very smart and highly paid consultants that make a lot of money off these propositions on the ballot recognized last year or earlier this year, that that proposition wasn't going to pass with that lowering the threshold of the special taxes.

Speaker 4 ([00:18:21](#)):

So the, uh, the proposition was amended later this year, earlier in this year, in 2024, actually towards the end of the session, actually almost at the end of the, uh, uh, at the deadline and took that out, the, the two thirds lowering that to 55% for special taxes because the political consultants knew that it wasn't gonna pass. So what does that mean for two third specifically bill, uh, uh, tax proposal versus a 55%? What that means is these consultants, again, make a lot of money. They're very smart and they know how to predict voter behavior, right? They know how to do polling. They know how to do, um, uh, segments with round tables with folks on to get their opinions and fi and that's how all of these come together. Every time there's a a, a proposal on the ballot to do a bond, all of this research goes into it before it goes on to the ballot. So when you have a two thirds ballot, the political consultants know they have to work a little bit harder, they have to be a little bit more honest, they have to have a little bit more scrutiny, they have to have a little bit more accountability than to have to, than than to convince 55% of the voters to approve something. So the two thirds ballot are the, the two thirds, uh, approval rate is very democratic.

Speaker 3 ([00:19:44](#)):

You said that it's a protection against frivolous projects. Is affordable housing a frivolous project?

Speaker 4 ([00:19:49](#)):

I would say that affordable housing is not a frivolous project, but we have to look at why are we in this situation in California in the first place that we're talking about affordable housing? Why is housing unaffordable in California? Well, part of the reason is in San Diego specifically, this is one of the best places in the world to live, right? Not just in the, not just in California, not just in the United States, but San Diego is one of the most sought after places to live in the world. I think there was an article a couple weeks ago that it's the most, uh, one of the most unaffordable places, top 10 unaffordable places in the, in the world. So first thing is a lot of people wanna move here. Second thing is government has already caused most of the problems that deal with affordability in housing.

Speaker 4 ([00:20:36](#)):

The San Diego BIA did a study, uh, a couple years ago, and I don't remember if it was 20% or 40%, it's, you know, somewhere in there that the cost of housing in San Diego is, uh, whatever the number was in, in, in that range high because of government overregulation, government zoning, and government interference with the market in, in driving up the cost of housing in San Diego. Now, it's not just San Diego, it's across the entire state of California. Housing is unaffordable in California because of government intervention with the free market and allowing the developers to build untimely fashion. What's one of the main reasons for that? CQA Environmental Quality Act of California is no longer an Environmental Quality Act. It's now a attorney employment act. And basically what happens is when developers are proposing projects, uh, anywhere in the state, a uh, environmental group can sue that developer, uh, for whatever thing that they find an error in their EIR environmental, uh, impacts report.

Speaker 4 ([00:21:46](#)):

And what that does, two things, delays the project and makes the project more expensive. And then the envir, the Environmental group gets their payoff either from the developer or from the local agency that's approving the development, and then they go away and then the project still gets built. That's the bottom line with these, uh, environmental lawsuits against projects in California. The project is still gonna get built. I guess the best example of that right now that we all might be familiar with is the, uh, convention center in Chula Vista. Remember, several years ago, uh, the environment, the supposed environmental group, uh, center for Biological Diversity, which is again, just a high paid law firm, uh, found a way to, to sue the developer, and all it did was delay the project and make it more expensive. So we have to look at that. Um, and I kind of went off on a tangent here a little bit. Bring me back to the point that you were asking at the beginning. Well, I'm gonna ask a follow up. Oh, frivolous. Or is it frivolous? Yeah. So the,



so the other aspect of that is government should not be building housing. That government should be getting out of the way to allow the developers to be building housing, let the market and private investment take the risk on developing the, the project government should not be taking our tax dollars and buying property and owning and developing affordable housing. Do you agree

Speaker 5 ([00:23:16](#)):

With that? No. Um, there's, there's a lot to talk about there. Couple things. I think some of, you know, I also have the privilege of serving as the Assemblies housing chair. So we have been more aggressive in zoning reforms in streamlining questions. Yes. In reducing CQA, uh, last year we sent 18 bills to the governor's desk on, on, uh, streamlining seq. He signed all 18 of those. Um, so I'm very proud of the record that we've actually started here in San Diego to try to be

Speaker 4 ([00:23:43](#)):

Able to most relax. Most of those are bipartisan.

Speaker 5 ([00:23:45](#)):

Uh, that's true. No, absolutely. And, and to his credit, by the way, it's taking, it's taken bipartisan support to be able to get some of this through, because we've got a lot of Democrats in Los Angeles that haven't always, um, found political will. We're finding more and more and more people are coming on board the housing train. That's great. Um, so thank you for that, Brian. Um, but when I think about, you know, all the infrastructure that we're talking about, and all these are these like, you know, uh, frivolous projects, you know, this would include water infrastructure, fire stations, road repairs. Again, these are physical things, not salaries that the community is asking for and demanding for. And so if we're trying to turn the trends around from what we have to work with today and project to have to work with forward and be able to add on top of that as well, you have to have new tools in the toolbox.

Speaker 5 ([00:24:30](#)):

And this still requires a greater than majority vote, right? Significantly. So, in something the size of the city of San Diego, it's interesting because despite all of the requirements that are in this, in prop five on accountability, uh, on making sure that expenditure plan is adequately, uh, under audit exercised as we told the voters that it would, all of these are significantly higher thresholds than general tax raises. Uh, and Joy, a 50% a clean majority, right? Uh, or if you do the citizen initiative through the upland example, that also requires 50% plus one with none of these accountability standards built in. So we're trying to meet the moment of what the demands are and allow, again, this is all optional. This is not something that will change the game. All it does is really test what the threshold is gonna be. Then the decision is up to local voters. Because I think Senator and I would also agree, Sacramento can't solve all these problems, and every community's needs are different. And so why not give a community more tools in the toolbox to be able to decide for themselves what that program, uh, of expenditures needs to be for public facilities?

Speaker 3 ([00:25:38](#)):

Great question. Why not give local communities the opportunity to decide this for themselves?

Speaker 4 ([00:25:43](#)):

I, I think, well, we were giving them the opportunity to decide this, this for themselves. Uh, absolutely a hundred percent. And it goes back to the, the two thirds, uh, re vote requirement to get there, right? And so I, I wanna, on the infrastructure projects that we're discussing, fire stations, libraries, uh, roads, bridges, those kind of things, the opponents of Prop five are not against those projects. Uh, what they're

saying is, those projects are expensive if you're going to bond finance them, which is the most expensive way to pay for government is to go into debt and then pay back the interest. Uh, so for example, on the two bonds that are on the statewide ballot right now, two and four, they're both \$10 billion, uh, asks to go that for the state to go into debt, it's gonna cost eight to \$9 billion extra over the next 30 to 40 years to pay those off.

Speaker 4 ([00:26:33](#)):

Well, it's similar at the local level too. If you've got a, you live in a city that does a bond, um, financing on a project, and you have a school district that does a bond financing on a, on a project, and then you also have a water district that does a bond financing on a project, now you've got three additional expense lines on your property tax bill to pay back those bonds over 30 to 40 years. So the, the, the question is kind of, uh, false leading in that we're to say we're not giving the voters a choice. We are giving the voters a choice, but what we're saying is those projects, fire station, water line pipelines, uh, roads, bridges, uh, whatever the, you know, permanent infrastructure is, uh, should be so important and so necessary that is that a majority, a super majority of voters think it's worth going into debt for. That's what the choice is here.

Speaker 3 ([00:27:28](#)):

I wanna pivot back to affordable housing, because I think here in San Diego, that's probably the most germane of what this proposition could lead to, right? How urgent is the need for affordable housing? Put this into perspective for us, and like both of you to tackle

Speaker 5 ([00:27:44](#)):

That. I, I both think we both agree it's incredibly urgent. Um, and we've got, we're not too far off, I think, on a different approaches on what we need to do to be able to allow the market to be able to build more units and really meet the demand that's out there. You talked about how wildly popular San Diego is. Yes, we're in high demand. That is absolutely factoring into the pricing and the cost that, that, that, that, um, that, that, that is stressing families out. Um, but what we do disagree on is this need that, you know, that local or state or federal government, the government doesn't have a role to play to be able to support more affordable housing. Look, if you go back 80 years, the ability of the federal government to make a major investment in housing nationwide and send that to the states and send that to the local governments, did help to produce some stock.

Speaker 5 ([00:28:29](#)):

Not all those were run well, and some of them, frankly, you know, turned into slums. And so that tide turning right now, a lot of that level of support fell off. The state has not made major investments until just about six or seven years ago when we started to have better budgets, and we're able to make that a priority choice in the work that we were doing. And local government from time to time will find the match. Philanthropy will jump in, but you're never gonna be able to meet for the affordability that we have for anybody less than middle income. You're never gonna have the housing stock that we do need for young professionals and service workers and others that are not yet at that middle income. They need that housing unit. And you're not gonna be able to meet the housing stock without sub or without some kind of bridge subsidy, right?

Speaker 5 ([00:29:13](#)):

And that's where government comes in. The city of San Diego is not out there breaking ground on a new housing development, right? Of course, they contract with a private developer, somebody that specializes in affordable housing development. But that affordable housing developer has a real complicated math to be able to sift through, to be able to find the financing, to reduce risk, to be able to see how they can



actually piece eight different sources together. And yes, one of those sources is how much is the public able to chip in as well too? So it is gonna be a necessary part to what degree that is up for debate, but not having extra tools in the toolbox to allow us to do that is going to, um, make it, uh, take longer for us to be able to eventually meet the affordable housing need that we have

Speaker 4 ([00:29:55](#)):

There. You know, one of the arguments of this is that, uh, government, uh, should solve this problem, right? Of affordable housing, which, uh, a summary reward is correct. Government does have a role, and there are some things that are moving forward, uh, that he, he mentioned obviously is the CA reforms and some of the zoning reforms that have passed over the last five years and six years, uh, carried, uh, both in the assembly and in the Senate that have made a significant difference, uh, in what can and where it can be built in California. One of the things that we've, uh, seen here in San Diego over the last five or six years is a huge influx of, uh, 5 6, 7 H story apartment, uh, buildings, complexes being built. Uh, i I do is drive down Highway eight between, uh, here and East County and on both sides of the freeway, uh, where there used to be cart dealerships, there's now apartments and condos, you know, farther east and on Fairmont, uh, underneath the trolley, which was proposed to do, there's more apartment complexes being there farther east in La Mesa next to Rado Hospital.

Speaker 4 ([00:31:00](#)):

Uh, there's tens, I think 10,000 apartment units coming online in San Diego, uh, over the course of the next three or four years or something like that. And so what's been the result of that? Well, finally, rental rates in San Diego have leveled off. Uh, I saw an article last week where they might even be coming down a percent. Now, look, a percent is not a lot at the, at the rate they are right now, right? But at least we've stopped the increase, which is very important. And that was a government role. Government zoned these apartments, private enterprise private developers built them and are either selling them or renting them out when it comes to affordable housing and local jurisdictions being responsible for buying and owning those projects. I want you to, uh, well, before I get to that point, uh, tools in the toolbox was mentioned.

Speaker 4 ([00:31:53](#)):

I used to serve on the city council in Santee, and we approved two low income housing projects, uh, while I was on the city council there. And, uh, there's lots of tools in the toolbox for these developers to get these projects built without, uh, local government funding. And what are those, what are those tools? There's, there's tax credits that they take advantage of at the federal level, and they get a bunch of other financing, um, deals on these projects. One of the incredible things when we were approving those projects that I learned was these affordable housing projects, when they're going through the approval process, employ more attorneys than they do, uh, construction workers. Uh, and so it was just a phenomenal, uh, phenomenon when I, when I experienced that. But going back to local jurisdictions, owning, owning the projects, owning and developing them, think about every government agency that you're familiar with, DMV, city Hall, uh, Caltrans, uh, EDD, department of Justice, uh, do you name it?

Speaker 4 ([00:32:59](#)):

Just pick one. How efficient and effective are they? How responsive to your phone call are they? How quickly do they get back to your email when you email them with a problem that you personally have and needs solved? Maybe you didn't get your unemployment check and it got tied up and you need to get your unemployment check and you email EDD to get it. Well, you might get a response from them in the next six to eight weeks, or you have a DMV problem. Now, I will say DMVs, uh, has cleaned up their act quite a bit in the last several years. Um, but as that government is not efficient, government is not fast, and it's not designed to be, by the way, I mean, it's not a criticism of government. Government is not

creative. It's not in, it's not, uh, um, you know, things outside the box for the most part. Uh, and so it's, that's, that's why I believe it's inappropriate for government to own and develop these projects and take your tax dollars, the money out of your pocket to put at risk to invest. And maybe the project works and maybe the project doesn't work. That's why, uh, developers put a lot of money on the line to build these projects. And sometimes they make money, sometimes they make a lot of money, but a lot of times they don't make money or they lose money.

Speaker 3 ([00:34:18](#)):

So what are the other options for local governments to get these kind of projects done if prop five doesn't pass, if it's not easy to borrow money?

Speaker 5 ([00:34:28](#)):

I'm glad you asked that question because one thing that comes at as often is the conversation around impact fees. And that is really what cities are relying on to be able to meet that next community park, eventually build that new re you know, re revamp that fire station, whatever that, that impact is, and you figure out, and there's, you know, a very, very strong, uh, governance around how we calculate on a new development, what their share of a community impact fee would be. Um, and of course, with development, we hate it because that just adds cost to the total cost of development that is ultimately passed on to a purchaser or a renter. And you're in this, you know, really, you know, lose, lose situation here. Do we wanna make housing more costly? No, but do I want to take away that last tool that we can to be able to eventually, someday, maybe in 30 years, build the thing that the community's been asking for.

Speaker 5 ([00:35:21](#)):

But back to the conversation around bonding and the fact that we, is this the way or the right mechanisms to go? Again, it's a question that ultimately would, that's not what Prop five does. It alt is just, it's a threshold question. Ultimately that comes back to the voters, and they would have to dec decide for themselves, just like they dec decide for themselves today on school bond facilities. What they don't decide for themselves, you know, is on say, water bonds, right? If you need to build more water infrastructure, you know that revenue is coming in, you can use a revenue bond. It's also gonna be subject to the same eventual, uh, escalation of costs, right? That, that comes with borrowing debt over time. Um, but for, you know, this, this myriad of new public infrastructure that people want now, they won it yesterday, there's nothing today that's with impact fees, for example, that is going to be able to produce that so readily. And we can have that now with the conscientious knowledge that you, yes, this is gonna be on the rolls for the next 30 or 40 years for us to be able to pay off.

Speaker 3 ([00:36:19](#)):

What other options are there?

Speaker 4 ([00:36:21](#)):

Well, the, the, I I think we've kind of, you know, thoroughly discussed the, the other options and the, the other options are to increase zoning, which is being done across the state in, in some cities that haven't wanted to do that because of state law have had.

Speaker 3 ([00:36:35](#)):

But is that enough? Are we seeing enough change to address this?

Speaker 4 ([00:36:40](#)):

It, the, the change is happening slowly in some areas like San Diego, I think San Diego's done a very good job of increasing their zoning in, in several areas. And look, some of the neighborhoods don't like that, right? You're, you've got, you've lived in a quiet, uh, bungalow neighborhood in San Diego

Speaker 5 ([00:36:56](#)):

For 30

Speaker 4 ([00:36:56](#)):

Or 40 years, and now all of a sudden your neighbor's building four apartment units in their backyard. Uh, there's some tension there, right? Between the neighbors. But where San Diego has allowed increased density on bigger lots, I think that's a positive step in the, in the right direction when it comes back to affordable housing and middle income housing. There's lots of, uh, tools in the toolbox that these developers can take advantage of, both at the federal level and the state level to get these projects done. My argument would be that we need to do more to build, uh, more housing, uh, at the market rate, and so that we can stabilize the market right now in Cal, in San Diego. The market is unstable. Um, but again, we have to go back to where we live. People don't think about this very often, but San Diego is actually very similar to an island. And there's only so much land in San Diego County, right? We're, we're bordered in the, to the north by Camp Pendleton. We're bordered to the east by a desert. We're bordered to the south by another country, and we're bordered to the west by an ocean. So if you think about it, we really are an island here in San Diego County. And so, uh, up, obviously, increasing zoning is gonna help with that. Uh, and then streamlining and expediting approvals for things that do want to get built, it helps as well.

Speaker 3 ([00:38:19](#)):

So proponents say that prop five doesn't raise taxes, which is true technically because it's a threshold question. Is that a fair characterization though?

Speaker 5 ([00:38:28](#)):

Well, I think it is given that it's unfair opposition point that this is going to raise taxes. So it in itself does not, it is addressing the threshold question, which is of course has, you know, sort of secondary, uh, uh, effect, right? What would this be down the road? Yes, theoretically in the, uh, the legislative analyst office has also put out there that this could lead to the fiscal impact, increased property taxes over time. Also a true statement. But we're talking about what should that threshold be for some of the greatest community demands that are out there right now? Right at two thirds, it has been incredibly prohibitive to even see a future that would be able to deliver on the demands that we have today, let alone what we would hope to have for in the future. Uh, tying this to something that voters have already approved, seemed fair. And again, 55% is still a very strong super majority in the context of San Diego. Why would you, if you had a question to the voters and a hundred thousand San Diego voters said yes, uh, more, more, more voters said yes than no. And he said, sorry, that's still not enough. It's very difficult to see a future when we were ever gonna have the, the, the political, um, dynamic to be able to expand and meet the needs that we have today.

Speaker 4 ([00:39:50](#)):

Let's be very clear on the purpose of prop five, two things. Number one, it amends prop 13. And what does that amendment do? It lowers the voter threshold. What's the purpose of lowering that voter threshold? 100%. The purpose of Prop five is to raise your taxes. There's no other purpose for prop five other than to make it easier for irresponsible politicians. Very aggressive and highly paid political consultants and Wall Street bankers to take money out of your pocket and put it in their pocket, and then hopefully the project that they promised you might get built. Now, often it does get built, but a lot of

times it gets built, uh, at a higher cost than they promised, and it takes longer to get done. And so we've all heard the term over budget and over time, and that's endemic of government projects. But look, they're, I don't think we're debating on are, are some of these projects worthy to do? Yes, they are worthy to do. I, I think that's been my point from the beginning, but they should be so worthy to do that. A super majority of voters agree that it's important to the point of, uh, of a proposition or a, uh, initiative losing by a certain number of votes. I would argue that if the project was so important, so valuable, and so needed, that the political consultants should have worked a little bit harder to tell a little bit better story, to get the few more votes they needed to get that proposition passed.

Speaker 5 ([00:41:19](#)):

Right? But that comes back to how many, what should that threshold be, and that you're going to tell that many more San Ds that that vote is still yet not enough. I think again, ties it back to the central point here. Like, you know, what, what, what, what should the threat, what, what, what is democratic? Right? What's a, what's a fair and democratically, um, uh, uh, target point for being able to decide this when you can have such a small minority of dissenters, you know, continue to be able to obstruct these future opportunities? And I'm glad that Brian raised Proposition 13, because one of the biggest offenders, and we know this well, I know this well, being in, uh, the role of a state legislator is the California Association of Realtors. If you even dance around, uh, if have a bill that is even in the space of Prop 13, there's strong opposition.

Speaker 5 ([00:42:08](#)):

They've removed their opposition on this because they're also about building good community. And for a lot of the technical detail that we were able to improve upon ECA one three, ca 10, and another assembly bill, that opposition came off. It's a balance of issues here that we're always wrestling with. But I think that we've come forward to be able to put before voters in Proposition five is something that is targeted, that is, has a strong accountability built in, will result in local projects with local jobs attached to those, and is just a win, win win on so many issues that it was, uh, it was tough to continue to a booze. How

Speaker 4 ([00:42:44](#)):

Would you, I think I'm just gonna end because, uh, uh, Asim reward started his comments by saying right when he was talking about my comments. So I think I'll just close and, and I'm just kidding.

Speaker 3 ([00:42:54](#)):

That's a technicality.

Speaker 4 ([00:42:56](#)):

I know. I, I, I understand. Uh, I, I hope that, I hope that underscores, uh, how well, uh, Asim reward and I get along. Uh, we, we actually do have a good time, uh, flying back and forth to Sacramento together. So, yeah,

Speaker 3 ([00:43:08](#)):

I don't wanna know what happened, what you talk about on those planet rides <laugh>. Um, tell us how have the needs of Californians

Speaker 4 ([00:43:15](#)):

Changed? Well, can I, since, can I address the, the, uh, the Association of Realtors real quick, the California Association, some award? That is an important point actually, that the, the realtors did withdraw their opposition to this bill and that, and that really is a big deal because they are very, they're

very powerful, uh, private property rights, uh, lobbying group in California who I'm typically aligned with. I'm actually a licensed real estate agent in California. I'm not a realtor. 'cause I, I worked in commercial real estate and usually I'm aligned with them. Uh, you know, I'm probably in the 90 percentile on this issue. I think they're just dead wrong. And, you know, one of the things to consider on that is, um, the San the San Francisco Chronicle, uh, also is wrote an editorial, an opposition to Prop five based on the, the exceptions that the realtors asked for in this proposition.

Speaker 4 ([00:44:12](#)):

So what did they ask for? The, the realtors asked to be included in the language of Prop five, that if a locality, uh, approves a bond and it gets, and the bond passes by the voters, there are certain areas of the, of those jurisdictions that are excluded from development. And one of the examples is, you can't tear down single family homes and rebuild low to moderate housing on top of that piece of property. So the, the bond, while it's ma while the, the proposition is making the argument, we're gonna make it easier for localities to raise our taxes on our property bill, property tax bill to spend money on these projects. And at the same, at the same time, it also restricts where those projects can be built.

Speaker 5 ([00:44:58](#)):

Well, and I would just say there still is a lot of opportunity site that would be sites that would be available for affordable housing projects, particularly at a density that they, they should be for efficiency purposes. Um, but I, I would have some reservation have a work closely with the realtors and not always agreed with them on things we have to have, at the end of the day, agree to disagree and take a vote. Um, but they don't wanna be able to see a whole expansion of a lot more development without, I think the commiserate community facilities that are gonna be able to support great neighborhoods. Right? I believe them when I talk with my local realtors or with the representatives up in San Diego, Sacramento as well. Um, you know, I, uh, just kinda curious with this, uh, this audience here, I'm wondering, uh, who, who out here is under the age of 63 or was not in California 45 years ago?

Speaker 3 ([00:45:51](#)):

I think you're predicting my next question, which is, how has the world changed since this super majority was codified?

Speaker 5 ([00:45:58](#)):

There you go. None of you ever had a say in this, in the first place. None of you, the very, very few of you that didn't raise your hands, haven't even had a chance to weigh in since Prop 13 was enacted in 1978. So this is a very targeted, um, change to how we are able to pass opportunities that you are asking public, local city governments to be able to do special districts to do, and be able to still make sure that there is a significance enough of, of a, of a super majority, um, that makes it defensible. Um, when we're taking, thinking about changing something with regard to, to revenues,

Speaker 3 ([00:46:36](#)):

What about concerns that have been raised by some taxpayers associations that higher property taxes could ultimately burden, renters could ultimately have unintended consequences in order to offset the higher property taxes that perhaps a landlord has to pay.

Speaker 5 ([00:46:54](#)):

I mean, I think that if this is able to one, help, uh, to produce more housing opportunities down the road, that should help to affect the supply demand issues that are, that we're having, which are also factoring into pricing. So it's all, um, it's a little bit selective I think in, in, in their perspective. You really have

to look at the totality of how a lot of these economics do shake out. But what it will offer, again, on a subsequent vote of local voters on a specific expenditure plan that they either are interested in or not, it will offer them the opportunity to be able to have more in the near future that they, that they wanna see.

Speaker 4 ([00:47:29](#)):

Go for it. Yeah. And, and, uh, uh, submit member reward, ask for, uh, audience participation. I'll do the same thing. How many of you think it's too expensive to live in San Diego County right now? And my hand is up, by the way? 'cause I have three kids that are trying to buy homes and I have jobs here in San Diego and stay in San Diego as well. Well, it goes back to what I said earlier. Every single one of us, whether you're a renter or not, is a property taxpayer. Just about every dollar you spend is tied to a property tax. If you're a renter, there's a property tax cost in your, the amount that you pay rent up when you go to the grocery store and buy groceries. That grocery store pays property tax when you go to the gas station and buy gas. That gas station pays property tax. When you go to your doctor and you have healthcare services that doctor pays property tax, the more and more expensive we make it to live in San Diego, the more and more unaffordable it continues to get. And raising property taxes across the board increases the cost of every single item that we have to pay for in San Diego. What

Speaker 5 ([00:48:38](#)):

I just observed too, though, is that renters being a very strong part of our community also benefit. They get the benefits of the new public projects that might come from this revenue source as well. So while it may not be their time to own a home and some choose to rent, they would wanna have new parks, facilities, uh, an updated fire station, hospitals that are, uh, up to standards nearby. They're gonna benefit just as equally as, uh, homeowners

Speaker 4 ([00:49:03](#)):

And under current law. We can do those things. We don't have to change the law to do those things.

Speaker 3 ([00:49:08](#)):

Okay, first of all, keeping a running list of things that there's consensus on. So we have EVs socks that we need more affordable housing, and that the city is too expensive, that the county is too expensive. So I wanna know to tackle that as you oppose prop five as you oppose largely bonds, I would think it's fair to say what all are the alternative viable solutions? Well,

Speaker 4 ([00:49:33](#)):

Let, let's start with, I mean, I'm, I think my position on affordable housing has been pretty clear, uh, on government owning that, right? I'm, I'm not saying government doesn't have a role, but on bonds financing, my, my vote on that is actually mixed at the local level. Um, in my community of Santee and East County, I have supported, uh, local bonds for the school district. I've supported local bonds for the hospital district. I've supported local bonds, uh, in a couple other situations as well. Now, I've also opposed bonds for those same districts as well. It goes back to how good of a story, uh, is, is the district telling, and how big is the need to get there, right? And if the need is big enough and the voters are convinced with an accurate, uh, telling story, they'll approve it and vote for it. And I, it goes back to we need that level of accountability. We need that level of scrutiny that it, that is required to convince the voters to approve something like that.

Speaker 3 ([00:50:40](#)):



So we know historically, people have a tendency to see higher property taxes, sometimes higher taxes, period. And say, absolutely not. Shut it down, reject the premise. How do you appeal to people? How do you message about this

Speaker 5 ([00:50:54](#)):

That if this is something, again, you truly are interested in having more of today, that this is a mechanism that is, you know, analogous to how we are able to fund school facilities. And often, uh, San Diego voters have been able to say yes, maybe other districts have said no on something. Uh, but I I for, for, for the, for the hard infrastructure that we wanna see for our neighborhoods. Again, I, I'm trying to be able to draw that, that parallel because I, I would like to see a law that was updated in 2000 by voters be able to, uh, receive due consideration by voters in 2024 to meet today's needs housing and infrastructure. And I think that they would say yes just on the threshold question. And then everything subsequent comes down to that local government. Um, we saw last cycle rail, uh, I think sales tax measures, uh, across the county, city by city going forward. And again, that's 50% right? Lower threshold, no accountability, different jurisdictions. And some cities said yes, and some cities said no. But that's up to the local voters to decide for themselves what they wanna be able to pay for within their jurisdiction. Uh, the same would still be here with room despair, with still a very, um, strong majority, super majority threshold.

Speaker 3 ([00:52:04](#)):

So the vice President of communications for the Howard Jarvis Taxpayers Association, which strongly opposes this, says Prop five is worse than a tax increase. Do you agree with that?

Speaker 4 ([00:52:18](#)):

I I, I hadn't heard that argument. Is that from Susan? Uh, yes. Yeah. Uh, and I've done several, uh, interviews with her. I haven't heard her say that, but that is an interesting concept actually. And I, I think I could agree with that because why is it worse than a tax increase if Proposition five was just a bond, uh, for the state of California to, uh, do these things that we're talking about today? It's a one-time thing, right? But what Proposition five is doing is opening the gate statewide, that, uh, again, irresponsible politicians, aggressive greedy, uh, political consultants and wealthy Wall Street bankers are gonna take money outta your pocket and put it into their pocket for their kids to go to the colleges that they want to go to, uh, and do the things that they wanna do while you're on the hook for the next 30 or 40 years, and your kids are on the hook for the next 30 or 40 years to pay back these bonds. So yeah, I, I think I could agree with that argument.

Speaker 5 ([00:53:16](#)):

I, I, we appreciate you brought that up too, because, you know, again, what else, what else is also on our ballot in front of us, props two, prop four can pass by a majority of California, or this can

Speaker 4 ([00:53:25](#)):

Too. I was gonna bring that up too. Yes. Right. But

Speaker 5 ([00:53:27](#)):

Not, if not, if it's a local question because they're subject to two thirds, right? So yes, we can put that forward. I'm gonna disagree with you on the nature of what goes in there with educational facilities, with the need that we have for water, uh, and climate related issues under Proposition four. And the need is great right now, and there isn't an expansion of tax under those propositions, because of course, we have to pay that back in future state budgets, which will be another debate we'll have. Um, so I, I, I think that there's, again, you're, you're starting to see this threshold question is not, I think, fairly aligned, uh, as far

as how we make decisions. Um, but it particularly hits local communities the hardest because of the standards that we, uh, are, are under today.

Speaker 3 ([00:54:09](#)):

Very quickly, before we turn to audience questions, I wanna know why you're h passionate enough about this to be here with us on a Saturday, talking about a sole proposition for 75 minutes

Speaker 5 ([00:54:20](#)):

Because the voice of San Diego asked <laugh>,

Speaker 4 ([00:54:24](#)):

That's a no.

Speaker 5 ([00:54:25](#)):

It's because, because this will be prop five is, uh, being a threshold question determines so much possibility or not in the future. I mentioned the Bay Area example. They decided to not move forward on \$20 billion of affordable housing local dollars right up there, that, that only they would be subject to. Um, because of the uncertainty around this question, they were not gonna put it for, they, they, they don't think that they, that two thirds is feasible. So it's just a fool's errand to even try to campaign for that. But 55% they think barrier voters could be, um, persuaded and, and not knowing what the outcome is. It was just premature for them to be able to move forward that, that's a delay in affordable housing.

Speaker 4 ([00:55:04](#)):

So I wanna expand on his first answer because it that I, I agree with him on that. And so, when I got elected to the assembly in 2010, one of the most disappointing things about our government process in California was the media was absent from Sacramento. Um, at that point in time, the Union Tribune, uh, the old union tri, the old, old older Union Tribune, uh, before 2010, had two full-time reporters in Sacramento just to cover Sacramento for San Diego. When I got there, they were down to one and a half, they said. And then within six months, that person, the one retired, they were down to a half, and then six months later, they had none. And, uh, I, I have been since 2010 screaming from the rooftops, uh, to the local media here in San Diego, you have to cover San Sacramento. You have to tell San Diego Agans what's going on in Sacramento.

Speaker 4 ([00:55:59](#)):

And it's been very frustrating for me as a, as somebody who, uh, is in government, um, but also wants government to be held accountable, even as elected officials. I expect to be held accountable by the press, by the media, by the voters. And that just wasn't there. And so the re my answer is similar to, to Chris's, is I was asked, uh, the voice of San Diego has, uh, done a very good job of being on the scene the last two to three years and starting to, uh, cover Sacramento a little bit more, more, uh, when I heard that you were the moderator, you're doing a great job, uh, at NBC covering it from the local perspective, uh, on the media. So, uh, and there's several other, uh, local groups here in San Diego that have stepped up over the last couple of years to start doing what I've been wanting. The, the press to do take advantage of your first Amendment right. We have a freedom of the press. The press should be covering what's going on. So that's why I'm here.

Speaker 1 ([00:56:56](#)):

Well, we're both, we're all very glad that you're here. Tell my bosses they need to start sponsoring trips up to Sacramento. <laugh>, I've been,

Speaker 4 ([00:57:05](#)):

I've been arguing for that as

Speaker 5 ([00:57:07](#)):

Well. Give you a tour.

Speaker 1 ([00:57:08](#)):

<laugh>, I'll take it. Okay. Let's turn to audience question. Yeah. Thank you for the plug, Senator. We do have a capital reporter, our Sacramento report written by Deborah Brennan, which is great. She's doing a great job too. Yeah. Thank you. Um, so our first question today will be asked by Edman but if you wanna come up. He's a Aaron Price fellow and one of the many students today participating.

Speaker 6 ([00:57:39](#)):

Thank you again. Um, OMI. I'm Edmond Wete. I'm a senior. I'm in 12th grade at Morris High School. Uh, so assuming pro the, some propositions approved, um, the parole guide likely be reduced. So, like I said, with the, with the, um, with the, um, guy with the, uh, constrain, or sorry, but pro assume parole guidelines are reduced with the passing of proposition, five more projects will likely be done together. So my question for both of you is, given our limited resources and pro and budget for multiple plans, how will the government be able to allocate enough resources for each task, for everything to be completed in an efficient and timely manner?

Speaker 5 ([00:58:21](#)):

Well, I think, I think I understood your question. Um, again, it's proposition five, passing, not would, but could allow local governments a little bit more, um, room to be able to realize the future for what they're proposing to voters. Right? If you want sooner to be able to have more of this deficit fixed, we have an answer here, but we first have to unlock this question about what it should take to be able to pass, pass these kind of measures for, for local voters to be able to consider. So I, I, I think, um, so it, it's just, it is a threshold question. Uh, what would the capacity, I guess, of local governments be to be able to fund or make these kinds of decisions about what to put forward? Again, that's gonna come down to that very specific question, right? Is a, would, would a future question propose, you know, \$2 billion of infrastructure or 500 million and on what, um, and what would the repayment schedule kind of look like? Uh, that would all be something that would be handled or sort of crafted in, in the development of that specific proposal, which of course would be put forward to voters. And if it's something that was too excessive, too egregious, too open to pet projects and fraudulent activity, whatever you wanna debate about that question at that time, that's for the voters to decide at that time.

Speaker 4 ([00:59:45](#)):

I think it, you know, we've all agreed that it's already expensive to live in California and in San Diego specifically, and sources are limited, uh, especially local sources as well. But to, to buy into the concept that you can tax yourself into wealth or into prosperity, uh, it, it, you, you, you've gotta really have some, um, funky economics education to get to that point. And there's a, there's a great quote by Winston Churchill that says, we contend that for, we contend that for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself by the handle. Uh, we can't tax ourselves into prosperity. And so, um, I think, I hope that answers the question.

Speaker 3 ([01:00:32](#)):

Okay. This is a good accountability question. We don't elaborate too much on that. So this person says they used to support tax increases, but the elected officials in San Diego who purchased 101 Ash Street

and in East Village, something in the East Village to give away tax funded money to Republican friends, gives this person untrust in San Diego to manage tax dollars. So can you elaborate a little bit on the measures that are baked into this? Okay,

Speaker 5 ([01:01:03](#)):

So if you are crafting something in the future that would allow a prop five 55% threshold to, um, qualify, uh, for, for passage of that local mission, that's, uh, what you're designing. You have to come up with a project expenditure plan. You have to have a citizens oversight committee, right? And I forgot to mention that earlier. I sat on one of those for the community college district, um, great facilities. I mean, we've got a strong system here that is educating our young professionals very well through those new developments that the voters approved. And, um, two thirds, no, that was a 55%, it's a school bond, okay? Right? And so, but we're, you know, you see what's happening in Mesa and City and Miramar, and these are great facilities that are, again, for many of our students that, that, that that's the way. Um, and they're able to get that, that great education in a great environment, but that never would've been, there were not for the measure in 2000, um, and, and our willingness, but that, that came with accountability and oversight to look at each of those projects. Is it staying at on time? Is it staying on budget? And we largely saw that and almost exclusively saw that it was so, and then it goes further. It requires the state auditor to review annually how these measures are being implemented. So there are layers of accountability structures that are built into Prop five. Should any local question exercising prop five in the future, want to be able to enjoy.

Speaker 3 ([01:02:27](#)):

Does any of that give you peace of

Speaker 4 ([01:02:29](#)):

Mind? No. Uh, and very simply on the state, uh, let's go backwards on the state auditor question. Uh, the state auditor, uh, and I, I hope a similar reward would agree me, that does a great job in California. Uh, but the state auditor is responsive to what we call JAC, the Joint Legislative Audit Committee. Uh, and that's made up of both Democrats and Republicans, both assembly members and senators that sit on a joint committee and they approve. That committee approves a dozen, maybe two dozen audits a year, right? And that's what the auditor is, that's their staffing level right now. And it's a lot of work to do. One of these audits, I have an audit that's, uh, was approved a year and a half ago. Uh, a some Member Alvarez here in San Diego is the, uh, chair of the committee. Are you on the committee?

Speaker 4 ([01:03:18](#)):

I'm not. Okay. Uh, he and I worked, uh, together to get this audit approved on the Sexually Violent Predator program in California because it's broken. Uh, but that was 18 months ago, we got that approval on that audit. That's about how long these audits take, 18 to 24 months when they're looking at these big, uh, departments. The auditor's not staffed to do all of these audits, uh, for all of these bonds that are gonna, and trust me, if this passes, there will be an explosion of local bonds over the next four to eight years on the ballot across the state. Hundreds of billions of dollars of debt, uh, that the Californians will be put into because of prop five passing. Now let's talk about the Audit oversight committees. I'm glad some reward brought that up. Let me, I'm gonna do another audience participation. Who else has ever served on a bond oversight committee? Have you really <laugh>? Excellent. Okay, so we got three people. Alright, so you're a student representative on a, a bond oversight or, okay, so okay, three out of however many are here, it's

Speaker 3 ([01:04:25](#)):

Politicized. You should have expect,

Speaker 4 ([01:04:26](#)):

I, you know what I, there's and then there's four. So, but the point I'm driving at is these bond oversight committees sound great on paper. They sound great when they're in the proposal of the, of the bond that's being, uh, passed and voted on. But what happens after it's, uh, after it's passed is it's very difficult to get people to serve on these bond oversight committees. It's, it's, people don't want to give up an hour or two hours or three hours once a month to go sit in a boring meeting talking about financial statements and bond oversight. Now, obviously, there's a few people that enjoy doing that, but oftentimes these bond oversight committees are staffed either by, uh, local politicians or friends of the politicians or the developer, or friends of the developer or bureaucrats or friends of the bureaucrats. Um, now every once in a while, you get a, you get a, um, a a a a, a great Bond oversight committee, but the San Diego Union Tribune in writing against Prop five recognize that oftentimes there's not enough authority on these bond oversight to make a difference. The media doesn't pay a d uh, attention to the Bond Oversight Committees and the, the Senate Union Tribune in writing against, uh, in opposition of Prop five pointed out that when there is a reportable incident, it's usually from a whistleblower that's in involved in the project somewhere and not the actual bond oversight committee.

Speaker 3 ([01:05:57](#)):

We talked about this a little bit, but I wanna circle back to it because I do think it is central to what's being asked of voters here. This person wants to know, in a democracy this majority should rule. So why should bonds require 66% that lets a 34% majority rule?

Speaker 5 ([01:06:16](#)):

That's the question of prop five.

Speaker 4 ([01:06:17](#)):

Yeah, I think that's what we're

Speaker 5 ([01:06:18](#)):

Exactly. I mean, it's, if you really, you know, for all the other noise, all the other arguments, which are fair to sort of, you know, say, how might this subsequently play out? You're at, you're the, the, the question is very simple in front of you. You know, should this be something that should be changed for our greatest community needs that are out there right now? Uh, or should, um, you know, we continue to be at the will of 34% of the voters. And, and what would the future look like? You know, what you're getting today, you know, sort of the traje the, the trend lines that we've been on right now, do you wanna change those trend lines? And, you know, to your point earlier, if we're seeing an explosion of all of these audits coming outta here, I think that's a great thing because that means there's an explosion of affordable housing and community infrastructure and other things actually starting to happen.

Speaker 4 ([01:07:04](#)):

I guess I didn't underscore my concern about that. That's more bureaucrats employed by the state of California that increases the expense of doing these projects. Uh, the, um, uh, I'm sorry, what was the, oh, why, why, why two thirds versus 50%? Right. This majority should rule, which is a good argument, but we're not electing a mayor or a city council member. It will be up for reelection in two or four years. We're not electing an assembly member, we're not electing a senator. We're not electing a governor that have to stand for reelection in two or four years or however long their term is, right? We're voting on putting ourselves in debt for the next 20, 30 or 40 years. And we're voting on a project that is either necessary or not necessary depending on the opinions of the voters. So when you are approving

something that has long-term effects and putting your children in debt, uh, if you're gonna have kids in the next 20, 30 or 40 years, uh, should require a higher level of scrutiny.

Speaker 3 ([01:08:10](#)):

You touched on this at the beginning, but are there provisions in Prop five that restrict the use of money for infrastructure and not for general operations?

Speaker 5 ([01:08:19](#)):

Uh, absolutely. Yeah. No payroll can be used for it. There is a cap on 5% of, uh, the cost for administrative expenses that are reasonable and necessary as you're, you know, doing what you need to for bond management, all the fiscal side of things. Um, but this is really for, um, you know, hard cost money to be able to do things in our community for you to see things happen in your community, um, that, that otherwise, you know, don't, don't have that, that, uh, uh, availability. Um, given today's constraints,

Speaker 4 ([01:08:49](#)):

The, the problem is, uh, that what is defined as an infrastructure project is so broadly, the definition is so broad that you can put almost any kind of project into that definition. So, for example, if your favorite city councilman, who we both have been, uh, has a, has a park idea, and they wanna build a park that they can put their name on, well, guess what? That qualifies as a project under the infrastructure, uh, in this, in this proposition. I'm not

Speaker 5 ([01:09:19](#)):

Sure that's the case, because you have to set up your, your expenditure plan, um, uh, uh, at the same time as you're putting that question before the voters. So you know, you're gonna get these facilities. I don't think you get to add on pet projects after the fact. No,

Speaker 4 ([01:09:33](#)):

Well, no, no, I agree. That's probably true. No, but you can, the, the, the park project can be in the plan right as it's approved. Um, and is that an, you know, is, okay, let's, let's say the, the, the, the bond financing that is going to the voters is going to build an affordable housing project that the everybody agrees, or 55% of the folks agree we need, but slipped into that is some other facilities that we may or may not, that maybe more than half the people don't think is necessary. When the political consultants are presenting this bond financing idea to the voters, they're only gonna talk about the affordable housing project that is popular and necessary. They're not gonna talk about the things that are slipped in, into the project or into the proposal on the ballot, uh, which will get by a lot of the voters

Speaker 3 ([01:10:27](#)):

Quickly. I know we don't have a lot of concrete numbers. There's nothing quantitative we can really offer because it depends on what the bond being presented. Should prop five pass, I

Speaker 4 ([01:10:39](#)):

Have a couple of numbers I can present that are concrete. Okay.

Speaker 3 ([01:10:43](#)):



Maybe you can work those into your answer. Let me ask the question first. Are we anticipating that the effect of higher taxes as a result of a bond, should it pass, would be evenly spread? Or could some taxpayers end up paying more than others? Is this question

Speaker 5 ([01:11:01](#)):

It's a parcel tax?

Speaker 4 ([01:11:03](#)):

Well, it would be, yeah. It's a, it's a property tax increase. So it's a, it's a bill on your property tax bill that's specific to this bond. So whatever that's divided, uh, in the, in the city or district that it's in is gonna be divided. Uh, however, they decide so many dollars

Speaker 5 ([01:11:23](#)):

And cents per

Speaker 4 ([01:11:24](#)):

Cents. So everybody, the bottle that goes back to my original point, everybody pays, uh, the, the two concrete numbers I wanted to share is 100,000,000,020 7 billion. \$100 billion was the state surplus just two years ago. And the majority party and the governor, uh, spent all of that money, a hundred billion dollars. And this year where the debate is, uh, between 58 and \$72 billion in deficit. So in just two years in California, we've gone from a hundred billion dollar surplus to a 27 billion, or 72 or 58, whatever number you want to use for the deficit. Um, the \$27 billion number is the amount of money California has wasted on homeless housing projects in the last four to eight years. Uh, that has been unaccountable. Uh, the governor can't answer and nobody in his administration can answer where that \$27 billion went and he actually vetoed a bill that would've asked for some accountability on those numbers.

Speaker 3 ([01:12:29](#)):

You look like you want a chance to respond.

Speaker 5 ([01:12:31](#)):

I mean, that's gonna take us another 75 minutes. Um, no, uh, well, let's go back to your question because I just, I, I, I, I would otherwise start going on, uh, sort of where, where he ended.

Speaker 4 ([01:12:42](#)):

I was just trying to see how disciplined he is. He did pretty good. It's

Speaker 3 ([01:12:45](#)):

True. And I knew you'd be able to work those numbers in. Um, is the effect of this potential bond spread evenly for taxpayers?

Speaker 5 ([01:12:54](#)):

Well, I guess we

Speaker 4 ([01:12:55](#)):

Both kind of this, did you put out your, that on your list of things that we agree on? Oh,

Speaker 3 ([01:12:59](#)):

Let me add it. Right. But

Speaker 5 ([01:13:01](#)):

To leave some of this points on respondent, the only very quick like response I would just say is, you know, your state revenues, you know, have gone on wild swings for a whole lot of reasons. No, we did not spend down everything. We built up record reserves, which we were able to use in part, to be able to solve some of this year's challenges that we've had and be able to make some hard decisions about cuts. Yes, Democrats made cuts this year, uh, for multi-year commitments that we previously had wanted to be able to, to see, but it's just not there in the near future and worked on the structural deficits of next year's state. Budget is not projected to be as an dire, uh, situation. So it was responsible. It certainly is accountable. I know you didn't vote for it. Um, but, you know, we did what we need to do in, in the moment.

Speaker 3 ([01:13:42](#)):

Just to wrap things up in a nice bow, let's circle back to that question we posed at the beginning when we said we could have called this a whole bunch of things for everyone here. If they're leaving and they're thinking and percolating about what Prop five is, how do you define that for them in a sentence or two?

Speaker 5 ([01:13:58](#)):

So all this is, is a threshold question. It doesn't on itself raise any new taxes. This is something that asks you about what your opinion is on a democratically acceptable threshold for a local government. What might be different for what San Francisco wants to see, or CNT or the city of San Diego really should come back down to what the willingness of their local voters want in the form of for future proposals. And so how difficult should it be to be able to provide the community infrastructure that, you know, we're living with the deficit that we have? That's the question, should we keep that difficulty level at two thirds 67%, or is 55% a strong enough threshold like we are enjoying for school facilities, which have an 80% passage rate statewide over the years, still 20% of local voters said, no, I don't think that, that, I wanna be able to support it. Um, and, and, and, and hopefully be able to, uh, correct this trajectory that we've been experiencing of reduce er reduced infrastructure that, you know, we know we have to, we have to turn that trend line around. So it's a, it's a, it's a democracy question. It's a fairness question. It is a question about the viability for the future that you wanna see for your own community and no one else's.

Speaker 4 ([01:15:20](#)):

I'm sorry, did you say these are our closing comments? Is that pretty much? Yeah. Okay. Okay. So, you know, a couple of points on that, um, is, well, first of all, I'm having fun and I, and, and, and I knew being up here with a similar member award would be fun, uh, but serious at the same time, right? So, in opposition to Prop five, I would encourage all of you to read the Union Tribune editorial and the San Francisco Chronicle, uh, editorial. 'cause they both come at it at different angles, uh, of why a vote, uh, no on, uh, prop five, but as I said earlier, prop five argues against itself. Uh, when we're talking about higher voter thresholds, keep in mind that Prop five only has to pass by 50% statewide to, to make these changes. But last year when Prop Five included the, um, element of the special taxes also being lowered to 55%, the political consultants and the politicians figured out the voters weren't gonna vote for that. So they had to remove that out of there so they could get to 50%, and they're still not sure they're gonna get to 50%. I think it's hinging on how good of an argument I make today on whether, whether it passes the statewide, or I'm just kidding, only like that could be done to a few votes. Yeah, it, it probably will be down to a few votes. But

Speaker 5 ([01:16:40](#)):

Prop five argues against

Speaker 4 ([01:16:42](#)):

Itself on how important this two thirds threshold is. But what I want you to think about is in, in regarding government, especially local, actually any government, local government, state government, think about job of the hut. I want you to think is local government as job of the hut and job of the hut is sitting on his daes eating those frogs right as fast as he can. Job of the hut is, that's your local gover. Any government, any government just wants to eat and eat and eat and consume and consume and consume, and those little frogs that are going in Job of the huts mouth are our tax dollars, right? And there's no limit to how much of our tax dollars job of the hut is going to eat if we don't stop Job of the hut voting no on Prop five is our opportunity to stop job of the hut from eating all of our tax dollars. Vote no on Prop five.

Speaker 3 ([01:17:40](#)):

Okay? If you'd put it into Percy Jackson terms instead of Star Wars, I would've let you keep going, but we need to wrap up now. And this is much nicer than my producers yelling in my ear. So thank you, <laugh>, thank you so much for being here. I hope everyone learns something, has a lot to go home and ruminate on, and that you'll spend the next couple of weeks thinking solely about Prop five. Thank

Speaker 4 ([01:17:59](#)):

You all very much. Have you agree? Thank, thank, thank you.

Speaker 1 ([01:18:03](#)):

Thank you so much to our wonderful moderator. Our last session with our keynote speaker is happening in this room. If you're a nerd, you know who he is. If you're not, it's David Wasserman. He's the senior editor and election analyst at the Cook Political Report with Amy Walter and NBC contributor. Thanks for coming

Speaker 4 ([01:18:23](#)):

Next, Terry. We'll see you on the next one. That was awesome. Yeah, and I was curious about my, both of you, on my comments about the president.