

**CITY OF ALBANY  
CITY COUNCIL AGENDA  
STAFF REPORT**

Agenda Date: October 4, 2010

Reviewed by: BP

**SUBJECT:** Resolution opposing Proposition 26, a proposed Constitutional Amendment: State And Local Fees And Charges: Vote Requirements And Limitations, on The November 2, 2010 California State Ballot

**REPORT BY:** Beth Pollard, City Manager

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**RECOMMENDATION**

That Council approve Resolution No. 2010-51 opposing Proposition 26 on the November, 2010 state ballot.

**BACKGROUND/DISCUSSION**

A statewide initiative has qualified for the November 2, 2010 ballot that would impose further restrictions on local governments' ability to set fees for services. Attached is a summary from the League of California Cities that describes the initiative. Included is a list of the types of fees that the initiative sponsors have stated would be included.

As a result of Proposition 13 and 218 the majority of taxes levied at the local level require 2/3 voter approval. This measure would establish similar regulations on fees, and requires local government to bear the burden of proof that any fee meets the exception criteria.

**ANALYSIS**

The proposition runs contrary to principles considered important to local governments, particularly charter cities, of the importance of local control. As a statewide initiative, it imposes restrictions on cities' abilities to choose for themselves the appropriate manner in which to make decisions on funding for services, impacts, and other considerations.

Furthermore, there is much ambiguity in the wording of the initiative that will leave local governments in a state of uncertainty about what is and is not included, and the proper steps to take when addressing local services and impacts. If passed, there will likely be years of litigation to determine its applicability. As a constitutional amendment, it would remain in its present form unless voters approve another amendment to it.

## **SUSTAINABILITY IMPACT**

The initiative would restrict the ability of the State and local governments to set fees to cover the costs of reducing environmental impacts related to products and activities.

## **FINANCIAL IMPACT**

None for approval of the resolution. There would be impacts on the city's ability to recover future costs if the initiative passes.

## **Attachments**

Resolution No. 2010-51

League of California cities summary

Initiative language