

Law Offices of

OLSON

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CITY OF RICHMOND

2015 NOV -5 AM 10: 28

October 28, 2015

**VIA HAND DELIVERY**

Pamela Christian, City Clerk  
City of Richmond  
450 Civic Center Plaza  
Richmond, CA 94804

**RE: Request for Preparation of Ballot Title and Summary of Proposed  
Charter Amendment**

Dear Ms. Christian:

Enclosed please find a Notice of Intent to Circulate an Initiative, the text of the proposed initiative charter amendment, proponents' certifications required by Elections Code section 9608, and a \$200 filing fee. Please immediately transmit a copy of this measure to the City Attorney for preparation of a ballot title and summary.

Please direct all questions and correspondence regarding this matter to me via e-mail at [rrios@olsonhagel.com](mailto:rrios@olsonhagel.com) or via telephone at (916) 442-2952.  
Thank you

Very truly yours,

**OLSON HAGEL & FISHBURN LLP**



RICHARD R. RIOS

RRR:mdm  
Enclosures

Lance H. Olson

Deborah B. Caplan

Richard C. Miadich

Richard R. Rios

Bruce J. Hagel  
of counsel

Diane M. Fishburn  
of counsel

Christopher W. Waddell

Betty Ann Downing

Lacey E. Keys

Emily A. Andrews

Erika M. Boyd

**Northern California**

555 Capitol Mall  
Suite 1425  
Sacramento, CA  
95814-4602

Tel: (916) 442-2952

Fax: (916) 442-1280

**Southern California**

3605 Long Beach Blvd  
Suite 426  
Long Beach, CA  
90807-6010

Tel: (562) 427-2100

Fax: (562) 427-2227

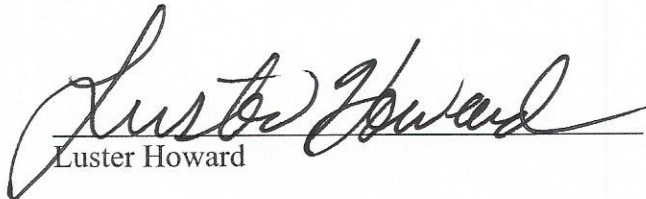
## Notice of Intent to Circulate Petition

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the City of Richmond for purpose of amending the city charter to require a vote of the people before the city incurs a large debt or subsidizes development by landowners who do not pay full share property taxes. A statement of the reasons of the proposed action as contemplated in the petition is as follows:

- (a) California law requires a vote of the people before tax increases can be imposed. This ensures that the people have a say before they are burdened with additional financial obligations or taxes.
- (b) Property developers and large landowners often benefit from tax breaks or other tax loopholes so that they do not pay their full share of property taxes, but ordinary tax payers are not able to take advantage of such tax breaks and loopholes.
- (c) When local governments go into debt or give subsidies of taxpayer money to developers and large landowners who do not pay their full share of property taxes, ordinary taxpayers are obligated to shoulder the costs and the risks of such developments.
- (d) The residents of the City of Richmond should be given the chance to vote before the City incurs a large debt or significant taxpayer subsidies are given to developers or property owners not paying their fair share of taxes.

Respectfully,

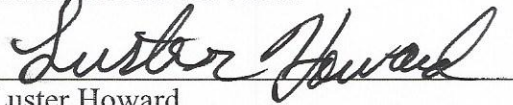
Luster Howard  
555 28th Street  
Richmond, CA 94804

  
Luster Howard

11-4-15  
Date

CERTIFICATION

I, LUSTER HOWARD acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.



Luster Howard

555 28th Street

Richmond, CA 94804

Dated this 4 day of October 2015

## SECTION 1. TITLE

This measure shall be known as the “The Right to Vote on Development Subsidies and Public Debt Charter Amendment.”

## SECTION 2. FINDINGS AND DECLARATIONS

The People of the City of Richmond hereby find and declare:

- (a) California law requires a vote of the people before tax increases can be imposed. This ensures that the people have a say before they are burdened with additional financial obligations or taxes.
- (b) Property developers and large landowners often benefit from tax breaks or other tax loopholes so that they do not pay their full share of property taxes, but ordinary tax payers are not able to take advantage of such tax breaks and loopholes.
- (c) When local governments go into debt or give subsidies of taxpayer money to developers and large landowners who do not pay their full share of property taxes, ordinary taxpayers are obligated to shoulder the costs and the risks of such developments.
- (d) The residents of the City of Richmond should be given the chance to vote before the City incurs a large debt or significant taxpayer subsidies are given to developers or property owners not paying their fair share of taxes.

## SECTION 3. STATEMENT OF PURPOSE

- (a) The purpose of this measure is to guarantee the people’s right to vote before the City of Richmond becomes liable for debts in excess of \$5 million or uses public funds in excess of \$250,000 to finance or support any development that does not pay full value property taxes and is not owned or leased by the City of Richmond, Contra Costa County, West Contra Costa Health Care District, a private non-profit hospital or affordable housing developer, or the West Contra Costa Unified School District.
- (b) This measure shall not be interpreted to reduce the two-thirds vote requirement for passing general obligation bonds.
- (c) This measure should be submitted to City voters on the date of the next municipal election occurring on the first Tuesday after the first Monday in June 2016 if the measure qualifies for the ballot at least 88 days before that election.

SECTION 4. Section 8.5 is added to Article IX of the Charter of the City of Richmond to read as follows:

- (a) The City shall not incur any debt, burden or liability in excess of \$5 million, in aggregate, to finance or support development on land within the City not subject to full value property taxes, without the assent of 55% of the voters of the City.
- (b) The City shall not create, authorize or join any district or authority to issue or incur any debt, burden or liability in excess of \$5 million, in aggregate, to finance or support

development on land within the City not subject to full value property taxes, without the assent of 55% of the voters of the City.

- (c) The City shall not use any public funds in excess of \$250,000, in aggregate, in any 12-month period to finance or support development on land within the City not subject to full value property taxes, without the assent of 55% of the voters of the City.
- (d) This section applies to property that will not be subject to full value property taxes either before or upon completion of development or construction.
- (e) This section shall not apply to the use of public funds, or debt, burden or liability incurred to finance or support development of land owned or leased by the City, Contra Costa County, West Contra Costa Health Care District, any private non-profit hospital or affordable-housing developer, or the West Contra Costa Unified School District.
- (f) As applied to this section, the following terms shall have the following respective meanings:

(1) "City" means the City of Richmond and its subdivisions, including but not limited to its agencies, departments, or commissions, including any district or authority controlled or established by the City of Richmond or any of its subdivisions.

(2) "Debt, burden or liability" means, without limitation, any revenue or other bond that is not a general obligation bond, note, guarantee, or other indebtedness, liability or obligation, direct or indirect, of any kind, contingent or otherwise.

(3) "Public funds" means, without limitation, any taxes, funds, cash, income, donations, grants, equity, assets, proceeds of bonds or other financing or borrowing, or payments received, including payments in lieu of taxes, but not including federal funds.

(4) "Finance or support development" means the use of public funds or the use of debt, burden, or liability to finance, fund, facilitate, or provide direct or indirect material support for any work solely for the purpose of developing, constructing, expanding, altering, demolishing, repairing, improving upon, operating, or maintaining any real property and related improvements, appurtenances, fixtures, infrastructure, and structures, including any infrastructure, public utilities or other improvements made for the purpose of facilitating or supporting development, even if not occurring on the property under development; provided, however, that this term shall not include the use of public funds or the use of debt, burden, or liability to finance, fund, facilitate, or provide direct or indirect material support for any work intended to benefit City residents without regard to the development.

(5) "Full value property taxes" means the amount of taxes assessed on real property put to private use, based on the value determined pursuant to Article 13, Section 1 of the California Constitution and implementing statutory and regulatory provisions, without reliance on any tax exemption, offset, or discount not available to all homeowners.

(6) This section shall not apply to any debt, burden or liability, or public funds that (i) were approved by the voters prior to enactment of this section or (ii) are incurred or used pursuant to a

valid contractual obligation entered into prior to enactment of this section, but shall apply to any extension or renewal of such contractual obligations. Public funds used prior to enactment of this section shall not be considered in determining whether the \$250,000 aggregate limit described in subdivision (c) has been exceeded.

#### SECTION 5. CONFLICTING MEASURES

(a) This initiative is intended to be comprehensive. It is the intent of the people that in the event that this initiative and another initiative relating to the same subject appear on the same City of Richmond election ballot, the provisions of the other initiative or initiatives are deemed to be in conflict with this initiative. In the event this initiative shall receive the greater number of affirmative votes, the provisions of this initiative shall prevail in their entirety, and all provisions of the other initiative or initiatives shall be null and void.

(b) If this initiative is approved by voters but superseded by law or by any other conflicting ballot initiative approved by the voters at the same election, and the conflicting law or ballot initiative is later held invalid, this initiative shall be self-executing and given full force of law.

#### SECTION 6. SEVERABILITY

The provisions of this initiative are severable. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this initiative or its application is held to be invalid, that invalidity shall not affect other sections, subsections, subdivisions, paragraphs, sentences, clauses, phrases, or applications that can be given effect without the invalid provision or application.