



News from

## Council President Todd Gloria

City of San Diego

### NEWS RELEASE

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## **Council Preserves Opportunity for Millions in State Funding with Prop A Clarification**

### *Council President Applauds Collaborative Approach Addressing the Matter*

SAN DIEGO (October 20, 2014) – Council President Todd Gloria today announced the City Council's approval of a clarifying resolution that will result in the preservation of the City's eligibility for millions of dollars of state funds for City projects. The state threatened to cut its funds to construction projects in San Diego because of Proposition A, which prohibits the City from requiring project labor agreements. By passing a resolution confirming that as a condition for the receipt of state funding and financial assistance, that the City and its City Council maintain discretion to adopt, require or utilize project labor agreements in all State and City funded construction contracts, the City remains eligible for hundreds of millions of state funds.

**"A financial crisis was averted today, and San Diego is still eligible for hundreds of millions of dollars for critical water and wastewater infrastructure projects,"** said Council President Gloria. **"I thank State Assembly Speaker Toni Atkins and the Office of the Governor for working with me to develop this resolution with our Mayor and City Attorney. I am also grateful to my City Council colleagues for their thoughtful consideration today."**

Prop A was approved by voters on June 5, 2012 and prohibits the City from requiring project labor agreements on City construction projects, except as required by law. The State of California recently provided notice to the City that because Prop A conflicts with multiple state laws, the City would no longer receive state funding or financial assistance on any construction projects.

During his remarks at the public hearing, Council President Gloria reminded participants that Proposition A was a gratuitous measure from its inception; the City of San Diego has never required a project labor agreement for a construction project.

**"While Prop A was devised to solve a non-existent problem, the City Council today acted to solve a real challenge that almost debilitated San Diego,"** said Council President Gloria.

The resolution approved by the City Council affirmed the municipality's invocation of a safety clause written as part of Prop A, which states "except where required by state or federal law as a contracting or procurement obligation, or as a condition of the receipt of state or federal funds."

The California State Water Resources Board determined the existence of the clause was insufficient, so the Council resolution was necessary.

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