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**SAN DIEGO CITY COUNCIL RULES COMMITTEE**

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# MIDDLE CLASS TAXPAYERS ASSOCIATION

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- ▶ 3 ballot initiatives

- ▶ 1) **TRANSPARENCY** – Taxpayers' Right to Know.

- ▶ 2) **COMPETITION** – Reforming Managed Competition.

- ▶ 3) **VOTER PARTICIPATION & DISCLOSURE** – People's Right to Vote on Development Subsidies.



# TAXPAYERS' RIGHT TO KNOW

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## **The Problem:**

- ▶ 100s of millions of city taxpayer dollars are paid to private contractors.
- ▶ Private contractors doing public work are not subject to the same transparency laws that would apply if the city was doing the same work.



# TAXPAYERS' RIGHT TO KNOW

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## **The Solution:**

- ▶ Extends the people's right to know how their money is spent to government contractors.
- ▶ All public's business performed with taxpayer money would be subject to the same transparency rules -- the California Public Records Act.



# TAXPAYERS' RIGHT TO KNOW

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The Public Records Act would apply **only** to information directly related to the conduct of the people's business.

- ▶ Exempt: Proprietary information and all other company information unrelated to the city contract
- ▶ Exempt: Small business & franchise agreements



# REFORMING MANAGED COMPETITION

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## The Problem:

- ▶ Currently, “managed competition” is **not** defined in the City Charter.
- ▶ The city is forced to directly outsource **public works** projects, which limits competition and the ability to ensure the most efficient and effective services.



# REFORMING MANAGED COMPETITION

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## **The Solution:**

- ▶ Codifies Managed Competition in charter.
  - ▶ Eliminates potential confusion, ensures it's implemented as voters approved.
  - ▶ Definition identical to Prop C language:
    - ▶ Competition between city departments and independent contractors



# REFORMING MANAGED COMPETITION

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- ▶ Requires consistent use of Managed Competition
  - ▶ All contracts over \$250,000 subject to managed competition every 5 years, with 2-year extension possible
  - ▶ Contracts can be bundled to reduce costs.
  - ▶ City departments can compete for large public works contracts.



# PEOPLE'S RIGHT TO VOTE ON DEVELOPMENT SUBSIDIES

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## **The Problem:**

- ▶ Large, commercial, for-profit projects get millions of dollars in **taxpayer-funded subsidies.**
- ▶ Taxpayers don't have a say in the decisions.
- ▶ Taxpayers don't get adequate information about the projects.



# PEOPLE'S RIGHT TO VOTE ON DEVELOPMENT SUBSIDIES

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## **The Solution:**

- ▶ Provides disclosure of information when taxpayer money is used for those subsidies.
- ▶ Empowers voters to approve or disapprove for-profit projects with taxpayer subsidies over \$1 million.



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▶ Thank You.

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