



URGENT ITEM AGENDA MATERIAL

Government Code Section 54954.2(b)
Rules of Procedure Chapter III.C.5

**THIS ITEM IS NOT YET AGENDIZED AND MAY OR MAY NOT BE
ACCEPTED FOR THE AGENDA AS A LATE ITEM, SUBJECT TO THE
CITY COUNCIL'S DISCRETION ACCORDING TO BROWN ACT RULES**

Meeting Date: September 29, 2026

**Item Description: Resolution in Support of Prop 1, The Veterans and Affordable
Housing Bond Act of 2026**

This item is submitted pursuant to the provision checked below:

☐ **Emergency Situation (54954.2(b)(1) - majority vote required)**
*Determination by a majority vote of the legislative body that an emergency situation exists, as
defined in Section 54956.5.*

☐ **Immediate Action Required (54954.2(b)(2) - two-thirds vote required)**
*There is a need to take immediate action and the need for action came to the attention of the local
agency subsequent to the agenda for this meeting being posted.*

Once the item is added to the agenda (Consent or Action) it must be passed by the standard required
vote threshold (majority, two-thirds, or 7/9).

**Facts supporting the addition of the item to the agenda under Section 54954.2(b)
and Chapter III.C.5 of the Rules of Procedure:**

Proposition 1 is on the ballot for the November 3, 2026 General Election. Mail-in ballots
will be delivered to registered voters starting October 5, 2026.

California continues to see significant increases in absentee voters. In 2025, 88.89%
of California voters voted absentee, and in the 2026 Primary election 89.17% voted
absentee. Voters no longer wait until Election Day to cast their ballot. It is urgent for the
City of Berkeley to communicate its position in time for early voters to be informed on
these two important measures.



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CONSENT ITEM
September 29, 2026

TO: Honorable Berkeley City City Councilmembers
FROM: Mayor Adena Ishii (Author), Councilmember Lunaparra (Co-Sponsor),
Councilmember Blackaby (Co-Sponsor), Councilmember Tregub (Co-Sponsor)
SUBJECT: Recommendation to Adopt a Resolution in Support of Prop 1, The Veterans
and Affordable Housing Bond Act of 2026

RECOMMENDATION:

The Berkeley City Council adopt a resolution supporting The Veterans and Affordable Housing Bond Act of 2026, which authorizes \$11.25 billion in state general obligation bonds to fund several housing affordability programs.

SUMMARY:

The Veterans and Affordable Housing Bond Act of 2026 would authorize the state to issue \$11.25 billion in general obligation bonds to fund several categories of existing housing programs, including:

- Multifamily Housing Program
- Infill Infrastructure Grant Program
- CalHome Program
- Farmworker Housing
- Tribal Housing Grant Program
- Higher Education student housing
- Local pilot programs
- Veterans' Housing

Full text of measure: [Bill Text - SB-417 The Veterans and Affordable Housing Bond Act of 2026.](#)

LAO Analysis: [Proposition 1 \[Ballot\]](#)

Major Provisions:

The Veterans and Affordable Housing Bond Act of 2026 is a measure placed on the November 3, 2026 ballot by the Legislature that would replenish existing housing programs for the development, preservation, and rehabilitation of affordable housing projects. Additionally, the measure would provide funding to support the development of youth and veteran housing and promote homeownership in California. Here are the specific funding allocations proposed in the ballot measure:

- \$5.1 billion to the Multifamily Housing Program.
- \$1.25 billion to provide farm and home aid for veterans under the Veterans' Farm and Home Purchase Act of 1974.
- \$1.15 billion to the Housing Rehabilitation Loan Fund, to be used for supportive housing. Up to 15% shall be used to assist in the acquisition, conversion, or rehabilitation of interim housing to permanent housing.
- \$750 million to the Portfolio Reinvestment Program to preserve existing affordable housing projects.
- \$600 million to the CalHome Program.
- \$500 million to the Home Purchase Assistance Fund for home purchase assistance programs.
- \$500 million for the Infill Infrastructure Grant Program to assist in the construction and rehabilitation of infrastructure to support high-density, affordable, and mixed-income housing in infill locations.
- \$450 million to the Joe Serna, Jr. Farmworker Housing Grant Fund to support housing for agricultural employees and their families.
- \$350 million for new affordable student housing projects.
- \$200 million to fund the acquisition and rehabilitation of unrestricted housing units and attach long-term affordability restrictions on housing units.
- \$200 million to the Affordable Housing Innovation Fund to assist local housing trust funds in developing, owning, lending, or investing in affordable housing.
- \$200 million to the Tribal Housing Grant Program to help tribes rebuild and reconstitute their communities.
- \$150 million for youth housing defined as housing for current or former foster youth, homeless minors or youth, or youth at risk of homelessness.

BACKGROUND:

The state uses general obligation bonds to fund various housing programs. Bonds are a way the state borrows money to cover the up-front costs of a development and then repays the money plus interest over time.

Proposition 1 would allow the state to sell \$11.25 billion in general obligation bonds for housing purposes. This amount consists of (1) a \$10 billion bond for a variety of housing programs that would be repaid by the State's General Fund and (2) a \$1.25 billion bond that would be repaid by veterans' payments on their home loans.

According to the nonpartisan Legislative Analyst's Office, Prop. 1 would provide subsidies for as many as 40,000 multifamily rental units and about 1,200 beds for university students. The funds could also help up to 40,000 households, including about 2,100 veterans, with homeownership.

Arguments in Support:

Proponents of the measure argue that it gives Californians the opportunity to provide housing to working families, veterans, people with disabilities and seniors; helps prevent homelessness by keeping vulnerable persons in their homes; expands homeownership opportunities; and maintains

strict fiscal accountability and transparency without new taxes. They also argue that it would jumpstart the construction of tens of thousands of shovel-ready affordable homes across California¹.

The League of California Cities which has long supported investments that increase the supply of affordable housing also supports Prop. 1. Cal Cities maintains that, if approved by the voters, Prop. 1 would replenish funding for several successful state programs used by cities to support affordable housing and infrastructure. Prop. 1 could also fund innovative local programs like regional housing trusts and support cities in meeting their Regional Housing Need Assessment (RHNA) goals for current and future cycles.

In addition to funding new affordable housing projects, the measure would fund the rehabilitation and preservation of existing affordable housing, increase funding for homeownership programs, and support specific housing projects — such as student housing, infill development, supportive housing, and foster youth housing. The

No argument against Proposition 1 was submitted to the California Secretary of State.

Prop 1 Fiscal Impact:

According to the nonpartisan Legislative Analyst's Office, the state General Fund cost to repay the bond would be \$500 million to \$600 million annually for about 25 years. The estimated annual cost would be about one-quarter of 1% (0.25%) of the state's total General Fund budget.

Existing Policy:

The City of Berkeley is a member of the League of California Cities and supports Cal Cities' 2026 Advocacy Priority to secure investments to increase the supply of affordable housing, including state and federal programs that assist in providing financing for affordable housing, as well as the development of fiscal tools and incentives to assist local governments in their efforts to encourage housing and finance the infrastructure to support housing and the establishment an ongoing state commitment for funding affordable housing.

FINANCIAL IMPLICATIONS:

Supporting Proposition 1 has no financial implications for the City of Berkeley.

CONTACT PERSON:

Mayor Adena Ishii (510)981-7100

Attachment:

Resolution

¹<https://vig.cdn.sos.ca.gov/2026/general/pdf/prop1.pdf>

NS XX-XXXX

**PROPOSITION 1: THE VETERANS AND AFFORDABLE HOUSING BOND ACT OF
2026**

WHEREAS, Cal Cities and its member cities advocate for secure investments to increase the supply of affordable housing; and

WHEREAS, Proposition 1, the Veterans and Affordable Housing Bond Act of 2026, will appear on the November 3, 2026 statewide ballot and authorize the state to issue \$11.25 billion in state general obligation bonds to provide funding to build and preserve affordable homes and expand homeownership opportunities across California; and

WHEREAS, Proposition 1 is anticipated to provide funding to fast-track numerous already-approved, shovel-ready affordable homes, turning stalled projects into homes for families who need them; and

WHEREAS, Proposition 1 is anticipated to provide funding to build homes working families can afford, so that the teachers, firefighters, and nurses who serve the City of Berkeley can afford to live in the community they serve; and

WHEREAS, Proposition 1 honors our veterans by dedicating \$1.25 billion solely to veterans' housing and homeownership opportunities, including the CalVet Home Loan Program, which has already helped almost a million veterans and their families; and

WHEREAS, Proposition 1 helps our most vulnerable neighbors by providing funding to create and preserve housing for low-income residents, seniors, those who are homeless or at risk of homelessness, foster youth experiencing homelessness, and people with disabilities; and

WHEREAS, Proposition 1 does not raise taxes, but may unlock matching federal funds, bringing tax dollars Californians send to Washington back home to California; and

WHEREAS, Proposition 1 comes with strict accountability, public reporting, and clear requirements, so that voters can see how many homes get built, where, and at what cost; and

WHEREAS, Proposition 1 benefits veterans, seniors, low- and middle-income Californians, persons with disabilities, working families, farmworkers, students, first-time homebuyers, and our youth; and

WHEREAS, the Berkeley City Council finds that the safe, affordable homes and veteran housing investments made possible by Proposition 1 are in the best interest of the residents of Berkeley;

NOW, THEREFORE, BE IT RESOLVED, that the Berkeley City Council supports Proposition 1, the Veterans and Affordable Housing Bond Act of 2026.

BE IT FURTHER RESOLVED, that we direct staff to email a copy of this adopted resolution to the League of California Cities at BallotMeasures@calcities.org.