



Local Ballot Measure: Y

Full Text of Measure Y

AMENDMENT TO THE CHARTER OF THE CITY OF MONTEREY

THE PEOPLE OF THE CITY OF MONTEREY DO ORDAIN, as follows:

SECTION 1:

WHEREAS, the City Council desires to submit to the voters of the City of Monterey a ballot measure proposal to amend the City of Monterey City Charter to authorize below market rate leases to qualified nonprofit organizations, governmental entities, or educational institutions when certain findings are made. Specifically, if the City Council determines that such terms and rates serve the community benefit;

WHEREAS, the City has 90 leases of real property of which approximately 11% are with nonprofit organizations. Several qualified nonprofit organizations may benefit from such an amendment such as the American Legion Post 41, First Night Monterey, the Monterey Peninsula Yacht Club, the Monterey Peninsula Chamber of Commerce, Monterey Museum of Art, Monterey History & Art Association, Alliance on Aging, CHISPA, and the Monterey Bay Aquarium;

WHEREAS, government entities may benefit from such an amendment including Monterey-Salinas Transit and the Housing Authority of the County of Monterey;

WHEREAS, for prevailing wage purposes, if a portion of rent is waived or reduced by a public agency, the private construction project is required to pay prevailing wages unless an exception applies. The Charter amendment will require that new leases contain a provision to pay prevailing wages as may be applicable;

NOW THEREFORE, the People of the City of Monterey do hereby enact the following amendments to the City Charter (**bold** showing additions and ~~strike through~~ showing deletions):

SECTION 2: the People of the City of Monterey declare that the foregoing recitals are true and correct and are incorporated and adopted as findings as if fully set forth herein.

SECTION 3: Article 6, Section 6.2, is hereby amended to read as follows:

Sec. 6.4 Leases of City Property

(a) All leases of City property shall be at fair market rent as established by sound appraisal practices.

(b) Exception. Notwithstanding subsection (a), City real property may be leased to a nonprofit organization, governmental entity, or educational institution on terms and rates that serve the community benefit. A lease that is below fair market rent pursuant to this subsection shall contain a provision that the tenant will pay prevailing wages for construction and comply with relevant prevailing wage statutes, as may be applicable. The term nonprofit organization, as that term is used herein, means an entity that is organized and operated exclusively for exempt purposes set forth in Section 501(c)(3) or other comparable provision of the Internal Revenue Code.

(c) All leases ~~in excess of~~ **for** more than one (1) year shall contain a provision for the increase or reconsideration of rent at fair market value in accordance with accepted commercial lease practices.

SECTION 3: All Charter provisions or parts of Charter provisions, ordinances, and resolutions, or parts of ordinances and resolutions, in conflict herewith are hereby repealed.

SECTION 4: If any provision of this Charter amendment or the application thereof to any person or circumstance is held invalid, the remainder of the Charter amendment and the application of such provisions to other persons or circumstances shall not be affected thereby.

SECTION 5: This Charter amendment shall take effect upon the date of election certification plus ten days pursuant to Elections Code section 9217 if it is passed by a simple majority of the voters voting on the question at the November 5, 2024 election.