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What to make of Props. 98 and 99

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SACRAMENTO — *Ballot proposition numbers should be retired like athlete jersey numbers. No. 3 -- Babe Ruth. No. 42 -- Jackie Robinson.*

Proposition 13 -- property tax relief. Proposition 98 -- school funding guarantees.

Hall of Famers all.

But lately it has gotten confusing with the ballot props. Because the state Legislature has refused to retire proposition numbers -- the Howard Jarvis Taxpayers Assn. tried with No. 13, but Democrats refused -- we now have a new and strange Prop. 98. Coincidentally, it is brought to us by the Howard Jarvis organization.

The new Prop. 98 is about eminent domain and rent control.

It's complex and may seem like a yawner. But it's a very big deal -- worthy of its historic number.

The measure would greatly reduce the power of government to seize private property by eminent domain in order to transfer it to a private party, such as a profiteering developer. It also would phase out rent control, no small matter.

There's another, much more subdued ballot rival, Prop. 99. It would provide limited restrictions on government's power to grab single-family homes, including condos, for transfer to another private party.

Actually, these will be the only two propositions on the statewide ballot June 3. Moreover, they'll be the only statewide items of any kind on the ballot. Everything else will be congressional and legislative primaries and local elections.

Theoretically, that should produce a low voter turnout and help Prop. 98 because renters -- who would lose out under the measure -- historically have not flocked to the polls.

But the last statewide survey by the Public Policy Institute of California, in March, found Prop. 98 being supported by only 37% of likely voters.

Meanwhile, rent control was considered "a good thing" by 53%. And Prop. 99 was backed by 53%.

Both measures were inspired by a 2005 U.S. Supreme Court decision that allowed the overbearing city of New London, Conn., to seize a small, neat riverfront home owned by Susette Kelo and transfer it -- along with her neighbors' houses -- to a private developer so it could generate hefty tax dollars.

California property owners, however, enjoy more protections against bullying governments than do people in Connecticut. For one, a California property must be found to be blighted before it can be condemned for economic development.

But sponsors of Prop. 98 say "blight" is loosely interpreted and California's law isn't strong enough.

"We can show you open cornfields designated as blighted," says Jon Coupal, president of the Jarvis group. Under Prop. 98, he insists, government still could condemn property that created a public nuisance or generated criminal activity.

"It could condemn a crack house or house of prostitution. But if you have a home next to a crack house and it's well-maintained, government should not be allowed to take your place."

In 2006, an anti- eminent domain measure, Prop. 90, was narrowly rejected by voters after local governments and environmentalists complained that it went too far. Last year, attempts to reach a legislative compromise failed when the Jarvis folks pulled out and teamed up with the California Farm Bureau and a big landlord coalition to sponsor Prop. 98.

Prop. 99 was produced as an alternative by a coalition that includes business, labor, local government, environmentalists, renters -- and now Gov. Arnold Schwarzenegger and U.S. Sen. Dianne Feinstein (D-Calif.).

Their main goal is to bury Prop. 98. Secondly, they hope to pass Prop. 99 so the likes of Prop. 98 never surfaces again. Prop. 99 would provide ample protection for homeowners against bulldozing bureaucrats, they assert.

Opponents charge that Prop. 98 would make it more difficult and costly -- if not impossible -- to condemn property for water projects, road construction, new schools and other public works.

"This is a dagger at the heart of future water development in our state," says Prop. 99 attorney Steve Merksamer. That fear prompted Schwarzenegger to announce his opposition to Prop. 98 last week.

Coupal insists this view is wrongheaded and it's all about legal arguments -- which, of course, could tie up Prop. 98 in the courts for years, if it should pass.

If both measures pass, the one receiving the most votes would take effect.

In this battle -- as in most political fights -- you can tell a lot by following the money.

The anti-Prop. 98 side has raised around \$6 million, most of it from government groups -- like the League of California Cities -- and a labor-contractor coalition that prospers from building things.

The pro-98 camp has taken in \$4.5 million, roughly three-fourths of it from mobile home park and apartment owner interests. Clearly, the juice behind Prop. 98 comes from people seeking to quash rent control.

Under the measure, any rent control enacted after Jan. 1, 2007, would be scrubbed. Rent controls enacted before that date would be phased out when each apartment or mobile home space becomes vacant.

"Of all the land-use regulations, rent control is the most draconian," Coupal declares. "People are coming to realize that it's a failed economic policy. It dries up capital. Makes cheap housing available to rich people."

He quotes one economist as saying, "Next to carpet-bombing, rent control is the best way to destroy a city."

Santa Monica and San Francisco probably don't see it that way.

"Theoretically, we could go back to feudal times when tenants had no rights," says Dean Preston of San Francisco, executive director of Tenants Together. "But these are really consumer protection laws that recognize the scarcity of affordable housing and protect tenants from landlord abuse."

Your decision on Prop. 98 may come down to how you answer two questions: Is it worth risking future public works projects, including water? Is rent control bad? If the answer is yes to both questions, vote yes on 98. If the answer is no to either question, vote no -- then yes on 99.

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