



City of San Leandro

Meeting Date: December 5, 2016

Staff Report

File Number: 16-639

Agenda Section: ACTION ITEMS

Agenda Number: 10.A.

TO: City Council

FROM: Chris Zapata
City Manager

BY: City Council

FINANCE REVIEW: Not Applicable

TITLE: Staff Report for 2017 Draft State Legislative Platform and Summary of 2016
State Legislative Activities

SUMMARY AND RECOMMENDATIONS

The City Manager recommends that the City Council review and adopt the 2017 Draft State Legislative Platform and Summary of 2016 State Legislative Activities

BACKGROUND

On October 21, 2013, the City Council authorized the creation of a City Council Ad-Hoc Committee to provide guidance on the development of a state legislative platform as well as a process through which a consultant would be selected to provide state-level advocacy services on behalf of the City.

Following a competitive request-for-proposals and consultant selection process directly guided by the Ad-Hoc Committee, on February 18, 2014, the City Council unanimously authorized the City Manager to execute a 1-year consulting services agreement with Townsend Public Affairs (TPA) for state-level advocacy services. The scope of work for this agreement includes all aspects of state level advocacy, including legislative analysis, strategy and development, grants assistance, development of relationships with state law makers and agency staff, and other related work. Based upon the excellent service provided since that time, the City Council unanimously extended its contract with TPA in each subsequent year, with the current contract set to expire on February 28, 2017.

Analysis

Over the past year, the Mayor, members of the City Council and City staff have worked closely with Townsend Public Affairs on a range of legislative initiatives at the state level. Now that the 2016 state legislative session is over, staff requests that the City Council review and adopt the

attached documents. The first attachment ("2016 State Legislative Activities Summary") provides a retrospective summary of various efforts and initiatives that took place on behalf of the City of San Leandro over the past legislative session. The second attachment ("2017 Draft State Legislative Platform") provides a summary of the City's proposed policy priorities for the upcoming 2017 legislative session. This latter document was informed by the City Council's 2016 adopted legislative platform, and is updated for 2017 to reflect new and emerging policy issues following input from City department heads and staff.

The purpose of the 2017 Draft State Legislative Platform is to provide standing authority for the Mayor, Council Members, City staff and the City's advocates to take action on behalf of the City on pending legislative matters when time constraints or other logistical hurdles preclude bringing such matters before the City Council in advance. Second, it provides the City's advocates a better understanding of the Mayor and City Council's policy preferences regarding a variety of legislative and intergovernmental issues that may arise during the course of the year. Related efforts could include issuing letters on behalf of the City to the Governor or State Legislature in support or opposition to proposed legislation, organizing meetings with the Governor's Office, state or regional agencies, elected state representatives, or otherwise advancing the City's interests on various matters that are dependent upon or impacted by the actions of the State or regional agencies. Because the State legislative environment is inherently dynamic, the City Council retains the opportunity to further amend the 2017 platform over the course of the year ahead should unforeseen needs or issues arise.

ATTACHMENTS

- 2016 State Legislative Activities Summary
- 2017 State Legislative Platform and Policy Guidelines

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MEMO

To: Mayor Pauline Russo Cutter and Members of the San Leandro City Council

cc: Chris Zapata, City Manager
Eric Engelbart, Deputy City Manager

From: Christopher Townsend, President, Townsend Public Affairs, Inc.
Niccolo De Luca, Senior Director, Townsend Public Affairs, Inc.
Alex Gibbs, Associate, Townsend Public Affairs, Inc.

Date: December 5, 2016

Subject: Summary of 2016 State Legislative Activities

SUMMARY

Townsend Public Affairs, Inc. (TPA) has prepared this report for the City of San Leandro following the end of the 2016 State legislative session. This report lists our efforts to date including a summary of our legislative advocacy actions on behalf of the City.

2016 State Legislative Highlights

TPA worked with the elected City leaders and the City Manager's executive staff to develop, advocate for, and secure several major City initiatives. San Leandro-specific initiatives were accomplished by working directly with Assembly Member Bonta and his office, Senator Hancock and her office, the office of the Senate Pro Tem, the Office of the Assembly Speaker, the Governor's Administration, and others including Assembly Member Quirk.

Below is a summary of the 2016 state legislative session highlights that were of importance to the City of San Leandro and reflect the adopted legislative priorities of the Mayor and City Council.

San Leandro Hospital

One of TPA's top priorities was to identify, support and advance legislative proposals supporting the City's efforts related to San Leandro Hospital. From this initial work, two bills were introduced in support of the City and County's efforts. They were;

- Assembly Bill 2737 (Bonta) - *Nonprovider health care districts*, which was signed into law. This was a specific City of San Leandro-sponsored piece of legislation. Working closely with Assembly Member Bonta and the Mayor with support directly from the City Manager and his team, this ground-breaking legislation was signed by the Governor.

This bill requires specified healthcare districts to spend at least 80% of their annual budget on community grants awarded to organizations that provide direct health



services, and prohibits more than 20% of their annual budget to be spent on administrative expenses. This bill only applies to "nonprovider healthcare districts," which must meet all of the following criteria: a) the district does not provide direct health care services to consumers; b) the district has not received an allocation of real property taxes in the past three years; c) the district has assets of \$20 million or more; d) the district is not located in a rural area that is typically underserved for health care services; and, e) the district, in two or more consecutive years, has dedicated an amount to community grants that is less than twice the total administrative costs and overhead not directly associated with revenue-generating enterprises. The parameters of this bill were established to address one healthcare district, Eden Township Healthcare District, d.b.a. Eden Health District.

Our efforts included, but were not limited to, securing the author for the bill, helping prepare background sheets, one-pagers, and draft support letters, briefing various legislators and their staff, committee members and their staff, associations, impacted advocates, and many others. In addition, we helped draft speaking points for the Mayor's testimony before Assembly and Senate Committees, worked with the bill's co-supporters, met on multiple occasions with the Governor's office, and other various efforts necessary to help get the bill signed into law.

- AB 2471 (Quirk) - *Health care districts: dissolution*. The City of San Leandro was an active supporter of this legislation, working closely with Assembly Member Quirk, his office, and Alameda County (the official sponsor). This bill was held in the Senate Governance Committee.

Our efforts included, but were not limited to, working with Assembly Member Quirk, the author of the bill, and his staff on many day-to-day matters, briefing the various legislators and their staff when the bill was in committee, supporting the Mayor and Deputy City Manager of San Leandro, as well as the Mayor of Hayward who all testified in various committees, helping draft speaking points, and working with associations, impacted advocates, and many others.

Affordable Housing

- With the dissolution of redevelopment agencies statewide, an ongoing source of funding for affordable housing has been lacking. Another of TPA's top priorities for the City was to identify, support and push forward legislative proposals supporting and encouraging affordable and work force housing.

The Assembly submitted a package of bills to provide funding for the construction of affordable housing and, on behalf of the City of San Leandro, we were actively involved in these bills, specifically:

- AB 2200 (Thurmond) Affordable Housing/teacher housing
- AB 2319 (Gordon) California Infrastructure and Economic Development Bank
- AB 2441 (Thurmond) Housing: Workforce Housing Pilot Program
- AB 2475 (Gordon) Loan Program: California Infrastructure and Economic Development Bank



- SB 1069 (Wiecowski) Land use: zoning
- By Right Housing Proposal.

Seismic Safety

- This was another key priority for the City in 2016. Working closely with Assembly Member Nazarian, the first-ever seismic safety account was created in the State Budget to set aside \$10 million for family-owned or small-scale property owners of multi-unit buildings to make much-needed seismic upgrades and ensure the safety of these units.

With recent earthquakes in California and across the world, an earthquake can occur at any given moment and it remains imperative that structures are suitable to withstand a catastrophic earthquake. Creating this seismic safety measure will improve California's resilience against earthquakes, saving the public money that would otherwise have been required for disaster relief, and protecting aging housing stock and the tenants who live there.

Medicinal Cannabis Statewide Regulations

- After years of unsuccessful attempts, the Legislature finally approved a package of bills to create a medicinal cannabis regulatory framework at the State level. However, additional elements needed to be addressed, such as guidelines for cities that are seeking to permit manufacturing and extraction businesses. TPA once again served as an instrumental member of a statewide coalition that supported the views of both local government and the industry.

TPA actively drafted language and advocated with legislators and staff to ensure the 'clean up' regulations would be in the best interests of San Leandro and future operators in the City. We also worked on AB 21 (Wood) which supported cultivation regulations, and AB 2679 (Cooley), which supported the extraction regulations.

Senate Plan on Homelessness

- Since the beginning of the year, TPA informed the City regarding discussions that Senate Democrats were having to bring forward a budget proposal to address homeless issues impacting cities throughout the state. As the discussions went on, we briefed the City on key points, spoke with staff members in various capacities in the Capitol to explain the needs of urban, dense cities. When the proposal was finalized, we also testified to express the City's support.

Transportation Funding

- TPA has been active on the City's behalf surrounding a possible transportation infrastructure funding package. Over the past year there were many different transportation proposals put forward during the legislative session, but none of them were able to garner the two-thirds support needed for passage. As we have been briefing the City, there was discussion about a possible effort during the lame duck session to deal with transportation. While there have not been any announcements of convening a special session, Assembly Member Frazier and Senator Beall have been talking with their colleagues to see if there is support for passage of a transportation



funding proposal. A funding proposal would be somewhere in between what the Assembly Democrats are looking for (\$7.4 billion per year) and the Administration (\$3.6 billion). We have been working with key legislative leaders, the Big 10 Mayors, trade groups and others to identify and secure the needed votes to move forward on a comprehensive transportation funding package.

Weekly Updates

In addition to the work mentioned above, TPA continues to provide the City with ongoing, weekly legislative updates on bills, relevant statewide policy topics, and other matters of interest to ensure the City has up to date information and is directly involved in the decision-making process. These updates include specific bills we are working on for the City, along with other legislation that we may suggest the City monitor, support or oppose.



City of San Leandro
2017 State Legislative Platform and Policy Guidelines
December 5, 2016

The City of San Leandro's legislative agenda for 2017 is designed to reflect the adopted priorities and policy direction of the Mayor and City Council with direct input from the City Administration. This strategic agenda includes advocating for legislation, regulations, and funding that is consistent with the City's adopted priorities. It is informed by the City Council's 2016 adopted legislative platform, and has been updated for 2017 to reflect new or emerging policy issues.

This agenda is designed to (a) provide standing authority for the Mayor and members of the City Council, City staff or the City's legislative advocates to take action on pending legislative matters on behalf of the City of San Leandro when time constraints or administrative burdens preclude bringing such matters before the City Council in advance, and (b) provide the City's advocates a better understanding of the Mayor and Council's policy preferences regarding a variety of legislative and intergovernmental issues that might arise during the course of the year.

This report is compiled into two sections:

1. City Specific State Legislative Priorities for Recommended Action, and
2. Policy Priorities for Ongoing Monitoring or Advocacy;

1. City Specific State Legislative Priorities for Recommended Action

Below is a list of specific legislative priorities for the City. Direct advocacy with the Governor, the Legislature, State agencies and other organizations will be focused on these areas:

Transportation & Public Works

- **Electric Vehicle Infrastructure.** Support legislative efforts and funding programs that provide cities greater flexibility and opportunities to enhance and build out electric vehicle infrastructure.
- **Illegal Dumping & Graffiti Abatement.** Support legislative efforts that provide for greater penalties or incentives to reduce the amount of illegal dumping and graffiti.
- **Reclaimed/Recycled Water Projects.** Support legislation that advances the use of recycled water while meeting the needs of local agencies, especially during times of drought. These efforts could include support for permitting, construction, or maintenance of recycled water pipelines. Oppose legislation or regulations that harm these efforts.
- **Recycling Programs.** Support legislation to extend incentives for both household and commercial recycling efforts. Oppose legislation that hampers recycling efforts or reduces incentives to recycle.
- **Transfer of state urban highways.** Support efforts to create a streamlined process for the transfer of state urban highways to local agencies. East 14th Street and Davis Street are presently designated state highways; however, the current mechanism that would facilitate the transfer of these highways to the City does not provide sufficient financial commitments from the state prior to any transfer. Support efforts that would facilitate the repaving or reconstruction of both roadways.
- **Traffic Signal Synchronization.** Support legislation or regulatory efforts to address greenhouse gases (GHG) by providing funding for traffic signal synchronization and related actions that reduce traffic and pollution. This past legislative session marked a new focus of changing state law to allow for greater flexibility of certain funds, especially to help address GHG reductions.

- **Undergrounding of Utilities/Rule 20A.** The Public Utilities Commission oversees the funding used to support the undergrounding of utilities. This work is done under provisions of Rule 20A, an electric tariff filed with the California Public Utilities Commission. Projects performed under Rule 20A are nominated by a city, county or municipal agency and discussed with utility companies. Support efforts to fund and approve these projects, including exploring regional approaches.
- **Use of State Highways.** Support efforts that would facilitate the use of overweight trucks to transport goods from local San Leandro businesses to and from the Port of Oakland on routes that utilize state highways.
- **Vehicle Miles Traveled Legislation.** Monitor new legislation or regulatory efforts with a greater focus on Road Usage Charges (RUC). The Senate Transportation Committee is working on a guide for the development and implementation of a pilot program to study the potential for RUC as an alternative to the gas tax.
- **Water Quality Measures/Trash Capture Devices.** Support legislation, regulations, and budget proposals that will provide support and resources to purchase and install trash capture devices or other efforts to address storm water runoff and/or protect water quality.

Housing, Land Use & Environmental Protection

- **Affordable Housing.** With the dissolution of redevelopment agencies statewide, an ongoing source of funding for affordable housing has been lacking. Support efforts to identify funding, or streamline the process for developing more affordable or work force housing. Support efforts to include a broader range of options that would be eligible to receive state housing element credits, including the conversion of existing commercial and housing stock, senior housing, assisted living units and housing cooperatives.
- **Broadband Infrastructure.** Support legislation or funding opportunities that would expand public and private access to broadband, including the development of related infrastructure
- **CEQA Reform.** Support legislation that makes common sense reforms to the California Environmental Quality Act, including allowing for the reduction in time delays or excessive lawsuits, while ensuring environmental protections remain in place. Support efforts that would allow local agencies to set criteria for traffic impact levels-of-service based upon locally adopted General Plans and/or other local requirements.
- **Climate Change Mitigation.** Support action on climate change to assist San Leandro and the Bay Area in meeting adopted goals. Support efforts to adapt to sea-level rise, including vulnerability assessment and adaptation strategies, wetlands restoration, levee construction or other similar structural resilience measures.
- **Community Choice Aggregation and Clean/Renewable Energy.** Support efforts to secure funding to reduce greenhouse gas emissions, including, but not limited to: clean energy, energy efficiency improvements, and electric vehicle infrastructure. Support efforts to facilitate the successful launch and implementation of the East Bay Community Energy Authority, including efforts to create public/private partnerships, incentives, and investment for clean energy.
- **Creek Walk, East Bay Greenway, and other Bike/Ped projects.** Support legislation, regulations, and budget proposals that would provide funding opportunities or other support for the development of greenway projects, bicycle and pedestrian projects, and other modes of active transportation.
- **Dredging.** Support efforts to identify funding for the dredging of recreational marinas.

- **Parks Funding.** The Pro Tem elect authored a bill that would establish a 2016 park bond. Support this legislation or similar efforts to identify funding for parks and recreation.
- **Shoreline Development.** Support legislative efforts or funding opportunities that would assist in the successful redevelopment of San Leandro's shoreline area.

Law Enforcement & Public Safety

- **Body Cameras.** Support legislation addressing best practices for the use of police body-worn cameras, while balancing the needs of the public and law enforcement personnel.
- **De-escalation Training & Funding.** Support efforts that would provide additional funding or training opportunities for law enforcement and public safety personnel on tactics designed to defuse or de-escalate interactions with potentially violent individuals and/or persons suffering from a mental health crisis.
- **Disaster Prevention and Recovery.** Seek additional funding, and expand the definition of programs eligible for grant funding, for disaster recovery and prevention.
- **Drones.** As the use, and need for drones expands, so does the discussion on local control and privacy. Monitor any new legislation and support efforts to ensure local needs are adequately addressed.
- **Illegal gambling parlors.** Support legislative efforts that would provide additional local authority to address the frequency of 'pop up' online casinos. Assembly Bill 1439 (Salas) was signed into law by the Governor, providing cities with additional authority to regulate these types of establishments. Additional legislation may be needed to continue to effectively regulate online gambling establishments.
- **Massage Parlors.** Legislation was passed in 2014 to give cities tighter control of massage establishments. Support the City's efforts to interface with the California Massage Therapy Council (CAMTC) on the certification of new businesses, while working to ensure that bad businesses are denied certification.

Health & Human Services

- **Cannabis Regulations.** Support efforts that would facilitate the successful implementation of Proposition 64 (2016), the Medical Cannabis Regulation & Safety Act (2015), as well as San Leandro's medical cannabis dispensary ordinance and/or other cannabis regulatory programs. Support new legislation or administrative rules designed to protect public safety, ensure effective regulation and protect local interests. Oppose federal actions that interfere with state's rights, as well as actions or legislation that restrict local control.
- **Eden Health District.** Continue to work with state and regional stakeholders to advocate for various efforts that bring increased regulation of, or public attention to, the management practices of Eden Health District. Continue to advocate for the dissolution of the district and/or other efforts that would support the health care needs and interests of San Leandro.
- **Homelessness.** Work with regional stakeholders to develop regional solutions to homelessness in the Bay Area. Support efforts to identify additional funding opportunities for local agencies and non-profit organizations for shelters, mobile crisis mental health units, and/or other programs and services designed to prevent homelessness or support homeless populations.

- **Improved Access to Health Care.** Support efforts to protect or expand health care coverage to all populations.
- **Mental Health.** Support efforts addressing the care needed to support the mental health and emotional well-being of individuals and at-risk populations.
- **San Leandro Hospital.** Support efforts to ensure the successful operation and financial sustainability of San Leandro Hospital.
- **Safety Net Services and Support for Seniors.** Support efforts that would expand safety net services for those most in need, including low-income residents and senior populations.

Public Finance & Administration

- **Cap & Trade Funding.** Support legislation, funding guidelines, and/or other regulations for the successful disbursement of funding from the State's Cap-and-Trade program for City programs and efforts.
- **Local Elections.** Monitor election reform initiatives and oppose efforts that could expose the City to litigation or impose new costs for elections. Monitor efforts that could impact San Leandro's current system of 'from District' elections. Oppose efforts that seek to restrict local control over the City's election system.
- **Pension Sustainability.** Support legislative efforts that would ensure the long-term financial sustainability of the California Public Employees Retirement System while balancing commitments that have been made to public employees.
- **Public Records.** Support the intent of the California Public Records Act, including efforts to assist the public in determining the availability of government records. Oppose efforts that would create unnecessary administrative burdens or new unfunded mandates for local agencies related to public records.
- **Revenue Protection.** Oppose attempts to decrease, restrict or eliminate City revenue sources, or to restrict local authority over the use of City funds. Support efforts to improve the stability or sustainability of local revenues.
- **Training Mandates.** Support common sense reforms to various statewide training requirements. Oppose new unfunded mandates that would require unnecessary and/or unreasonable training requirements for local agency staff, including but not limited to proposed mandates that were included in AB 2873 (Thurmond, 2016).
- **Utility User Taxes.** Support legislation or regulations that would provide cities with the flexibility and authority to collect or increase Utility User Taxes (UUTs). Oppose any proposals that seek to limit or restrict the City's use of UUTs.
- **Workers' Compensation & Disability Retirement Reform.** Support efforts to reform the state workers' compensation program and similar efforts regarding disability payments to control costs and to reduce potential abuse, while balancing important worker protections.

2. Policy Priorities for Ongoing Monitoring or Advocacy

Monitor legislative activity and/or or advocate on behalf of the City of San Leandro's interests in the following broad policy areas:

- Public Safety

- This includes policy topics such as disaster preparedness, proposals to provide local law enforcement with additional support, school resource officers or joint use efforts with school districts, prevention and intervention funding for at-risk youth, 911 call centers, public safety answering points (PSAPs), POST mandates, AB 109 Realignment implementation, stolen vehicles, mental illness counseling services, juvenile justice programs, technology enhancements and support, crisis intervention and suicide prevention, new training opportunities, or other related programs.
- Transportation
 - This includes policy topics such as goods movement, safe routes to school funding, local road repair, regional transportation funds, street signs, curb paintings, and other efforts to support regional transportation programs.
- Economic Development
 - This includes policy topics such as redevelopment dissolution, measures providing for new tax increment financing opportunities, infrastructure financing districts, efforts to encourage local job creation, new business investment, and other related topics.
- Infrastructure
 - This includes policy topics such as funding for roads, sewers, storm drains, and other public works, engineering, or maintenance responsibilities.
- Health & Human Services
 - This includes general policy topics related health and human services matters effecting the residents of San Leandro and could include: safety net services, homelessness and hunger, childcare, and community health facilities, among others
- Housing and Land Use
 - This includes policy topics such as creating new sources of affordable housing funds, and efforts to protect local authority or oppose unfunded mandates, and other similar topics.
- Quality of Life
 - This includes policy topics such as the development of funding sources for parks, urban waterways, climate change, clean energy efforts, waste reduction, multi-lingual outreach, kindergarten readiness programs, project literacy, veterans, homework/technology centers, library capital improvement needs, after school sports, park/playground equipment, and other quality of life programs.
- Constitutional Modifications
 - This includes policy topics such as measures that would impact local governments, such as lowering the voter threshold to 55% for various bond issuances and local taxes.
- Protecting Local Control
 - The City of San Leandro values its ability and authority to exercise local control, provide excellent public services and protect and enhance the quality of life for San Leandro residents, businesses, and visitors, and supports efforts to streamline regulations that simplify the job of running the City's operations and opposes efforts that erode the City's authority to

control its own affairs. This also includes policy topics such as measures or budget actions which could potentially impact the operations of, or services provided by, the City of San Leandro.

- Technology
 - This includes policy topics such as efforts to expand access to fiber optic/broadband infrastructure for community residents, businesses, or schools, energy efficiency projects like LED street lights and residential/commercial retrofits, as well as efforts to support technological innovation in San Leandro and the region.

Process for Reporting

In addition to regular progress reports sent to the City, annual reports on these and other efforts to support the City's legislative agenda shall be provided to the City Council and City staff.



City of San Leandro

Meeting Date: December 5, 2016

Minute Order - Council

File Number: 16-643

Agenda Section: ACTION ITEMS

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: City Council

FINANCE REVIEW: Not Applicable

TITLE: MOTION Adopting the 2017 State Legislative Platform and Summary of 2016
State Legislative Activities
