



COUNCIL AGENDA: 08-30-11

ITEM: 3.4

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Ash Kalra
Councilmember Sam Liccardo
Councilmember Don Rocha
Councilmember Xavier Campos

SUBJECT: SEE BELOW

DATE: August 25, 2011

Approved

Date

Ash Kalra
A.K.

Don Rocha
Sam Liccardo

8.25.11

SUBJECT: FY 2011-2012 COUNCIL PRIORITY ORDINANCES

RECOMMENDATION

Direct staff to add Payday Lending and Smoking in Outdoor Areas to the list of approved 2011-2012 workplan items.

BACKGROUND

There is no question that we are in a fiscally difficult time, and that staff resources have diminished. However, being fiscally responsible, while extremely important, is not our only responsibility. We also have to find ways to provide for and protect the health and well-being of our residents, and when given the opportunity to do so at a significantly reduced cost due to grant funding and partnerships with other organizations, we must take advantage of the opportunity.

Furthermore, as noted in Mayor Reed's Rules Committee memo dated August 22, 2011, one ordinance in the "Top 10" list is already complete, and two others have not yet begun, giving us a chance to "replace these three with other referrals from the 'Pending Ordinances on Hold' or 'Potential New Ordinances' lists." If the council decides to follow the approach suggested by the Mayor, we believe that payday lending and outdoor smoking should be two of these three referrals. Ultimately, regardless of whether the council follows the process suggested by the Mayor, we believe that staff should be directed to add these two projects to its list of active 2011-2012 workplan projects, as they are the only two projects on the list of Other Significant Ordinances (attachment B to staff's August 19, 2011 memo) that not only include significant grant funding but also significant workload assistance from local organizations.

With respect to payday lending, the Silicon Valley Community Foundation has already approved a grant of \$50,000 for the City to study the land use issues presented by payday lending in San Jose, and several organizations have offered their significant assistance with respect to the legal research and outreach efforts needed to complete this project. As noted in the City's grant

application, this project would first entail conducting stakeholder outreach and studying existing regulations regarding payday lending establishments. Development of an ordinance “and alternate options” is listed in the application as the third step in the process; thus, staff resources would be allocated to drafting an ordinance only after the outreach is completed and identifies the land use implications of payday lending in San Jose.

With respect to the outdoor smoking project, the City is eligible for up to \$196,730 of grant funding to develop a policy that addresses exposure to second-hand smoke. In addition, the County has indicated that they can provide significant assistance with the necessary outreach. Further assistance in the areas of outreach, signage, and other aspects of the potential ordinance has been offered by organizations such as Breathe California and the California Apartment Association, Tri-County Division. However, these grant funds expire in March 2012, so we must move quickly to take advantage of this opportunity.

In short, for both projects, we have an opportunity to study potentially beneficial policies at a significantly reduced cost and with substantial assistance from partner organizations. In this time of fiscal constraints, it is incumbent upon us to take advantage of the funding and partnership opportunities to implement policies that protect the health and financial well-being of our residents.