



Memorandum

TO: COMMUNITY & ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Betsy Shotwell

SUBJECT: SEE BELOW

DATE: October 4, 2007

Approved

Date

10/10/07

**SUBJECT: REVIEW OF RELEVANT LEGISLATIVE GUIDING PRINCIPLES FOR
2008**

RECOMMENDATION

Review and discussion of the draft 2008 Legislative Guiding Principles with focus on the Community and Economic Development City Service Area.

OUTCOME

Input from the Community and Economic Development Committee will be incorporated into the 2008 Legislative Guiding Principles and after additional Committees' review in October, the document will be forwarded to the Rules Committee and the City Council for adoption in November/December. The 2007 Legislative Guiding Principles represented a new framework for organizing the City's legislative interests and the 2008 document will continue to reflect the approach approved by the City Council in January of 2007. Key to the foundation of our legislative strategy are the City Council's five priorities including:

- Maintain our status as the safest big city in America;
- Eliminate the structural budget deficit;
- Reduce deferred maintenance and the infrastructure backlog and develop a strategy to improve the infrastructure;
- Increase economic vitality;
- Provide full funding for parks, pools, community centers and libraries.

In addition, advocacy for those measures that support the City's efforts to thrive as an environmentally sustainable city is critical.

BACKGROUND

The Community and Economic Development Committee work plan for August -December 2007 included the scheduling of relevant Legislative Guiding Principles for 2008 for review and

Community and Economic Development Committee

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comment. This review allows for a more thorough discussion of legislative principles by Council Committees to advance City policies.

City Service Areas (CSAs) developed legislative principles that have been consolidated into the City's Legislative Guiding Principles. The attached 2007 document has served as the City's legislative values statement and has provided a framework for formulating City-sponsored legislation and directing the City's support, opposition, or co-sponsoring of state and federal legislation. Relevant principles that have been edited or added are summarized in the Analysis section of this report.

The significance of developing each year citywide legislative guiding principles is that the City clearly articulates values with respect to legislative activities. In the past, CSAs developed independent priorities and those priorities were consolidated into one document. While the process yielded CSA priorities, the priorities did not roll up to a Citywide statement of legislative interests and/or priorities and there was no clear connection between all of the CSAs priorities. The 2007 Guiding Legislative Principles document began to address this concern and categorize the City's legislative interests into broader, citywide themes that CSAs' interest can fall under. The result is a document that attempts to minimize conflicts between CSA legislative interests and a true City statement of legislative values.

Concurrent to the development of 2008 Legislative Guiding Principles, staff has also been developing priorities for 2008. Following the outcome of the Congressional appropriations cycle for this session, and the end of the first year of the two-year legislative session in Sacramento, CSAs will be reporting out a set of 2008 Legislative Priorities consisting of perhaps a dozen actionable issues of high priority for the City. The 2008 Legislative Guiding Principles and Priorities will be forwarded to the Rules Committee and the City Council for adoption in 2007 with additional Appropriation priorities forwarded to the Rules and Open Government Committee and City Council in early 2008.

The establishment of Legislative Priorities will result in actionable items that are clearly defined and measurable, with performance outcomes reported to Council. The result of this effort is to produce quantifiable progress in the City's legislative performance and to establish clear areas where performance can be evaluated and/or adjusted.

As an example, Proposition 1C, the \$2.85 billion Housing and Emergency Shelter Trust Fund Act of 2006, was passed by the voters in November of 2007. Of this amount, \$1.45 billion was allocated to programs that have no corresponding or existing program and must be created by the State Legislature. The 2007 regular Legislative Session came to a close on September 12, with much of the Proposition 1C related legislation left undecided. However, through the adoption of the State Budget in 2007, there was agreement by the Legislature to release about \$300 million in Proposition 1C funds next year for the Infill Incentive Account (\$240 million) and money related to Brownfields clean-up ((\$60 million). In addition to these actions, the Legislature allocated \$95 million in Proposition 1C funds for transit-oriented development (TOD) projects in 2008.

Staff will continue to use the Proposition 1C Guiding Principles adopted by City Council in May 2007 when analyzing related measures when the State Legislature reconvenes in January 2008 and when funding for implementing Proposition 1C is addressed through the State legislative and budgetary process for FY 2008-09.

Overview of the City's Legislative Process

During the session, after bills are introduced, and as amendments are added, legislation of interest to the City is continually monitored and analyzed by Intergovernmental Relations (IGR) and City staff to determine the measure's potential impacts to San José and local government. Following analysis, major State or Federal legislation that is supportive or detrimental to the City's Legislative Guidelines and Priorities are brought forward to the Rules and Open Government Committee with staff recommendations for official City positions. Rules and Open Government Committee recommended City positions are then forwarded to the City Council for final action.

On occasion, members of the Council also bring forward pending bills for City positions. It has been the custom of the Rules Committee to refer measures then to the appropriate City staff for review and return to the Rules and Open Government Committee with a recommended City position. When the Legislature is in session, IGR prepares updates on priority legislation. The status of legislation, including City-sponsored bills are brought forward to the Rules and Open Government Committee and posted frequently in the City Manager's Weekly Report.

ANALYSIS

To assist the City in improving and enhancing the quality of urban life for our residents, the Community and Economic Development CSA aligns to the Community and Economic Development Committee's mission and the following guiding principles have been edited and/or added to the 2008 Legislative Guiding Principles to advance these interests. Additional changes relevant to the Committee and recommended by other CSA's so noted. (Numbered items reflect 2007 document attached. Note, that a redlined version is not provided because it is too confusing to follow therefore, the additions, revisions, etc., are presented in this format):

From the Community and Economic Development CSA:

Pursue Federal and State Funding for Key Efforts

- (Add) Create new permanent sources of funding for affordable housing at both the State and federal level including the funding for a National Housing Trust Fund and legislation that encourages the fair, equitable, and timely dispersal of Statewide Housing Bond monies that maximizes San José's ability to compete (pursuant to the City's adopted Proposition 1C Guiding Principles).

- 1. (Change to following language). Protect and enhance current sources of federal programs including the Low-Income Housing Tax Credits, HOME, ESG, and HOPWA.
- (Keep #2 and 3 the same, just renumber to 3) and 4)
- (Add) Increase California's conforming loans and FHA multifamily loan limits and regain San José's designation as a Difficult Development Area (DDA) in order to provide maximum funding and housing opportunities for San José residents and other high-cost areas.

Promote Livability/Sustainable Developmental Protection

- 6.) (Revised in *italics*) Streamline the CEQA process *to promote* infill and high-density housing near public transportation or corridors.

The following overlapping recommendations were also reviewed and recommended by the Transportation and Environment Committee on October 1st.

From the Transportation and Aviation CSA, with a new addition from the Community and Economic Development CSA in *italics*:

Protect Local Control

- (Add) Protect local decision making in relation to transportation and land-use decisions. *Maintain local land use authority.*

Pursue Federal and State Funding for Key Efforts

- (Add) Provides rewards in the form of funding for transportation and affordable housing to communities that have the largest share of Regional Housing Need Allocations (RHNA).

PUBLIC OUTREACH

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

By providing this document to the Community and Economic Development Committee in October, prior to review by the Rules and Open Government Committee and adoption by the City Council, this document will be posted on the City's website with the Community and Economic Development Committee meeting agenda and interested public will have additional time to review the 2008 Legislative Guiding Principles as proposed by the CSA.

COORDINATION

This memo was coordinated with the above referenced City Service Area, City Attorney's Office, the City's Legislative Representative in Sacramento, and federal lobbyist in Washington, D.C.

POLICY ALIGNMENT

The 2008 Legislative Guiding Principles will further the City's legislative policy goals and form the foundation of the City's efforts to work with our federal and State partners on issues of concern and interest to the City.

COST IMPLICATIONS

Not applicable.

BUDGET REFERENCE

Not applicable.

CEQA

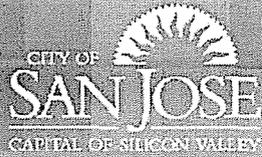
Not a project.



BETSY SHOTWELL
Director, Intergovernmental Relations

Attachment: City of San Jose 2007 Legislative Guiding Principles

For more information contact: Betsy Shotwell, Director of Intergovernmental Relations at
(408) 535-8270.

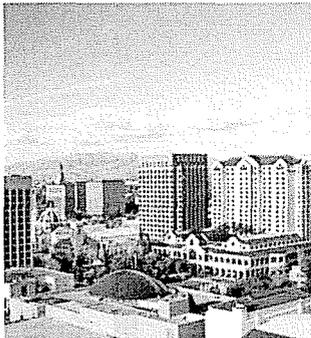


City of San José

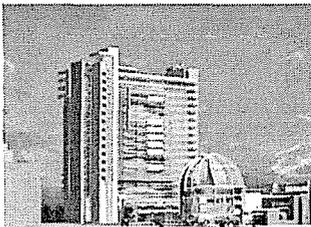
2007 Legislative Guiding Principles



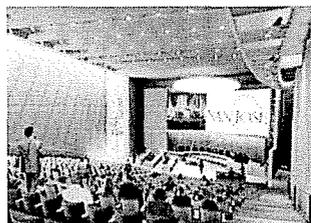
San José, the "Capital of Silicon Valley" and county seat of Santa Clara County, is the third largest city in California, tenth largest in the nation and home to a population of 945,000 residents. While San José and Silicon Valley are largely associated with the technology industry, the City's business profile is diverse and healthy with the presence of robust commercial, retail, industrial, professional and service businesses. San José is the Safest Big City in America, with the best public safety record of any metropolitan area in the country. The City is proud of the cultural and ethnic diversity of its population and workforce and the rich cultural identity of its many neighborhoods. The City is one of the cleanest cities in the United States and was voted America's most livable city. City residents speak more than 52 different languages. San José ranks first in the nation in terms of the number of college graduates per capita.



The City of San José is often recognized as a leader in municipal services, economic prosperity, and for its quality of life. This reputation is an outgrowth of City government's ability to make informed public policy decisions and influence the direction in which the City is headed at a regional, State, and national level.



Over the past years, the City of San José has experienced a tremendous amount of growth and prosperity. This has presented significant public policy challenges related to the municipal services that the City provides and the ability to respond effectively to changing needs. The challenge of effectively responding to emerging trends with informed policy and legislative initiatives will continue to increase, along with the complexity of the issues and diverse expectations from residents. This document highlights the City's legislative guiding principles; together with the City's legislative priorities, they form the basis of the City's efforts to work with our federal and State partners. This document is organized by the following legislative guiding principles:



- Protect Local Control
- Ensure Region's Competitiveness/Protect City Revenue Base
- Protect/Increase Local Funding/No Unfunded Mandates
- Pursue Federal and State Funding for Key Efforts
- Preserve Redevelopment as a Tool for Revitalization
- Promote Livability/Sustainable Development and Environmental Protection
- Support Efforts to Keep San José Safe

Protect Local Control

The City values its ability to exercise local control, enable excellent public services and protect and enhance the quality of life for San José residents. The City supports local control efforts to streamline regulations that simplify the job of running the City.

Specifically, the City supports efforts, legislation, and policies that:

1. Protect local government revenues by maintaining local authority over the collection of fees and generation of revenues.
2. Reward cities that routinely provide their fair share of housing, while relieving them of slow, unnecessary, or unproductive regulatory review.
3. Allow greater local control regarding the location and permitting of group homes, while ensuring reasonable accommodations to the disabled.
4. Protect the rights of cities to manage local integrated waste management facilities, programs, and materials.
5. Promote legislation and policies that increase local control of utility infrastructure.
6. Promote the ability of cities, in the area of telecommunications, to have control over the collection of fees and raising of revenues through franchise agreements.

Ensure Region's Competitiveness/Protect City Revenue Base

The City embraces efforts to obtain funding for economic development initiatives, including planning and implementation of regional transportation and traffic congestion relief projects and creation of affordable housing.

The City supports efforts, legislation, and policies that:

1. Provide resources and incentives for workforce training, job creation, small business development, and research and development.

2. Give more flexibility to Workforce Investment Boards and enable WIBs to target services according to local needs.
3. Oppose policies that undermine San José's competitiveness and the City's revenue base, or that adversely impact San José-based businesses.
4. Fuel innovation and employment, that results in the development of new products, technology, and services (e.g., bioscience incubators, solar technology, nanotechnology, informatics and alternative fuel technology).
5. Improve the method of assessment, collection and allocation of local revenues, and oppose efforts that threaten the sources and flexibility of existing revenues.
6. Support the implementation of the San José International Airport Terminal Area Improvement Program, a \$1.5 billion capital development program to improve airport facilities in two phases.

Protect/Increase Local Funding/No Unfunded Mandates

Legislation and policies that reduce any negative impacts to City services, revenues or costs resulting from state and federal legislation or budgets are high priorities.

The City supports efforts, legislation, and policies that:

1. Provide funding to offset the local costs of managing environmental programs, including water quality protection, energy efficiency and water supply protection.
2. Support the cost of public safety overtime associated with federal actions and mandates, including changes in alert color codes.
3. Promotes policies that provide a more sustainable and cost-effective delivery of workers' compensation benefits for injured City employees.
4. Provides State funding and efforts that strengthen the monitoring of sex offenders.
5. Ensure sufficient funding for security efforts, including funding for staffing, facilities, training and equipment
6. Support innovative State and federal transportation funding mechanisms that focus on aviation issues such as greater

- flexibility in airport Passenger Facility Charges and surface transportation needs such as vehicle license surcharges, indexing of gas tax, and approval of local transportation and infrastructure funding measures by less than a 2/3 majority.
7. Support policies that incorporate the costs of handling, recycling, and disposal to the users/generators of hazardous materials.

Pursue Federal and State Funding For Key Efforts

The City supports legislation that increases federal and State funding for efforts that:

1. Fund affordable housing (Low Income Housing Tax Credits, Mortgage Revenue Bonds, HOME Investment Partnership, HOPWA), including the creation of permanent dedicated revenue sources at the federal, State and local levels.
2. End chronic homelessness in 10 years.
3. Fully fund the CDBG Program and the HUD Section 108 Program and ensure that the City gets its fair share.
4. Support workforce training, job creation and research and development efforts.
5. Fund traditional infrastructure repair and replacement, including redevelopment areas (e.g., flood control, storm damage, retention basins, water systems, sanitary sewers, storm drainage systems and recycled water systems).
6. Preserve and pursue California's and San José's share of federal and State transportation funding, for planning and implementation of State and regional transportation and traffic congestion relief projects.
7. Enable the development and protection of transportation funding for the maintenance and operations of local streets and roads.
8. Provide transportation investment to preserve existing facilities, support multimodal travel and enhance community livability.
9. Pursue funding to create sustainable long-term water supplies.
10. Improve the conditions of local waterways and facilitate watershed restoration.
11. Provide funding for library construction activities and enhanced library services.

12. Ensure adequate funding and continuation of programs that support programming and operating costs and provide equitable reimbursement for the library's inter-system handling costs.
13. Enable the construction of high quality child care centers and improve professional development and training of child care.

Preserve Redevelopment as a Tool for City Revitalization

The City supports legislation and policies that maintain the local autonomy of the Redevelopment Agency and supports efforts to protect the Agency's flexibility to use redevelopment funds, while opposing efforts to limit or divert the use of redevelopment funds (including 20% funds).

1. Oppose efforts to limit the reasonable use of eminent domain in the implementation of the City's redevelopment and neighborhood revitalization efforts.
2. Oppose efforts to reduce the powers of redevelopment agencies to continue efforts to reduce blight and improve our neighborhoods.

Promote Livability/Sustainable Developmental Protection

The City values a sustainable quality of life in an urban environment, including: child care, aging and youth services, urban parks and open space, recreation facilities, environmental protection and arts and culture. The City supports legislation and policies that emphasize sustainable development; improve environmental standards and the regulatory process; provide incentives and financial measures for preservation of natural resources and promote sustainable energy policies.

The City supports legislation that promotes livability, sustainable development, and environmental protection that:

1. Protects the environment and emphasize conservation and renewable energy sources.
2. Support implementation of the 2005 United Nations Accords 21 Actions.
3. Promotes water efficient practices and ensure a clean, affordable water supply.
4. Expand and maintain the City's system of trails and recreational facilities.
5. Promotes the successful delivery of transportation projects Promotes the successful delivery of transportation projects that include delivery and environmental streamlining.
6. Streamline the CEQA process, particularly for infill housing and high-density housing near public transportation or corridors.
7. Promotes research, development, production and purchase of alternative fuel and hybrid vehicles as well as the conservation and preservation of natural resources.
8. Enables the Airport to be a good neighbor by limiting excessive noise and reducing negative environmental impacts.
9. Maintains the effectiveness of housing and community development efforts, including the administration of the City's Housing Authority. Support efforts to make the City Housing Authority a Moving to Work jurisdiction.
10. Continues to promote education attainment and literacy and learning programs.
11. Ensure that public utility companies prioritize and efficiently deliver utility under grounding projects.
12. Promotes research into effectiveness of green building and economic incentives for builders who build sustainable and green buildings.
13. Promotes funding for long-term habitat and watershed restoration efforts.
14. Provide for funding for development and replacement of utility infrastructure such as water, waste water, recycled water levees, and flood control.
15. Promote sustainable development, and improved environmental and conservation standards.
16. Promote regulatory processes that encourage collaboration and provide incentives for sustainable development.

Support Efforts to Keep San José Safe

The City supports legislation and policies that enable local officials to access resources to provide quality police, fire, emergency management, and emergency medical services to the community.

Support legislation and policies that:

1. Provide opportunities for community policing and public safety education programs.
2. Secure or protect ongoing funding for Homeland Security efforts to enable the City, as a local first responder, to effectively respond to all forms of emergencies.
3. Ensure that San José receives a proportionate share of funding for public safety/security initiatives.
4. Provide ongoing support for proposals related to interoperability of communications systems for Police and Fire.
5. Promote user pays policies as they relate to costs associated with handling, recycling, and disposal of hazardous materials.
6. Promote transportation safety and security for all modes including traffic calming within neighborhoods, safe routes to school for children, and increase local authority to set effective traffic control practices on local streets.
- 7.