



MARCH 2014 LEGISLATIVE ACTION COMMITTEE & BOARD OF DIRECTORS MEETING SUMMARY

LEGISLATIVE ACTION COMMITTEE:

- Chief David Swing of Morgan Hill and Chief Scott Seaman of Los Gatos reviewed AB 1449 (Perez) and SB 1262 (Correa).
- Based on recommendations from a Stanford report on Realignment, AB 1449 proposes three administrative and structural changes to AB 109 Realignment to ensure effective implementation and preservation of healthy and safe communities: 1) allow an offender's full adult criminal history to be considered during sentencing; 2) remand any person sentenced to three or more years to state custody; 3) impose a one-year prison sentence on anyone convicted of three or more serious technical probation violations.
- AB 1449 is sponsored by the California Police Chiefs Association (CPCA); there is no opposition on file.
- Per a Cities Association meeting to address Realignment with Assembly Member Alejo, he has signed on as a co-author of AB 1449.
- Local police chiefs plan to continue seeking support from the local state delegation.
- In addition to advocating for AB 1449, police chiefs have requested the governor to increase budget for local police departments from \$27.5 million to \$100 million.
- LAC voted to support AB 1449 and send letters to local delegation requesting their support of AB 1449 and increase of funds in the governor's budget.
- SB 1262, sponsored by CPCA and co-sponsored by the League of California Cities, proposes Medical Marijuana regulation: 1) protects local control by precluding an operator from obtaining a state license unless the operator has first secured all necessary jurisdictional local permits; 2) uphold local government's ability to ban dispensaries; 3) impose tighter regulations on doctors who issue medical marijuana recommendations; 4) impose uniform quality assurance standards and health and safety standards to be administered by the county with oversight by the Department of Public Health; 5) require a series of detailed security measures to prevent diversion and recreational use at all medical cannabis facilities.
- No opposition recorded.
- LAC voted to recommend support of SB 1262.

- Sunshine Borelli from Senator Beall's office reviewed his Mental Health Parity Budget Proposal, co-sponsored by Senator Steinburg and Insurance Commissioner David Jones.
- The proposal ensures mental health care is provided through a new reinforcement process as opposed to the current complaint driven process in which claims are denied twice before appeals can be submitted. The proposal increases transparency.
- Though one-time statewide costs (to the general fund) are estimated to be \$370,000, LAC members expressed concern about fiscal impact on insurance fees. More data (e.g. cost-benefit analysis) was requested for further review at a future meeting.
- LAC reviewed and agreed to focus on the following advocacy areas:
 - Support lowering 2/3 super majority vote for local special purpose taxes and fees (Barry Chang, Jim Griffith, Marc Berman)
 - Support roadway funding project measures (Marc Berman, Barry Chang)
 - Pension Reform (Barry Chang)
 - Water supply/state water bond (Peter Leroe-Muñoz, Jason Baker, Gary Waldeck)
 - Infrastructure Finance Districts

BOARD OF DIRECTORS MEETING:

- **Carl Guardino, Chair of the California Transportation Commission and CEO of Silicon Valley Leadership Group, reviewed local and recent transportation measures and potential 2016 ballot measure.**
 - SVLG has assembled a work group of local transportation directors, public work directors, etc., to review and consider potential projects addressing traffic congestion in Silicon Valley.
 - Polling to begin in April to assess interest in dedicating more money to local transportation projects, e.g. street maintenance, pothole fixtures.
 - Feedback from board members included: consider geographic balance and equity and consider projects with highest return on investment.
- **Shawn Marshall, Founder & Executive Director of LEAN (Local Energy Aggregation Network) Energy US, presented an overview of Community Choice Aggregation (CCA).**
 - Shawn Marshall is a former City Council Member of Mill Valley and currently supports the expansion of clean energy CCA nationwide through her work with LEAN.
 - She served on the taskforce that became the Marin Energy Authority (MEA), a joint powers agency that runs the first CCA in California and the first clean energy CCA in the country.
 - As cities strive to meet the GHG reduction goals and demands of AB 32 and SB 375, CCA is an option to consider while updating Climate Action Plans; the City of Sunnyvale is currently considering CCA as part of its climate Action Plan.
 - CCA leverages the market power of group purchasing, consumer choice, and local decision-making. It enables local governments to procure and/or develop power on behalf of their public facilities,

residents and businesses. CCA creates a functional partnership between municipalities and existing utilities. It has the proven ability to lower electricity rates and rapidly green the grid.

- Roughly 70% of U.S. electricity is supplied by vertically integrated investor-owned utilities (IOUs), with much of the balance coming from publicly-owned municipal utilities and co-ops. CCA offers a third, hybrid option, where the supply and transmission functions are split between a public entity and the IOU.
 - Benefits of CCA include:
 - Responsive to local environmental and economic goals
 - Gives consumers a choice – consumers can opt out if they do not want to participate
 - It is revenue supported, not taxpayer subsidized
 - It provides stable, often cheaper, electricity rates
 - Allows for rapid switch to cleaner power supply
 - Leverages public and private sector dollars and opportunities through new local programs, renewable generation, jobs creation, and economic development.
 - Marin Clean Energy started providing service in 2010. As of 2014, there are 125,000 customers or 77% of customer base. Service area includes Marin County and the City of Richmond. Achieved 67,500+ tons of GHG reductions to date. The consumer is given three electricity choices: 1) PG &E – opt out to stay with standard service; 2) Light Green – cost competitive and provides 50% renewable energy; 3) Deep Green - .01/kwh premium and provides 100% renewable energy.
 - CCA's can be operated through JPA; they must comply with state's standards and regulations (AB 117 and SB 790); they diversify the marketplace.
 - PG&E is considered an important partner.
 - Several members of the public attended the presentation and expressed support for CCA in their communities as a cost effective option to achieve measurable reductions in GHG's.
 - For more information contact Shawn Marshall at shawnmarshall@LEANenergyus.org or 415-888-8007 or see presentation at http://www.citiesassociation.org/presentations-and-actions_94_2166727418.pdf.
 - **Review of 2014 Priorities:** Board Members reviewed and confirmed timeline of priority presentations:
 - Affordable Housing – September
 - Public Safety – June
 - Water Supply & Conservation – April
 - Workforce Development – June
- Due to high interest in CCA, board members unanimously endorsed adoption of new priority to explore CCA and interest level of membership jurisdictions. CCA Subcommittee members include Margaret Abe-Koga, Jim Griffith, Rod Sinks, Gary Waldeck, and Burton Craig.
- **LAC Chair Peter Leroe-Munoz presented the committee's recommendations:**

- Support AB 1449 Realignment Omnibus Act of 2014 (submit letter in support of legislation and request for increased statewide funding for local police departments);
- Support SB 1262 Medical Marijuana Regulation;
- Cities Association board unanimously endorsed recommendation.
- **CSC Appointee Report:** Joe Pirzynski provided report on recent MTC Activities.
 - MTC is made up of 21 Board Members; three representatives provide SCC representation: CM Joe Pirzynski (Cities Association), CM Sam Liccardo (San Jose), and SCC Supervisor Dave Cortese.
 - MTC manages the distribution of over \$1 billion annually in local, state and federal funds to transportation projects and services.
 - There are a number of Committees and Subcommittees that members provide leadership on, e.g. Executive, BATA (Bay Area Toll Authority) Oversight, Planning, Legislation, Joint Policy, Silicon Valley BART Policy, etc.,
 - Current regional issues include:
 - joint San Francisco headquarters for MTC, ABAG, BAAQMD – financing and construction costs;
 - options for Cap & Trade Operating and Efficiency program funding – equitable distribution of resources to all regional Transit Agencies (AC Transit, BART, SFMTA)
 - High Occupancy Toll Lanes
 - South bay issues include:
 - Geographic isolation – MTC tends to focus on San Francisco and Oakland; SCC needs to be partners in the decision making process
 - Revenue flows to the regional transit agencies by ridership rather than population – SCC holds 25% of the region’s population, but VTA/Caltrain ridership is not comparable to SF/Oakland/BART
 - Resource distribution by MTC uses different criteria – monies tend to flow to the cities/agencies with the greatest needs or deficiencies.
- **City Managers’ Report:** Steve Rymer, Morgan Hill City Manager, provided overview of city managers’ discussion on the Cities Association’s request to consider adoption of boomerang fund policies as a strategy to increase local funds for affordable housing. City Managers are skeptical of the significance of potential funds available through boomerang fund policies and encourage individual discussions with jurisdictions to explore further. Steve Rymer to be new City Manager Representative for Silicon Valley Regional Interoperability Authority.
- **Legislation Report:** Betsy Shotwell of San Jose provided report on legislation/measures members should be aware of, e.g. HR 29 (Gomez), which if passed would prevent cities from utilizing contract services, MMD ballot measure proposals, etc., marijuana legalization measures will most likely be considered for 2016 election.

Joys and Challenges:

- Rod Sinks suggested Cities Association to consider resolution on sex trafficking. Executive board to review request.
- Joe Pirzynski shared the Los Gatos' Albright Way/Netflix Office Park Initiative will no longer be promoted on the June ballot.

Announcements:

- Meeting with Senator Hill re: AB 109 Realignment – Friday, March 21, 3:00 pm, 1528 South El Camino Real, Suite 303, San Mateo, CA.
- Housing Trust Silicon Valley Investor Briefing, April 23, 11:30 am – 1 pm, Santa Clara Convention Center.
- Save the Date: Cities Association General Membership Meeting, Thursday, May 8th, 6 pm, location TBD.
- Save the Date: Regional Economic Forum, Wednesday, May 28th, 7:15 am – 12 pm, Computer History Museum, Mountain View