



JUNE 2015 LAC & BOARD OF DIRECTORS MEETING SUMMARY

Legislative Action Committee (LAC) Meeting Summary

- Legislative Action Committee reviewed the following bills:
 - SB 16 (Beall) Transportation Funding – proposes to provide temporary funding to address the maintenance backlog (\$59 billion) of our aging transportation system through taxes and fees; funding for state, counties, and cities to address road maintenance needs at all levels; and funding of congestion relief for freight movement at ports.
 - AB 327 (Gordon) Public Works: Volunteers – extends (to January 1, 2024) the California public works prevailing wage exemption for volunteers and conservation corps members, currently set to expire on January 1, 2017.
 - AB 266 (Bonta et al.) Medical Cannabis – Establishes a comprehensive, statewide licensure and regulations for commercial medical cannabis activity that respects local control, protects patients, promotes public safety, and preserves the environment.

Board of Directors Meeting Summary

Bonnie Broderick and Joanne Seavey of the Santa Clara County Public Health Department (SCC PHD) presented an update on the Partnership to Include Community Health Project (PICH) grant.

- Funds are available for cities to shape healthy environments for our communities by addressing:
 - Tobacco use and exposure to secondhand smoke;
 - Access to healthy foods
 - Community design encouraging activity
- \$1.9 million dollars is exclusively available to cities over three years; year 1 is in the process of being finalized and year 2 funds (\$250,000) are soon available.
- Applications are available and have been distributed to all cities; they are due July 1st.
- PHD will be hosting a forum for city elected officials and staff on June 25th as an effort to inform cities regarding application process, health strategies, and how the PHD can help cities with development and implementation of strategies.

- Cities that utilized first round of funding include Saratoga, Palo Alto, Campbell, Sunnyvale, and Morgan Hill.

Joshua Abrams of Baird and Driskall Community Planning returned after a presentation in April on the proposed countywide nexus study on housing impact and commercial linkage fees to request the Cities Association to join and co-partner with Silicon Valley Community Foundation in providing the nexus study.

- Impact fees are significant strategies for cities to consider when addressing the challenge and need for affordable housing as a result of current market trends.
- No funds are involved with co-sponsoring the study since Silicon Valley Community Foundation and the participating cities will cover the cost of the study.
- Next steps include identify participating cities, hire consultant, collect data, and produce reports for each participating city.
- Cities thus far that have expressed interest in joining or considering the nexus study include Los Altos, Saratoga, Milpitas, Campbell, and Fremont.
- The Board unanimously supported co-sponsoring the Silicon Valley Affordable Housing Nexus and Feasibility Study. For more information contact Joshua Abrams at abrams@bdplanning.com or Vu-Bang Nguyen at vnguyen@siliconvalleycf.org.

Subcommittee on Minimum Wage (Jim Griffith, Rod Sinks, John McAlister) led discussion and presented recommendation on the increase of minimum wage in Santa Clara County.

- Income inequality in America is an increasing problem that is encouraging elected officials to take a hard look at the minimum wage as one tool to bring relief to the problem.
- In August 2014, the US Conference of Mayors' "Cities of Opportunity Task Force" endorsed higher minimum wages as a key tool for addressing income inequality.
- Santa Clara County is no exception to the challenges of income inequality, with the San Jose-Sunnyvale-Santa Clara metropolitan area having the second highest cost of living index in the state of California.
- **The subcommittee recommends jurisdictions to establish minimum wage ordinances that promote regional consistency within Santa Clara County.**
- A lack of regional consistency in minimum wage rates creates serious problems for jurisdictions, locations, and employers.
- Lack of consistency and differences in minimum wage requirements can affect a city's economic competitiveness.
- Jurisdictions have already received reports from employers in Santa Clara County stating that cities without an increased minimum wage are losing quality employees to opportunities in cities with higher minimum wages.
- San Jose, Mountain View, and Sunnyvale currently have similar minimum wage increase ordinances. The cities of Palo Alto, Santa Clara, Morgan Hill, and Campbell are additionally considering a minimum wage increase.

- It is suggested to consider Sunnyvale/Mountain View's efforts towards regional consistency with: 1) adoption of minimum wage ordinance raising the minimum wage to \$10.30 and increasing it thereafter on January 1 according to the rate of inflation; 2) consider reaching a minimum wage of \$15.00 by 2018.
- Three specific issues that jurisdictions should consider in their discussion of a minimum wage increase include possible exemptions for youth, restaurant wait staff, and non-profit organizations.
 - **The subcommittee recommends against cities creating an exception for restaurant wait staff;**
 - **The subcommittee makes no recommendation about non-profit exemption and youth exemption and encourages the general concept of regional consistency.**
 - All three county jurisdictions that have adopted a higher minimum wage ordinance (Mountain View, San Jose, Sunnyvale) have not adopted exemptions to youth, restaurant wait staff, or non-profits.
- Comments from the public: Jessica LaMaack from the California Restaurant Association suggested consideration of negative impacts on small businesses and suggested including a gradual minimum wage increase phased over a period of time to allow evaluation and adjustments if needed; and consideration of a Total Compensation model.
- The Board of Directors unanimously supported the subcommittee's recommendation for regional consistency of minimum wage ordinances across the county and to not provide exemption for wait-staff.
- For more information regarding the recommendation and data collected and evaluated by the City of Campbell and City of Sunnyvale, the recommendation and attachments are available on our website at http://www.citiesassociation.org/presentations-and-actions_117_1528419724.pdf.

Board of Directors unanimously approved proposed budget for FY 2015-16'. For FY 2015-16', with the same dues schedule, Reserves will be utilized to meet operating expenses. It is Cities Association policy to maintain a Reserves fund that covers 6 – 9 months of operating expenses (\$42,000 – \$63,000). Projected Reserves at end of the 2015-16' budget year is \$52, 582.

LAC Report: LAC Chair Rod Sinks reviewed SB 16, AB 327, and AB 266. The Board unanimously reviewed and supported SB 16 and AB 327 and recommended to watch AB 266.

CSC Appointee Report: Commissioner Glenn Hendricks, Commissioner Will Willoughby, and Mark Connolly of the Airport Land Use Commission provided brief report on recent activities. The ALUC evaluates referrals from jurisdictions with airports; Santa Clara County ALUC is the only in the state that has five airports with land use policies. The Commission is currently working on preparing and adopting a Heliport Comprehensive Land Use Plan (CLUP).

City Managers' Association Report: City Managers planning to meet on June 19th with Santa Mateo County City Managers to address transportation and mobility solutions.

Legislation Report: Betsy Shotwell reported that state budget deadline is June 15th; the bills that the Cities Association has supported thus far (SB 3, AB 1335, AB 35 has passed out of their houses of origin. Potential ballots for 2016 are circulating for signatures; several address the legalization of medical marijuana.

Joys and Challenges:

- Mayors from City of San Jose, Mountain View, and Sunnyvale met with Governor Brown to discuss water source issues, e.g. delta tunnel plan, smart meters, and water treatment plants.
- City of Cupertino ranked #5 as the best city to raise a family.
- Sunnyvale residents are pursuing a petition drive that would require voter approval for the City of Sunnyvale to sell or lease public land.