



FEBRUARY 2017 CITY SELECTION COMMITTEE, LEGISLATIVE ACTION COMMITTEE & BOARD OF DIRECTORS MEETING SUMMARY

CITY SELECTION COMMITTEE

The City Selection Committee made the following appointments to various regional boards and agencies.

- Peter Leroe-Muñoz of Gilroy was appointed as the South County/West Valley Cities Alternate to the Santa Clara County Emergency Operational Area Council (OAC) to fulfill an ongoing term expiring September 2017.
- Anthony Phan of Milpitas was appointed as the Central County Cities Alternate to the OAC to fulfill an ongoing term expiring September 2017.
- Russell Melton of Sunnyvale was appointed as Alternate to represent the cities of Santa Clara County on the Local Agency Formation Commission to fulfill an ongoing term expiring May 2020.
- Liz Gibbons of Campbell was appointed to the Association of Bay Area Government (ABAG) Executive Board to an ongoing term expiring June 2018.

LEGISLATIVE ACTION COMMITTEE

Betsy Shotwell of San Jose reviewed SB 2(Atkins) Building Homes and Jobs Act.

- SB 2 is a reintroduction of AB 1335, which was supported by the Cities Association in 2015, and creates a permanent source of funding for the creation of affordable housing for low and moderate-income Californians. If enacted, the bill would impose a fee of \$75 to be paid at the time of the recording of every real estate instrument, paper, or notice required or permitted by law to be recorded. The cost per transaction would be capped at \$225.
- It is estimated this fee will generate \$500 million each year to support affordable housing in California and will require a two-thirds vote of the Legislature.
- Though the bill does not yet include an allocation method for distributing funds at this time, it represents a critical first step in identifying a permanent source of funding.

- Members expressed concern about whether or not funds would be used locally.
- LAC members unanimously recommended support of SB 2 if amended with assurance funds will be directed to local projects.

Betsy Shotwell reviewed SB 3 (Beall) Affordable Housing Bond Act of 2018.

- SB 3 is a reintroduction of SB 879 and authorizes a \$3 billion State General obligation bond to be placed on the November 6, 2018 statewide ballot for the purposes of funding various types of affordable housing development. Funds raised by the bond issuance will be administered by the California Department of Housing & Community Development (HCD) who will award bond funds to developments through competitive processes, likely through many of HCD's existing programs.
- SB 3 must receive a two-thirds majority vote in each house of the Legislature and received the Governor's signature. If placed on the November 6, 2018 ballot it will require a simple majority approval by the voters.
- Legislative Action Committee Members unanimously recommended support of SB 3.
- LAC Chair Showalter discussed talking points for the upcoming National League of Cities Congressional Conference, March 13-15, 2017; members suggested considering addressing transportation and infrastructure, FAA and flight path noise, Housing (e.g. Section 8, CDBG funds), electrification of Cal train, Education, net neutrality; Chair Showalter will consider all suggestions and recommend three top issues for review by the Board at the March 9th Board Meeting.

BOARD MEETING

Adam Burger of VTA presented overview of Next Network, the draft transit service plan proposing to redesign bus routes to increase ridership and improve cost-effectiveness in the Fall of 2017 to coincide with the start of BART service to Santa Clara County.

- As an effort to improve efficiency and fare box recovery, VTA has proposed a change in current bus routes to increase ridership (from 70% to 85%) and decrease coverage (from 30% to 15%).
- The Draft Plan includes expanding access to the frequent network for 160,000 residents and 150,000 jobs.
- There has been general support for increasing the number of routes that have frequent (15-minute or better all-day) service and expanding the number of rapid routes. Many have found VTA's falling ridership and low fare box recovery rate as compelling reasons for VTA to make a change. However, the strategy to achieve ridership gains by reallocating service from low-ridership routes has encouraged some feedback and suggestions.
- Board Members expressed the following concerns:
 - Gilroy has many low-income residents that rely on bus transit to and from South County;

- Los Gatos school districts have changed their school start and finish times based on bus routes; elimination of routes creates serious issues for residents and students; hospitals and downtown businesses are also negatively impacted by the proposed bus route changes;
- School districts across the county are not aware of the draft proposal; VTA should reach out to school boards in addition to hospitals, senior centers and libraries.
- Other related efforts include an update to the Paratransit Policy so that no current users in Santa Clara County are negatively affected, and exploring service models that are a better fit for suburban land use patterns such as contributions to city shuttle programs and subsidizing rides made by on-demand services.
- Input on the Draft Plan is due by February 20, 2017. After that date, VTA planning staff will be adjusting the draft plan to incorporate the public input and propose a final plan to VTA's Board of Directors in April and service change implementation taking effect in Fall 2017.
- Upcoming scheduled public meetings and webinars include:
 - Wednesday, February 15 at 6pm, Gilroy Library, 350 W. Sixth St., Gilroy
 - Thursday, February 16 at 6pm, Southside Community and Senior Center, 5585 Cottle Rd., San Jose
 - Webinar: Wednesday, February 15 from 12-1pm (focus on Milpitas and Fremont).

Ky Le of the County's Office of Supportive Housing presented an overview of Measure A Affordable Housing Bond implementation.

- In November 2016, Santa Clara County residents approved the Housing Bond, a \$950 million general obligation bond that will create new funding for affordable housing.
- The Housing Bond is part of an ongoing effort to increase new affordable rental and homeowner housing opportunities.
- According to ABAG, Santa Clara County's 15 cities and the County must produce 8,083 new housing units that are affordable to extremely low income (ELI) households between 2014 and 2022 just to keep up with projected population growth.
- Implementing the Housing Bond is an opportunity to meet the affordable housing need across the county, scale the production of supportive housing, and strengthen lasting partnerships between the County, cities, the Housing Authority and other stakeholders.
- Most of the Housing Bond proceeds shall be conveyed to developers and lower income homebuyers in the form of low interest deferred payment loans. These loans will in turn help finance the acquisition, development or rehabilitation of rental housing or for-sale housing.
- The first series of bonds will be issued in September 2017; amount of issuance and how the funds will be allocated among programs has not yet been determined.
- The Housing Bond funds could be leveraged for additional funding; more

research of leverage opportunities is needed.

- The Citizen’s Oversight Committee has been established to serve as an advisory body to the Board of Supervisors and to the public. The Board of Supervisors has preliminarily approved an ordinance establishing the oversight committee, which will review an annual report each year to determine fiscal accountability; the Cities Association appointed Mayor Glenn Hendricks of Sunnyvale as its representative in January 2017.

President Greg Scharff reviewed the adopted priorities of 2017, subcommittees, and workplan.

Priority/Issue	Subcommittee Members	Date of Presentation
Affordable Housing & Homelessness	Steve Tate*, Larry Klein, Pat Showalter	June
Age-Friendly Communities	Manny Cappello,* Steve Tate	March
Countywide Taxi Regulation	Greg Scharff, Burton Craig, Larry Klein, Rod Sinks	October
Equitable Communities	Manny Cappello*, Ken Rosenberg, Jan Pepper, Marsha Grilli, Marico Sayoc	April
RHNA Sub-Region Option	Jim Griffith, Chappie Jones, Greg Scharff*, Pat Showalter	September
Marijuana Regulation & Best Practices	Ken Rosenberg*, Liz Gibbons, Debi Davis, Marsha Grilli	October
Transportation	Rod Sinks, Greg Scharff*	August
Legislative Action Committee Guiding Principles	Jim Griffith*, Greg Scharff, Pat Showalter	June
Health Policy	Greg Scharff, Mary-Lynne Bernald	August

- Board Members unanimously endorsed subcommittees and workplan.

FAA Select Committee Appointees Gary Waldeck and Mary-Lynne Bernald presented report of final recommendation to address air flight noise.

- The FAA Select Committee was formed in April 2016; it included 12 members representing the congressional districts of Anna Eshoo, Sam Farr, and Jackie Speier.
- The Select Committee was formed to examine options of resolutions to the increased air flight noise due to the implementation of the Next Generation Flight Management System.
- The FAA Select committee conducted 18 meetings: 3 community

- meetings, 10 working meetings, and 5 technical briefings by the FAA.
- The Select Committee examined six study areas that had to do with night time recommendations, SFO Class B recommendations, Santa Cruz to Point Menlo in Palo Alto, and improving aircraft setup and sequencing between facilities.
 - The Committee provided its recommendations (2/3 majority approval) and finished its work on November 17, 2016 and was disbanded.
 - The Committee recommended that a follow-up oversight organization be created and funded; for the interim, it was recommended to be included as part of the SFO Roundtable.
 - The congressional representatives endorsed all of the Committee's findings and forwarded them to the FAA Administrator for action.
 - Details of recommendations are included in the attached presentation.

Legislative Action Committee Chair Pat Showalter presented the Committee's recommendation to support SB 2 (Atkins) with amendments and SB 3 (Beall). The Board of Directors unanimously supported the LAC's recommendation.

Legislation Report: Betsy Shotwell of San Jose provided update on legislative session. Senator Beall's Transportation Funding bill, SB 1, will be reviewed in committees on February 14, 2017. The Cities Association supported SB 1 in 2016.

Recognition/Announcement of Executive Director: Raania Mohsen will be resigning as Executive Director by the end of February. On March 9, 2017 the Board Meeting will end early, 8:30 pm, for a brief reception.