

PRIORITY FOCUS



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SB 303 BECOMES A TWO-YEAR BILL

SB 303, the League-opposed legislation sponsored by the California Major Builders Council that would have added more burdensome requirements to the housing element, became a two-year bill earlier this week, when it failed to pass out of the Assembly Committee on Local Government on Tuesday, July 3. *For more, see Page 2.*

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STATE BUDGET UPDATE: CONFERENCE COMMITTEE CLOSES, NEGOTIATIONS CONTINUE WITH LEGISLATIVE LEADERSHIP

On Friday, June 29, the Joint Senate/Assembly Budget Conference Committee acted on the final transportation budget items it was evaluating. The committee adopted the State Assembly version of Proposition 1B funding and compromised on both transit spillover and high-speed rail authority funding issues. *For more, see Page 2.*

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COALITION-SPONSORED EMINENT DOMAIN REFORM MEASURE ADVANCES

Assembly Constitutional Amendment (ACA) 8, the eminent domain reform measure authored by Assembly Member Hector De La Torre, D-South Gate, and sponsored by Californians for Eminent Domain Reform, passed out of the Assembly Committee on Judiciary on Tuesday, July 3, on a 7-3 vote. *For more, see Page 3.*

The chair of the committee, Assembly Member Anna Caballero, D-Salinas, expressed reservations about SB 303, and said she wanted more time to study the issue. She also committed her office to discussions with the bill's author, Sen. Denise Ducheny, D-San Diego, and all critical stakeholders, to see if an acceptable solution could be found to the various concerns parties have with SB 303.

Local Officials Rally to Oppose SB 303

The defeat SB 303 was a priority of the League of California Cities and it showed at the hearing. A large number of local elected officials traveled to Sacramento to testify against the bill. The bill was heard in a small committee room, and when all of these officials stood up to get in line to oppose the bill it made a dramatic impression on the committee.

League staff cannot stress how important it is for local officials to make an appearance at hearings when critical bills are heard. Legislators take serious note when local elected officials take time out of their busy schedules to express their opinion on a particular piece of legislation. The League thanks the following individuals for attending the hearing:

City Officials

- Cecilia Aguilar-Curry, council member, Winters
- Ken Cooley, council member, Rancho Cordova
- Steve "Woody" Culleton, mayor, Paradise
- Patricia Fruiht, public information officer, Santa Rosa
- Sharon Gieras, mayor, Colfax
- Connie Gonsalvez, council member, Jackson
- Suzanne Ise, redevelopment manager, Watsonville
- Scott Lotter, vice mayor, Paradise
- Jyl Lutes, council member, Salinas
- Ellen Powell, intergovernmental relations director, Roseville
- Andrew Rodriguez, vice mayor, Jackson
- Don Saylor, council member, Davis
- Tim Smith, council member, Rohnert Park
- Miguel Ucovich, council member, Loomis

City Lobbyists

- John Ariaga, representing Monterey County, League of California Cities' Latino Caucus
- Anne Blue, representing Burbank, Lake Forrest, Lancaster, Mayors and Council Members of Marin County, Murrieta, Pasadena, Sacramento, Walnut Creek
- Anthony Gonzalves, representing Chino, Thousand Oaks, Simi Valley, Pomona, and more than 15 other cities

SB 303 – What's Next

Now a two-year measure, SB 303 is effectively dead for the remainder of the year. The bill can be reconsidered during the new legislative session next year, however, given that this is the second attempt at this type of bill, it's unlikely that it will be resurrected.

While the issue may be put to rest for the remainder of 2007, Sen. Ducheny and the bill's sponsor are still committed to moving something along in this area. League staff will continue to monitor this issue and will engage in the discussions organized by the committee chair.

Below is an update on the actions the committee took, and their impacts to cities:

Prop. 1B - \$2 Billion for Local Streets and Roads – Adopted Assembly Version

The Joint Senate/Assembly Budget Conference Committee moved and passed the Assembly version: \$600 million for cities and counties for local streets and roads from Prop. 1B for FY 2007-08. Cities would receive \$300 million of this appropriation. This is potentially subject to change, however, based on legislative leadership meetings expected to occur in the near future.

The League of California Cities is continuing to advocate for the full \$1 billion for cities.

Transit Spillover – Adopted Compromise

The Joint Senate/Assembly Budget Conference Committee provided \$551 million of the transit funds (including spillover revenue for General Fund relief) in the following manner:

- \$339 million for debt service
- \$129 million for Developmental Services – Regional Center Transportation
- \$83 million for Prop. 42 loan pay off

Approximately \$800 million will go to transit for operating costs. This represents a one-year approach with respect to transit spillover revenues, without addressing the multi-year approach as was previously proposed by the Assembly and would have affected the current Prop. 42 formula. As with Prop. 1B funding, legislative leadership meetings might affect whether or not a multi-year approach for transit funding is pursued in the budget.

High-Speed Rail Authority – Adopted Compromise

The Joint Senate/Assembly Budget Conference Committee provided \$55.5 million for the High-Speed Rail Authority, which is slightly more than previously proposed by either house in the past weeks. This revenue will come from two sources: \$40 million from the Public Transportation Account and \$15.5 million from Prop. 116.

What's Next

Although the committee took action on several transportation items of importance to cities, negotiations will continue with legislative leaders and Gov. Schwarzenegger until a final budget package emerges. These discussions may impact appropriations levels of the infrastructure bond package, in particular, the Prop. 1B local street and road funds.

The League will continue to provide updates in future issues of *Priority Focus* as these discussions continue.

'ACA 8' Continued from Page 1...

Assembly Member De La Torre was joined by League Executive Director Chris McKenzie and California Mexican American Chamber of Commerce President Frank Moreno in supporting the legislation at the hearing.

If it passes through the Legislature, ACA 8 would be placed on the 2008 ballot. If approved by voters, the constitutional amendment would prohibit the use of eminent domain to take an owner-occupied home to convey to another private party and new restrictions on the taking of small business properties for conveyance to private parties.

Specifically, ACA 8 would do the following:

- Prohibit the state or local governments from using eminent domain to acquire an owner-occupied home (including townhomes and condos) for transfer to another private party

- Prohibit government from using eminent domain to acquire a small business to transfer to another private party, except as part of a comprehensive plan to eliminate blight and only after the small business owner is first given the opportunity to participate in the revitalization plan
- Require state or local governments that used eminent domain on a home or small business property give the original owner a right to repurchase the property if the property isn't used for a public use

What's Next for ACA 8

There are additional hurdles in the Assembly for ACA 8. The measure has been re-referred to the Assembly Rules Committee which will assign it to a second policy committee for hearing in the near future.

Companion Measure

AB 887 (De La Torre), a companion measure to ACA 8, is currently set to be heard in the Senate Local Government Committee on Wednesday, July 11. If passed, the bill would provide enhanced protections for small business owners confronted with eminent domain.

The measure includes the following key provisions:

- If a small business does not participate in the revitalization plan it, can choose between relocating or receiving the value of the business. If the small business relocates, it will receive fair market value of the real property (if owned by the small business); plus all reasonable moving expenses; plus expenses to re-establish the business at a new location, up to \$50,000; plus compensation for the increased cost of rent or mortgage payments for up to three years
- If the small business does not relocate and is bought out, it will receive fair market value of the real property (if owned by the small business) and 125 percent of the value of the business if the business could not have been relocated and remain economically viable

League Holds Third Policy Committee Meetings of the Year

The League of California Cities held its third policy committee meetings of the year last week in San Jose. The committees addressed an array of issues, including land use planning and growth, pension reform, library funding, utility boxes, and infrastructure bond implementation.

Below is a recap of the issues discussed and acted upon by each of the League policy committees:

Administrative Services

The Administrative Services Policy Committee acted on AB 1634 (Levine), the California Healthy Pets Act. After discussing the issue, the committee voted to recommend a neutral position on the bill, and directed League staff to draft a letter to Assembly Member Levine citing a number of concerns on the bill that were cited by the committee members. The item will next go before the League board of directors in July.

Community Services

The Community Services Policy Committee continued to discuss the subject of healthy communities and had an overview of survey responses concerning what cities are currently doing regarding health and wellness. Results will be posted on the League's Web site in the near future.

Stephan Harvey, assistant director of the California Center for Public Health Advocacy came to talk with the committee about what cities are doing to promote healthy lifestyles.

Members of the committee also discussed senior citizen fall prevention programs and a plan to explore the issue further in 2008.

Employee Relations

Dan Pellissier, secretary of the California Foundation for Fiscal Responsibility, spoke to the Employee Relations Policy Committee about an initiative recently filed by the California Foundation for Fiscal Responsibility that would apply a defined benefits cap to all new state, local government, school district, university and special district employees beginning on July 1, 2009. The policy committee chose to establish a task force to take a closer look at the initiative.

The committee also heard a presentation from Sara Rogers (health consultant to Sen. Kuehl) and Mia Orr (legislative aide in Sen. Kuehl's office) on SB 840 (Kuehl), a bill on single payer health care coverage. They discussed how the intent of the bill is to provide universal healthcare for all Californians while providing patients with the right to choose their own physician. Instead of taking a position on SB 840, the committee decided to establish a task force to begin developing League policy on health care.

Environmental Quality

The Environmental Quality Policy Committee voted to remain neutral on the California Air Resources Board Off-Road Diesel Construction Equipment proposed regulations and requested information on related health impacts. The League's Transportation, Communications and Public Works Committee took up this issue as well, but came to a different conclusion (discussed below). Both committees' recommendations will go to the League board of directors later this month.

Members of the committee voted to support proposed changes by the California Stormwater Quality Association to the California State Water Resources Control Board preliminary draft construction stormwater permit.

The committee voted to request clarifying amendments to AB 1338 (Huffman), legislation that addresses National Pollutant Discharge Elimination System stormwater permits which would be included as a part of a coastal city's Local Coast Program which is coastal city's guide to development in coastal zones done in partnership with the California Coastal Commission.

Housing, Community & Economic Development

SB 375 (Steinberg), a bill with significant impact for cities related to transportation and land use planning, was the focus of the majority of the Housing, Community and Economic Development Policy Committee meeting in anticipation of the Assembly Local Government committee hearing on Tuesday, July 3. The committee directed staff to continue to express concerns with Sen. Steinberg and the Assembly Local Government Committee.

The bill moved through the Assembly Committee on Local Government this week and goes to the Assembly Committee on Transportation next week.

Public Safety

Jim Tilton, secretary of the California Department of Corrections and Rehabilitation, made a presentation to the public safety policy committee on issues facing the correctional system and the work the department is doing with cities to identify re-entry facilities to house prisoners prior to release.

The Public Safety Policy Committee recommended that the League send a letter to the California Departments of Homeland Security and Commerce urging them to provide greater funding for California under the Public Safety Interoperable Communications Grant Program. This funding is

critical because the state faces significant challenges related its high risk of terrorist attacks, natural disasters and communication coordination between public safety agencies.

Revenue and Taxation

The Revenue and Taxation Policy Committee debated whether to adopt a more comprehensive League policy on statewide economic development bills involving state tax incentives, grants and other strategies moving through the Legislature. The committee decided that it would be more effective to discuss these statewide approaches on a case-by-case basis since not all measures have direct city impact.

Updates were given on a number of timely issues including the state budget, infrastructure bonds, mandate reform and eminent domain. They also discussed the potential impacts of SB 375 (Steinberg) related to transportation funds and land use planning.

Transportation, Communications & Public Works

The Transportation, Communications and Public Works Committee reviewed several items related to infrastructure bond implementation including Prop. 1B and the allocation of \$1 billion for local streets and roads.

Presentations were made to the committee on universal broadband, AT&T utility boxes and the Metropolitan Transportation Commission's strategic plan for funding local streets and roads maintenance.

July 2007 Issue of *Focus on Housing* Published

The July 2007 edition of *Focus on Housing*, the League of California Cities' monthly electronic newsletter on affordable housing, was published on Monday, July 2. The new issue features a Q&A interview with Assembly Majority Leader Karen Bass, a roundup of housing news from across California, and much more.

To access this month's issue and for all back issues of *Focus on Housing*, visit www.imakenews.com/focusonhousing. Communications Specialist Brian Heaton (bheaton@cacities.org) serves as managing editor and principal writer. League Communications Director Eva Spiegel (espiegel@cacities.org) is the editor-in-chief.

For more information, or to submit information or story ideas, please contact Brian at the e-mail address above.

On-Camera Media Training Available for City Officials at the Annual Conference

Do you need to deliver your city's message more effectively during media interviews? If so, take advantage of this free opportunity for professional on-camera media training at the League's Annual Conference on Sept. 5-8, in Sacramento.

This 45-minute training session will include a short, on-camera interview, where instructors will ask questions about issues vital to your city, critique your "performance" and provide an opportunity for a follow-up interview. A DVD copy of your session will be available to take home for your own personal review.

The training session instructors are noted public information and media experts from cities throughout California. After this brief introductory session, you'll feel more comfortable with delivering your city's important messages in newspaper, radio and on-camera interviews.

Space is limited! Register today! The League expects a very high demand for these one-on-one sessions, which are limited to just six sessions per day on Thursday and Friday, Sept. 6 and

7, and three sessions on Saturday, Sept. 8. The training will be held in the League Press Room at the Sacramento Convention Center, which is convenient to all conference sessions.

To take advantage of this outstanding opportunity, which can regularly cost thousands of dollars, call League staff member Adrienne Sprenger at (916) 658-8278 to reserve a training session. All reservations must be made by Thursday, July 19.

Reservations will be accepted on a **paid** first-come, first-served basis. Please note that, while there is no charge for the training, in an attempt to address the problem of “no-shows,” there is a \$20 charge, refundable as a \$20 CityBooks coupon for those who attend the training. No refunds or coupons will be issued for “no shows.”

On-Camera Interview Training Session Times

Thursday, Sept. 6 and Friday, Sept. 7

9 a.m. – 9:45 a.m. - Open

10 a.m. – 10:45 a.m. - Open Sept. 7 (**Fulfilled for Sept. 6**)

11 a.m. – 11:45 a.m. – Open Sept. 7 (**Fulfilled for Sept. 6**)

1 p.m. – 1:45 p.m. - Open

2 p.m. – 2:45 p.m. - Open Sept. 7 (**Fulfilled for Sept. 6**)

3 p.m. – 3:45 p.m. - Open Sept. 7 (**Fulfilled for Sept. 6**)

Saturday, Sept. 8

8 a.m. – 8:45 a.m. - Open

9 a.m. – 9:45 a.m. - Open

10 a.m. – 10:45 a.m. - Open

***If you get voicemail when making a reservation please:**

- Leave a message with your **two** preferred time slots.
- Tell in some detail about an important issue facing your city so that we can prepare interview questions that are tailored to your community.
- Leave your complete contact info including cell phone.

Find a Bill, Legislators, Leg Committee, or Ask League Leg Staff

Visit (and bookmark!) the League's [Legislative Resources](http://www.cacities.org/legresources) Web page (www.cacities.org/legresources). You'll find a roster and contact information for the League's legislative staff; the online Bill Search program, background materials on lobbying your legislators, and more.
