

AGENDA

Legislative Committee

The next meeting of the Legislative Committee will be as follows.

PLEASE NOTE THAT WE WILL BE MEETING AT 5:30 P.M.

in the 2nd Floor Auditorium

Date: Thursday, February 13, 2014 - 5:30 p.m. to 6:30 p.m.
Place: San Mateo County Transit District Office¹
 1250 San Carlos Avenue
2nd Floor Auditorium
 San Carlos, California

PLEASE CALL Jean Higaki (599-1462) IF YOU ARE UNABLE TO ATTEND.

1	Public comment on related items not on the agenda.	Presentations are limited to 3 Minutes	
2	Approval of Minutes from December 12, 2013	Action (Gordon)	Pages 1 - 3
3	Update from Advocation & Shaw/Yoder/Antwih	Oral Presentation (Advocation & Shaw/Yoder/Antwih)	Verbal
4	Update on Stormwater Funding Initiative Enabling Legislation (AB 418) and other related potential funding initiatives.	Information (Matt Fabry)	Pages 4 - 8
5	Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified)	Action (Gordon)	Pages 9 - 17
6	Review and recommend approval of the Draft C/CAG Legislative Policies for 2014	Action (Gordon)	Page 18 - 23
7	Adjournment	Action (Gordon)	

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

¹From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
December 12, 2013**

At 5:30 P.M. Member Gordon called the Legislative Committee meeting to order in the Second Floor Auditorium at the San Mateo Transit District Office.

Committee Members Attending:

Irene O'Connell (City of San Bruno)
Deborah Gordon (Town of Woodside)
Art Kiesel (City of Foster City)
Mary Ann Nihart (City of Pacifica)
Laurence May (Town of Hillsborough)
Karen Ervin (City of Pacifica)

Guests or Staff Attending:

Andrew Antwih, Shaw/ Yoder/ Antwih Inc.
Matt Robinson, Shaw/ Yoder/ Antwih Inc. (by phone)
Chuck Cole, Advocation (by phone)
Sandy Wong, Jean Higaki, Wally Abrazaldo, C/CAG Staff
Jim Bigelow, Redwood City Chamber of Commerce
Tara Peterson, City of San Carlos

1. Public comment on related items not on the agenda.

None

2. Approval of Minutes from August 8, 2013.

Member O'Connell asked about the sample letter of support for AB 418 that was never distributed. This letter was not released because the legislative effort was stalled in the 2013 session. Now that legislation appears to be moving again, staff will disseminate information to the City Managers at the appropriate time. Member O'Connell requested that C/CAG Board members be carbon copied.

Member Kiesel moved and member O'Connell seconded approval of the August 8, 2013 minutes. Motioned passed unanimously.

3. Approval of Minutes from September 12, 2013.

Member Kiesel moved and member O'Connell seconded approval of the September 12, 2013 minutes. Motioned passed unanimously.

4. Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

A verbal report from Advocation and Shaw/Yoder/Antwih was provided.

The Legislature is still out of session and will return on Jan 6, 2014. There have been leadership changes in both houses.

There several bills carried over from 2013 that will be active in 2014.

- The General fund is growing in excess of the budget. There is proposal to have an 8 billion kept in reserve. Administration may be more open to temporary projects vs. long term programs.
- Transportation funding is on a fiscal cliff with the end of Prop 1 B. There are attempts to try to pass a 55% threshold for special purposes but the ProTem has not supported those efforts so far.
- Cap and Trade is expected to crop up next year. We should expect many hands to be out for Cap and Trade funds, including High Speed Rail, Affordable Housing, Transit, and Local Streets and Roads, and Local Governments.
- There is a proposal to put an initiative together for maintaining the existing transportation infrastructure. Proponents are looking for a statewide vehicle license fee for transportation infrastructure, but it is too early to see where this will go yet.

There is a question that the general fund has been benefiting from the loss of redevelopment and other local revenue. The question of reinstating redevelopment is not being addressed until pending litigation has been settled.

Sandy Wong and Matt Fabry, are meeting with our delegation regarding overall issues associated with funding for stormwater compliance, the water board's process for setting fees, and the possibility of the legislature considering stormwater when developing the water bond act or cap and trade funding.

Regarding the stormwater legislative efforts, the lobbying team has been working with the senate governance and finance committee staff to convince them that existing legislation will not meet our needs and that our legislative proposal is necessary. It is becoming apparent that stormwater will be an important issue around the state.

Suggested edits to the C/CAG proposed legislative language, made by committee staff in Sacramento, were incorporated in a hand out to the Legislative Committee members. Some of the edits included:

- Focusing the language on C/CAG versus a more general JPA enabling language without stating the assumption that JPAs do not already have authority to raise fees/ taxes.
- Removing reference to a plan that might have the effect of limiting C/CAG in the future.

- Using the existing authority that the County has for fines due to non-payment of fees/ taxes.
- Removal of the option of a jurisdiction to pay the fee/ tax on behalf of their citizens. This might be seen as a “fairness issue” in the future.

It is estimated that the fee might be around \$35 per single family parcel but the number is not set at this time. Also there was a question regarding the need for an urgency clause. The urgency clause would allow C/CAG to go before the voters in 2014 as soon as the Governor approves the bill.

Member Gordon requested that the term of “watershed” be added to the legislative language to add some flexibility. Member Nihart moved to approve the language with the addition of inserting “watershed” where appropriate. Member Kiesel seconded and it was approved unanimously.

5. Review and comment on the Draft C/CAG Legislative Policies for 2014

Member O’Connell recommended consolidating policy 2.3, 2.4, and 2.5. Member Nihart wanted to make sure that the different nuances of each were not lost. Staff will revise and bring back to the legislative committee.

Member Gordon inquired about moving 10.2 to climate action section. The item was moved due to its focus on transportation demand management. Member Gordon requested that the business engagement should be more overarching than just Greenhouse Gas or climate legislation. Staff will revise this item and bring back to the legislative committee.

6. Nomination and election of a Legislative Committee Vice Chairperson

Member O’Connell nominated member Kiesel as Vice Chair. Member Ervin seconded the nomination. Nomination passed unanimously.

7. Approval of the 2014 Legislative Committee Calendar

Member Nihart suggested re-evaluating the calendar in June to see if any of the fall meetings should be reinstated. Member Nihart moved and member May seconded. Motioned passed unanimously.

8. Adjournment

The meeting informally adjourned at approximately 6:12 P.M.

C/CAG AGENDA REPORT

Date: February 13, 2014
To: City/County Association of Governments Legislative Committee
From: Jean Higaki
Subject: Update on Stormwater Funding Initiative Enabling Legislation (AB 418) and other related potential funding initiatives.

(For further information or questions contact Matthew Fabry at 599-1419)

RECOMMENDATION

Receive an update on the current status of C/CAG's proposed funding initiative enabling legislation, AB 418, and other related potential funding initiatives.

BACKGROUND/DISCUSSION

C/CAG's proposed enabling legislation was introduced in January as Assembly Bill 418 authored by Assembly Member Kevin Mullin. The latest version of the bill is attached. AB 418 passed out of the Senate Governance and Finance Committee on a 5-1 vote on January 15. It is scheduled for a vote on the Senate Floor in the third or fourth week of February. The bill has an urgency clause attached to it, requiring 2/3 support in both houses to proceed to the Governor's desk for signature. If successful, the bill would go into effect immediately upon signature by Governor Brown.

C/CAG staff is requesting support letters from all member agencies. As of the drafting of this agenda report, support letters have been submitted by the following member agencies:

Belmont	Pacifica
Brisbane	Portola Valley
Colma	San Carlos
Daly City	San Mateo
East Palo Alto	South San Francisco
Foster City	

Other water related initiatives that San Mateo voters may be asked to consider in 2014 includes the potential state water bond and the San Francisco Bay Restoration Authority's initiative.

ATTACHMENTS

- AB 418 language as of 1/27/2014

AMENDED IN SENATE JANUARY 27, 2014

AMENDED IN SENATE JANUARY 6, 2014

AMENDED IN SENATE SEPTEMBER 5, 2013

AMENDED IN SENATE AUGUST 12, 2013

AMENDED IN ASSEMBLY APRIL 15, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 418

Introduced by Assembly Members ~~Member Mullin and Eggman~~

February 15, 2013

An act to add the heading of Article 1 (commencing with Section 65089.11) to Chapter 2.65 of, and to add Article 2 (commencing with Section 65089.50) to Chapter 2.65 of, Division 1 of Title 7 of, the Government Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 418, as amended, Mullin. Local government: special tax, assessment, or property-related fee.

Existing law, until January 1, 2013, authorized the City/County Association of Governments of San Mateo County to impose a fee of up to \$4 on motor vehicles registered within San Mateo County for a program for the management of traffic congestion and stormwater pollution within that county.

This bill would authorize the City/County Association of Governments of San Mateo County, in accordance with specified provisions of the California Constitution, to impose a parcel tax or a property-related fee

for the purpose of implementing stormwater management programs, as prescribed.

This bill would make legislative findings and declarations as to the necessary of a special statute.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The County of San Mateo and each of the 20 incorporated
4 cities within this county have joined together to form the
5 21-member City/County Association of Governments of San Mateo
6 County, a joint powers agency that addresses issues of countywide
7 significance, including water pollution prevention programs.

8 (b) Each of the 21-member agencies of the City/County
9 Association of Governments of San Mateo County is mandated to
10 comply with municipal stormwater permit requirements issued by
11 the San Francisco Bay Regional Water Quality Control Board.

12 (c) The City/County Association of Governments of San Mateo
13 County helps coordinate municipal stormwater permit compliance
14 activities among its member agencies and, in cases where
15 compliance activities are more effectively implemented at a
16 countywide level, does so on their behalf as directed by its member
17 agencies.

18 (d) The addition of Section 65089.50 to the Government Code
19 will better enable the City/County Association of Governments of
20 San Mateo County to do, among other things, all of the following:

21 (1) In conjunction with its member agencies, protect the
22 *watersheds and* natural resources within the County of San Mateo
23 and restore and enhance the environment, including the long-term
24 protection of the waters of local creeks, the San Francisco Bay,
25 and the coastline along the Pacific Ocean.

26 (2) Develop and adopt a countywide stormwater management
27 program designed to coordinate, fund, and implement water
28 pollution prevention programs within the County of San Mateo,

1 by the City/County Association of Governments of San Mateo
2 County or its member agencies.

3 (3) Impose, consistent with and pursuant to the California
4 Constitution, a special tax or property-related fee within its
5 boundaries to fund activities outlined in its joint powers agreement
6 and consistent with municipal stormwater permit requirements
7 mandated by the San Francisco Bay Regional Water Quality
8 Control Board.

9 *(e) The provisions of this act respond to the specific and unique
10 circumstances of the City/County Association of Governments of
11 San Mateo County by affirming the association’s authority to
12 impose, consistent with and pursuant to the California Constitution,
13 a special tax or property-related fee within its boundaries to fund
14 activities outlined in its joint powers agreement. It is the intent of
15 the Legislature that this act shall not be construed to limit, expand,
16 or otherwise change any local agency’s authority to exercise power
17 under the Joint Exercise of Powers Act.*

18 SEC. 2. The heading of Article 1 (commencing with Section
19 65089.11) is added to Chapter 2.65 of Division 1 of Title 7 of the
20 Government Code, to read:

21
22 Article 1. Traffic Congestion and Stormwater Pollution
23

24 SEC. 3. Article 2 (commencing with Section 65089.50) is
25 added to Chapter 2.65 of Division 1 of Title 7 of the Government
26 Code, to read:

27
28 Article 2. Stormwater Management
29

30 65089.50. (a) The City/County Association of Governments
31 of San Mateo County may impose either a special tax subject to
32 the procedures and requirements set forth in subdivision (d) of
33 Section 2 of Article XIII C of the California Constitution, or a
34 property-related fee subject to the procedures and requirements
35 set forth in subdivisions (a), (b), and (c) of Section 6 of Article
36 XIII D of the California Constitution, for the purposes of
37 implementing stormwater management programs consistent with
38 the agencies’ joint powers agreement.

39 (b) The special tax or property-related fee, at the option of the
40 City/County Association of Governments of San Mateo County,

1 may be collected on the tax rolls of the county in the same manner,
 2 by the same persons, subject to the same penalties, and at the same
 3 time as, together with and not separate from, county ad valorem
 4 property taxes. In that event, from the amount collected pursuant
 5 to this paragraph, the county auditor may deduct that amount
 6 required to reimburse the county for its actual cost of collection.

7 SEC. 4. The Legislature finds and declares that, because of the
 8 unique circumstances applicable only to the City/County
 9 Association of Governments of San Mateo County an existing
 10 joint powers agency composed of the county and every city and
 11 town within the county that coordinates and provides stormwater
 12 permit compliance activities, a statute of general application cannot
 13 be enacted within the meaning of subdivision (b) of Section 16 of
 14 Article IV of the California Constitution. Therefore, this special
 15 statute is necessary.

16 SEC. 5. This act is an urgency statute necessary for the
 17 immediate preservation of the public peace, health, or safety within
 18 the meaning of Article IV of the Constitution and shall go into
 19 immediate effect. The facts constituting the necessity are:

20 In order to timely provide for the protection the water of local
 21 creeks, the San Francisco Bay, and the coastline for the use and
 22 enjoyment of the citizens of San Mateo and aquatic life, it is
 23 necessary that this act take effect immediately.

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C/CAG AGENDA REPORT

Date: February 13, 2014
To: C/CAG Legislative Committee
From: Sandy Wong, Executive Director
Subject: Review and recommend approval of C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified)

(For further information or questions contact Jean Higaki at 599-1462)

RECOMMENDATION

That the C/CAG Legislative Committee recommend the C/CAG Board to take a position on any legislation or direct staff to monitor any legislation for future positions to be taken.

FISCAL IMPACT

Unknown.

SOURCE OF FUNDS

NA.

BACKGROUND/DISCUSSION

The legislature reconvened on January 6, 2014, for the second year of a 2-year session. The C/CAG Legislative Committee receives monthly written reports and oral briefings from the C/CAG's State legislative advocates. Statuses of the 2-year bills being tracked by the Legislative Committee are included in the attached report.

On January 8, 2014 the Governor's office released their 2014-15 proposed budget which included saving of funds, repayment of debts, estimated Cap and Trade revenues, infrastructure financing, and water action plans.

ATTACHMENTS

- February 13, 2014 State Legislative Update from Shaw Yoder Antwih
- C/CAG Bill Matrix (revised February 3, 2014)
- Full Legislative information is available for specific bill at <http://leginfo.legislature.ca.gov/>



ADVOCATION



SHAW/YODER/ANTWIH, *inc.*
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

February 13, 2014

TO: Board Members, City/County Association of Governments, San Mateo County
FROM: Advocation, Inc. – Shaw / Yoder / Antwih, Inc.

RE: STATE LEGISLATIVE UPDATE- February 2014

2014 Legislative Session Reconvened

On January 6, the Legislature began the second year of its 2-year session. January 31 was the last day for bills introduced in 2013 (2-year bills) to move out of the house of origin. The Legislature has until February 21 to introduce legislation for consideration in 2014.

Governor Releases 2014-15 Budget

The Governor released the 2014-15 Proposed Budget on January 8, two days ahead of schedule, and stresses continued fiscal responsibility, including plans for a rainy-day fund and repayment of debt. Other highlights from the Governor's proposal include: the first appropriation of Cap and Trade revenues; lower-voter thresholds and expanded project-types for local Infrastructure Financing Districts; funding for the initial implementation of California's Water Action Plan, and partnering with counties to increase property tax revenues. Additional information on each of these proposals is provided below.

Cap and Trade

The 2014-15 Governor's Budget proposes the appropriation of \$850 million in Cap and Trade auction revenues to be used as follows:

- \$100 million to the Strategic Growth Council for Sustainable Communities Strategies/SB 375 implementation, including transit, active transportation, affordable housing near transit, agricultural land preservation, and local planning;
- \$200 million to Air Resources Board for programs that accelerate low-carbon freight and passenger transportation, including purchase credits for zero-emission vehicles (including trucks and buses);
- \$300 million for rail modernization with \$250 million for high-speed rail and \$50 million to Caltrans for rail systems integration and connectivity to high-speed rail;
- \$110 million for natural resources protection and restoration, as well as waste diversion;
- \$140 million for energy efficiency.

As noted above, \$100 million is proposed for Sustainable Communities Strategies programs consistent with SB 375. These funds are to be administered by the Strategic Growth Council (SGC) to manage the Sustainable Communities Implementation Program, a competitive program that supports land-use, housing, transportation, and agricultural land preservation practices that reduce GHG emissions through infill and compact development. The SGC will develop and adopt program guidelines, in coordination with other state agencies and local entities, to fund investments in transit projects that increase ridership, pedestrian and bicycle facilities, transit-oriented development, and prevention of agricultural land conversion. The SGC will work with Metropolitan Planning Organizations and other regional agencies to identify and recommend projects for funding. The SGC proposes using 50 percent of program revenues in disadvantaged communities.

Infrastructure Financing Districts

In addition to Cap and Trade expenditures, another important element of the Governor's Budget is a proposal to revamp Infrastructure Financing Districts (IFD), by expanding the types of projects that can be financed using an IFD and lowering the voter-threshold for funding a project in an IFD. An IFD is a tool currently available to local governments for using tax-increment funding to finance a specific types of projects, limited to: highway and transit projects; water, flood control, sewer, and solid waste projects; child care facilities; and libraries and parks. Currently, a local government must receive two-thirds voter approval of the effected electorate. The Governor's proposal would add military base reuse, urban infill, transit priority projects, and affordable housing to the types of projects that can be funded through an IFD. Local governments would need to meet certain requirements with regard to the dissolution of redevelopment agencies in order to invoke the proposed changes to IFD law (mainly a lower-voter threshold and expanded project eligibility).

Water Action Plan

On January 27, the Governor released the California Water Action Plan which identifies a number of key actions for effectively managing the state's water resources. These actions discussed in the plan are as follows:

- Make conservation a California way of life;
- Increase regional self-reliance and integrated water management across all levels of government;
- Achieve the co-equal goals for the Delta;
- Protect and restore important ecosystems;
- Manage and prepare for dry periods;
- Expand water storage capacity and improve groundwater management;
- Provide safe water for all communities;
- Increase flood protection;
- Increase operational and regulatory efficiency;
- Identify sustainable and integrated financing opportunities.

As part of the 2014-15 Budget, the Governor is proposing \$620 million for implementation of the Water Action Plan, including \$473 million in Proposition 84 (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006) funds to the State Water Resources Control Board for the Integrated Regional Water Management Program (IRWMP) for both regional integration and to leverage local financial investment for water conservation efforts, habitat protection for local species, water recycling, stormwater capture, and desalination projects.

State-County Assessors' Partnership Agreement Program

This Program would begin on a three-year pilot basis, to be funded at \$7.5 million per year, and to be administered by the Department of Finance. The Program will be limited to nine county assessors' offices that will be competitively selected from a mix of urban, suburban, and rural counties. To participate in the Program, the county must submit an application to the State Department of Finance demonstrating work to be performed. The county must also agree to provide its assessor's office with a specified amount of matching county funds each fiscal year to generate additional property tax revenues for local agencies by doing the following:

- Enroll newly constructed property and property ownership changes.
- Reassess property to reflect current market values.
- Enroll property modifications that change the property's taxable value.
- Respond to assessed valuation appeals.

Bills of Interest

AB 418 (Mullin)

Summary: This bill would enable San Mateo City/County Association of Governments (C/CAG) to put a special tax or property related fee before the voters for stormwater management activities consistent with C/CAG's joint powers agreement. Any action must be consistent with the California Constitution. **C/CAG is the sponsor of this bill.**

Status: This bill passed the Senate Governance and Finance Committee on January 14 by a vote of 5-1. Amendments were taken in Committee to add watershed language and clarify that this bill does not impact the existing authorities of other JPAs. The bill is now on the Senate Floor and requires a two-thirds approval (27 votes) for passage due to the bill's urgency clause. The bill will likely be heard in late February.

AB 162 (Holden)

Summary: As originally introduced, this bill would have significantly limited the authority of local jurisdictions to regulate the placement of certain wireless facilities.

Status: This bill is dead. It failed to move prior to the house of origin deadline. It will no longer be eligible to be taken up this session.

AB 188 (Ammiano)

Summary: AB 188 would specify that if 100% of the ownership interests in a legal entity are sold or transferred in a single transaction, the real property owned by that legal entity has changed ownership, whether or not any one legal entity or person that is a party to the transaction acquires more than 50% of the ownership interests. The bill would require the State Board of Equalization to notify assessors if a change in ownership as so described occurs.

Status: This bill is dead. It failed to move prior to the house of origin deadline. It will no longer be eligible to be taken up this session.

SB 556 (Corbett)

Summary: This bill would prohibit a person, firm, corporation, or association that is a nongovernmental entity and contracts to perform labor or services relating to public health or safety for a public entity from displaying on a vehicle or uniform a logo that reasonably could be interpreted as implying that the labor or services are being provided by employees of the public agency, unless the vehicle or uniform conspicuously displays a disclosure.

Background: According to the author and proponents, public agencies are routinely hiring third party intermediaries, such as labor contractors or temporary staffing agencies. Arrangements that they argue, separate the company at the top from the workers at the bottom, thus shielding the public agency from liability. They argue that subcontracting has implications for consumers and the public because many times consumers don't even know what entity they are actually doing business with, or who is in charge if something goes wrong. In addition, they argue that when workers enter a home or have access to personal information; the consumer should have the right to know if the worker is a city employee, a known company employee, a temporary or contracted out employee, or an independent contractor.

Opponents argue that SB 556 undercuts the primary reason for entering into independent contracting relationships by shifting liability to a public agency. The League of Cities writes that "many public agencies that contract for services specify uniform requirements in their written contracts with a service provider. These uniform requirements are oftentimes done for the purpose of ensuring the public knows who the contractor is serving and for identifying regional operations during a major disaster or mutual aid request from the public agency."

The bill was last amended on September 4th 2013 to further narrow the bill so that their proposed notice requirements would only apply to health and public safety services that are contracted out by a public agency. Despite the latest amendments, many public agencies around the state remained opposed to the bill.

Status: Assembly Floor Inactive File.

SB 391 (DeSaulnier)

Summary: This bill would impose a fee, beginning January 1, 2014, of \$75 on every real estate instrument, paper, or notice that is required or permitted by law, excluding real estate instruments, papers, or notices recorded in connection with a transfer subject to a documentary transfer tax. Revenue from this fee would be used to fund projects and programs that support the development, acquisition, rehabilitation, and preservation of housing affordable to low- and moderate-income households, emergency shelters and rapid rehousing services, among other identified, related projects.

Status: Assembly Appropriations Suspense File

SB 731 (Steinberg)

Summary: This bill would provide that aesthetic and parking impacts of a residential, mixed-use residential, or employment center project, on an infill site, within a transit priority area, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and submit to the Secretary of the Natural Resources Agency, and the secretary to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise and transportation impacts of projects within transit priority areas

Background: SB 731 failed passage last session. However, some of the more significant provisions of SB 731 were amended into SB 743 (also by Senator Steinberg, the Downtown Sacramento Arena bill, which was signed by the Governor on September 27th). Provisions amended into SB 743 include removing parking and aesthetic standards as grounds for legal challenges against project developments in urban infill areas and expanding an exemption from CEQA litigation for projects located with transit priority areas where a full Environmental Impact Review has already been completed.

Senator Steinberg's office announced that this bill will be amended to address the effects of the drought on California, including: the appropriation of funds for shovel ready water supply projects; new incentives for ag and urban water agencies to invest in more efficient water management strategies and technologies; expedited funding and approvals for expanded use of recycled water and stormwater capture projects; expedited funding for clean drinking water for poor and disadvantaged communities; better monitoring and management of groundwater resources; requirements for state agencies to coordinate and consolidate permit processes. As more details emerge we will update the Board.

Status: Assembly Local Government Committee

Other Items of Interest

Water Bonds

The bond was initially scheduled to appear on the 2010 ballot, but has been pushed to the 2014 ballot. Both the Assembly and the Senate have proposals to revise what is currently in the bond and both houses are in agreement that the overall bond will be smaller than initially proposed, which was \$11.1 billion. Assembly Member Rendon and Senator Wolk have each proposed alternatives to the current water bond proposal, both of which cut the price tag roughly in half, to the tune of \$6.5 billion. Senator Wolk's proposal focuses more on Delta Habitat restoration whereas Assembly Member Rendon's proposal takes a more statewide approach. Both

proposals contain funding for stormwater management at \$250 million and \$375 million. Additionally, Assembly Member Rendon's proposal contains \$1.5 billion for water storage capacity, of which the construction and expansion of stormwater retention facilities is an eligible expense.

C/CAG Bill Matrix as of 2/3/2014

Bill ID/Topic	Location	Summary	Position
AB 418 Mullin D Local government: special tax, assessment, or property-related fee.	SENATE THIRD READING 1/27/2014 - Read second time and amended. Ordered to third reading. 2/3/2014 #53 SENATE ASSEMBLY BILLS-THIRD READING FILE	Existing law, until January 1, 2013, authorized the City/County Association of Governments of San Mateo County to impose a fee of up to \$4 on motor vehicles registered within San Mateo County for a program for the management of traffic congestion and stormwater pollution within that county. This bill would authorize the City/County Association of Governments of San Mateo County, in accordance with specified provisions of the California Constitution, to impose a parcel tax or a property-related fee for the purpose of implementing stormwater management programs, as prescribed. This bill contains other related provisions. Last Amended on 1/27/2014	Sponsor
AB 471 Atkins D Local government: redevelopment: successor agencies to redevelopment agencies.	SENATE THIRD READING 1/30/2014 - Read second time. Ordered to third reading. 2/3/2014 #55 SENATE ASSEMBLY BILLS-THIRD READING FILE	Existing law authorizes the creation of infrastructure financing districts, as defined, for the sole purpose of financing public facilities, subject to adoption of a resolution by the legislative body and affected taxing entities proposed to be subject to the division of taxes and voter approval requirements. Existing law prohibits an infrastructure financing district from including any portion of a redevelopment project area. This bill would delete that prohibition and would authorize a district to finance a project or portion of a project that is located in, or overlaps with, a redevelopment project area or former redevelopment project area, as specified. This bill contains other related provisions and other existing laws. Last Amended on 1/29/2014	
AB 515 Dickinson D Environmental quality: California Environmental Quality Act: writ of mandate.	SENATE RLS. 1/27/2014 - In Senate. Read first time. To Com. on RLS. for assignment.	The California Environmental Quality Act requires the court, if the court finds that a public agency has violated the requirements of the act, to issue an order, in the form of a peremptory writ of mandate, specifying what actions by the public agency are necessary to comply with the requirements of the act. This bill would require the writ to specify the time by which the public agency is to make an initial return of the writ containing specified information. Because a public agency would be required to file an initial return of a writ, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. Last Amended on 1/6/2014	
AB 1193 Ting D Bikeways.	SENATE RLS. 1/29/2014 - In Senate. Read first time. To Com. on RLS. for assignment.	Existing law defines "bikeway" for certain purposes to mean all facilities that provide primarily for bicycle travel. Existing law categorizes bikeways into 3 classes of facilities. This bill would additionally provide for a classification of Class IV bikeways, as specified. This bill contains other related provisions and other existing laws. Last Amended on 1/23/2014	

C/CAG Bill Matrix as of 2/3/2014

Bill ID/Topic	Location	Summary	Position
AB 1331 Rendon D Clean and Safe Drinking Water Act of 2014.	SENATE N.R. & W. 1/7/2014 - From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.	Existing law, the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Existing law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other existing laws. Last Amended on 1/7/2014	
AB 1546 Chávez R Traffic control devices.	ASSEMBLY PRINT 1/24/2014 - From printer. May be heard in committee February 23.	Existing law requires the Department of Transportation to place and maintain appropriate signs, signals, and other traffic control devices along highways under its jurisdiction. Existing law further authorizes the department, with the consent of local authorities, to place and maintain appropriate signs, signals, and other traffic control devices along city streets and county roads as may be necessary or desirable to control or direct traffic, or to facilitate traffic flow, to or from state highways. This bill would make technical, nonsubstantive changes to these provisions.	
SB 792 DeSaulnier D Regional entities: San Francisco Bay Area.	ASSEMBLY DESK 1/28/2014 - In Assembly. Read first time. Held at Desk.	Existing law creates the Metropolitan Transportation Commission, the Bay Area Toll Authority, the Bay Area Air Quality Management District, and the San Francisco Bay Conservation and Development Commission, with various powers and duties relative to all or a portion of the 9-county San Francisco Bay Area region with respect to transportation, air quality, and environmental planning, as specified. Another regional entity, the Association of Bay Area Governments, is created under existing law as a joint powers agency comprised of cities and counties with regional planning responsibilities. Existing law provides for a joint policy committee of certain member agencies in this 9-county area to collaborate on regional coordination. Existing law requires regional transportation planning agencies, as part of the regional transportation plan in urban areas, to develop a sustainable communities strategy, coordinating transportation, land use, and air quality planning, with specified objectives. This bill would require the member agencies of the joint policy committee to prepare a plan for consolidating certain functions that are common to the member agencies. The bill would require the plan to also include a statement relative to the expected reduction of overhead, operation, and management costs. The bill would require a member agency affected by the plan to submit a copy of the plan to its board on or before December 31, 2015, and would require the member agencies to report to the Senate Committee on Transportation and Housing on the adoption and implementation of the plan on or before December 31, 2016. The bill would also require the joint policy committee to maintain an Internet Web site containing information relevant to the committee's activities and to appoint an advisory committee on economic competitiveness with specified members from the business community and other organizations to adopt goals and policies related to the inclusion of economic development opportunities in the sustainable communities strategy. Last Amended on 1/27/2014	Watch
SB 848 Wolk D Safe Drinking Water, Water Quality, and Flood Protection Act of 2014.	SENATE N.R. & W. 1/24/2014 - Set for hearing February 11. 2/11/2014 9:30 a.m. - Room 112 SENATE NATURAL RESOURCES AND WATER	Existing law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Existing law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other existing laws.	

C/CAG Bill Matrix as of 2/3/2014

Bill ID/Topic	Location	Summary	Position
<p>SB 927 Cannella R</p> <p>Safe, Clean, and Reliable Drinking Water Supply Act of 2014.</p>	<p>SENATE PRINT 1/30/2014 - From printer. May be acted upon on or after March 1.</p>	<p>Existing law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. The bond act, among other things, makes specified amounts available for projects relating to drought relief, water supply reliability, ecosystem and watershed protection and restoration, and emergency and urgent actions that ensure safe drinking water supplies are available in disadvantaged communities and economically distressed areas. Existing law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would rename the bond act as the Safe, Clean, and Reliable Drinking Water Supply Act of 2014 and make conforming changes. The bill would instead authorize the issuance of bonds in the amount of \$9,217,000,000 by reducing the amount available for projects related to drought relief and water supply reliability, as specified. The bill would remove the authorization for funds to be available for ecosystem and watershed protection and restoration projects, and would increase the amount of funds available for emergency and urgent actions to ensure safe drinking water supplies in disadvantaged communities and economically distressed areas. This bill contains other related provisions.</p>	

C/CAG AGENDA REPORT

Date: February 13, 2014
To: C/CAG Legislative Committee
From: Sandy Wong, Executive Director
Subject: Review and recommend approval of the draft C/CAG Legislative Policies for 2014

(For further information or questions contact Jean Higaki at 599-1462)

RECOMMENDATION

That the Legislative Committee review and recommend approval of the draft C/CAG Legislative Policies for 2014.

FISCAL IMPACT

Policies listed in the attached document have the potential to increase or decrease the fiscal resources available to C/CAG member agencies.

SOURCE OF FUNDS

New legislation.

BACKGROUND/DISCUSSION

Each year, the C/CAG Board adopts a set of legislative policies to provide direction to its Legislative Committee, staff, and Lobbyist. In the past, the C/CAG Board established the policies that:

- Clearly defined a policy framework at the beginning of the Legislative Session.
- Identified specific policies to be accomplished during this session by the Lobbyist
- Limited the activities of C/CAG to areas where we can have the greatest impact.

The adoption of a list of policies will hopefully maximize the impact of having a Lobbyist represent C/CAG in Sacramento and will also significantly reduce the amount of C/CAG staff time needed to support the program.

On December 12, 2013, the Legislative Committee reviewed and recommended modifications to the draft policies. These changes, along with minor changes by staff, are shown as track changes in the attachment.

ATTACHMENTS

Attachment A: Draft C/CAG Legislative Policies for 2014

Attachment A

DRAFT C/CAG LEGISLATIVE POLICIES FOR 2014

***Policy #1 -
Protect against the diversion of local revenues.***

- 1.1 Support League and CSAC Initiatives to protect local revenues.
- 1.2 Provide incentives to local government to promote economic vitality and to alleviate blighted conditions.
- 1.3 Support the reinstatement of state funding for economic development and affordable housing.

***Policy #2 -
Protect against increased local costs resulting from State action without 100% State reimbursement for the resulting costs.***

- 2.1 Oppose any State action that restricts local human resource (HR) decisions.
- 2.2 Oppose State action to restrict the ability of local jurisdictions to contract for services.
- 2.3 Require all State actions to take into consideration the fiscal impact to local jurisdictions, by ensuring that adequate funding is made available by the State, for delegated re-alignment responsibilities and by ensuring that all State mandates are 100% reimbursed.
- ~~2.4 — Require all State mandates to be 100% State reimbursed for added costs.—~~
- ~~2.5 — Ensure that adequate funding is made available by the State to address re-alignment responsibilities given to local jurisdictions.—~~

***Policy #3 -
Support actions that help to meet municipal stormwater permit requirements and secure stable funding to pay for current and future regulatory mandates.***

- 3.1 Primary focus on securing additional revenue sources for both C/CAG and its member agencies for funding state and federally mandated stormwater compliance efforts.
 - a. Support efforts to exempt storm sewers from the voting requirements imposed by Proposition 218, similar to water, sewer, and refuse services, or efforts to reduce the voter approval threshold for special taxes related to stormwater management, .

- b. Support legislation that provides C/CAG, as a Joint Powers Authority, the flexibility to levy taxes, assessments, or fees upon voters or property owners approval consistent with Proposition 218 requirements
 - c. Include water quality and stormwater management as a priority for funding in new sources of revenues (e.g. water bonds) and protect against a geographically unbalanced North-South allocation of resources.
 - d. Support efforts to coordinate stormwater quality concerns with other statewide and regional efforts to achieve greenhouse gas reductions and climate change adaptation strategies.
 - e. Track and advocate for resources for stormwater quality in State and Federal grant and loan programs.
 - f. Support stormwater fee reform to 1) ensure regulatory permit fees are used to support Regional Water Quality Control Board staff resources, 2) eliminate fee setting under emergency regulations and coordinate process with local budgeting procedures, and 3) ensure fees are consistent with level of service provided by state agencies.
 - g. Support efforts to identify regulatory requirements that are unfunded state mandates and ensure provision of state funding for such requirements.
 - h. Pursue and support efforts that provide additional funding from Federal, State, or local governments outside the Bay Area to regional or statewide associations of stormwater quality agencies (i.e., BASMAA – regional and CASQA – statewide) for programs and projects that reduce or eliminate the need for C/CAG and its member agencies to fund and implement similar programs and projects locally.
- 3.2 Pursue and support efforts that control pollutants at the source and extend producer responsibility, especially in regard to trash and litter control.
- 3.3 Support efforts to place the burden/ accountability of reporting, managing, and meeting municipal stormwater requirements on the responsible source rather than the cities or county, such as properties that are known pollutant hot spots and third party utility purveyors.
- 3.4 Advocate for the development of statewide stormwater policies that establish consistent ~~and~~, practical, ~~and progressive~~ approaches for stormwater regulatory and management programs that help protect water quality and beneficial uses.
- 3.5 Pursue and support pesticide regulations that protect water quality and reduce pesticide toxicity.

- 3.6 Track stormwater-related regulatory initiatives that may impact member agencies, such as the proposed statewide trash policy, Caltrans stormwater permits, special exceptions for Areas of Special Biological Significance, and the Phase II ~~General Permit~~Municipal Stormwater Permit for smaller rural municipalities.

Policy #4 -

Support lowering the 2/3rd super majority vote for local special purpose taxes and fees.

- 4.1 Support bills that reduce the vote requirements for special taxes and fees.
- 4.2 Oppose bills that impose restrictions on the expenditures, thereby reducing flexibility, for special tax category.
- 4.3 Support modification or elimination of the Proposition 26 two-thirds requirements.

Policy #5-

Protect and support transportation funding.

- 5.1 Oppose the transfer of State transportation funds to the State General Fund.
- 5.2 Support additional revenues for transportation funding.
- 5.3 Protect existing funding and support additional funding for maintenance of streets and roads.
- 5.4 Protect existing funding and support ~~additional~~new funding for the State of California SHOPP program, which provides resources for maintenance of State highways.
- 5.5 Support revisions in the Peninsula Joint Powers Agreement that provide equitable funding among the Caltrain partners.
- 5.6 Support a dedicated funding source for the operation of Caltrain.
- 5.7 Support directing “cap and trade” revenues towards transportation.

Policy #6 -

Advocate for revenue solutions to address State budget issues that are also beneficial to Cities/ Counties

- 6.1 Support measures to ensure that local governments receive appropriate revenues to service local communities.

Policy #7 -

Support reasonable climate protection action, ~~Greenhouse Gas~~ reduction, and energy conservation legislation

- 7.1 Support incentive approaches toward implementing AB32.
- 7.2 Oppose climate legislation that would conflict with or override projects approved by the voters.
- 7.3 Support funding for both transportation and housing investments, which support the implementation of SB 375, so that housing funds are not competing with transportation funds.
- ~~7.4 Support directing motor fuel “cap and trade” revenues towards transportation.~~
- 7.5.4 Alert the Board on legislation that would require recording of vehicle miles of travel (VMT) as part of vehicle registration.

~~**Policy #8 -**~~

~~**Support energy conservation**~~

- ~~8.17.5~~ Support local government partnerships to foster energy conservation, as well as the generation and use of renewable and/ or clean energy sources (wind, solar, etc.)

Policy #~~9~~8 -

Protection of water user rights

- 98.1 Support the Bay Area Water Supply and Conservation Association (BAWSCA) efforts in the protection of water user rights for San Mateo County users.

Policy #~~10~~9 -

Other

- ~~109.1~~ Support/sponsor legislation to allow transportation planning funds to be used to fund airport/land use compatibility plans.
- ~~109.2~~ Support efforts that will engage the business community in transportation demand management mitigating industry impacts associated with stormwater, transportation congestion, greenhouse gas emissions, and energy consumption.