

South Bay Watch

AT WHAT COST? UNINTENDED CONSEQUENCES OF DECLINING REVENUES

The South Bay Cities Council of Governments hosted another successful General Assembly for the South Bay community on February 22nd, 2013. This year's Assembly covered the ramifications of declining revenues for local governments. The recession, loss of redevelopment, and cuts from federal and state governments has impacted cities harshly and will continue to do so. The Assembly heard from fiscal policy advisors and consultants, directors of societies and foundations and members of the private community such as Amazon.com. Collectively, the speakers discussed the fiscal climate of the past several years, offered solutions and advice and spoke of future opportunities. The sentiment running through the speeches was that although most have seen some tough times, tough times bring opportunities.

The event was held at the Juanita Millender-McDonald Community Center in the City of Carson. Congresswoman Maxine Waters and Assembly Member Al Muratsuchi were present in the morning portion of the assembly to meet and discuss issues with South Bay residents. Ralph L. Franklin, SBCCOG Chair and Councilmember of the City of Inglewood welcomed audience members to the Assembly and served as the Master of Ceremonies for the day.

Fred Silva, Senior Fiscal Policy Advisor for California Forward was the kickoff speaker. He asked the audience to consider how unintended consequences offer opportunities. Personal income and jobs are increasing and this is an opportunity for local governments to examine how to do things differently in the future. There are two major forces impacting local finance: first, the system that used to finance community government is gone; and second, there have been significant changes in the three main revenue sources for local governments: vehicle fees, sales taxes and property taxes. Former Hermosa Beach City Manager Steve Burrell moderated the morning panel with presentations on Unintended Consequences by Bobbi Peckham, Executive Search & Consulting, Peckham and McKenney; Jane H. Adams, Executive Director, California Park and Recreation Society; Hamid Bahadori, Public Policy & Programs, Auto Club of Southern California; and Ed Medrano, Gardena Police Chief & Immediate Past President of the LA County Police Chiefs Association. The speakers shared their thoughts on how the recession, demographic shifts and legislation have affected city departments.

Ms. Peckham spoke on how baby-boomer retirements are putting increasing strains on executive searches.

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Spring 2013

A quarterly bulletin to inform local leaders of subregional progress and alert them to emerging issues

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SPECIAL THANKS...

To the City of Carson for hosting our 14th Annual General Assembly and for the generous assistance of their staff and to the staff and volunteers of the South Bay Environmental Services Center (a program of the SBCCOG)

AT WHAT COST? UNINTENDED CONSEQUENCES OF DECLINING REVENUES

During the recession retirements were stalled, but now requests for city manager searches are increasing. Cities need to begin training and developing folks within their departments in order to supply replacements for high-level retirees.

Jane Adams began with the statement “Parks and open space are an essential component to a healthy life”. Yet dwindling revenues have touched most local and state departments affecting programs for parks and transportation infrastructure. Ms. Adams encouraged communities to speak up about the importance of parks in their lives. Parks and Recreation departments are being increasingly asked to do much more with much less and the price for neglecting this resource now will last for generations.

Hamid Bahadori followed, pointing out that the average driver is driving more but paying less towards revenues. Gas taxes have not changed for over two decades and, as a result, there is decreased funding for infrastructure. Both Ms. Adams and Mr. Bahadori asked audience members to think more strategically about financing. Departments need to create alliances, work on smaller-scale efforts and develop innovative funding solutions.

Police Chief Ed Medrano completed the panel by discussing how realignment has impacted local governments. In an effort to reduce state prison numbers, California has enacted many sweeping changes to its prison system, too rapidly for anyone to be able to build the required infrastructure. These changes seem to be resulting in increased violence and crime in the communities.

After lunch, Ralph Franklin shared the current projects that the SBCCOG is undertaking. The SBCCOG is implementing \$906 million dollars of Measure R funding for highway projects and is also involved in several alternative transportation projects. These include facilitating a car sharing program (car2go) and an electric vehicle demonstration program as well as a study of electric charging station needs.

The last set of speakers covered opportunities to respond to new challenges. David Brodsky, Managing Director of KNN Public Finance, discussed how the municipal bond market has become less stable due to the recent fiscal climate. Cities are also beginning to focus more closely on their current obligations such as pensions. This environment provides an opportunity for cities to rethink what they finance and how.

Larry Kosmont, President of Kosmont Companies, also spoke on city financing. Retail sales have been hit by both the loss of redevelopment and increasing competition from various on-line venues. California needs to restructure tax increment financing (TIF). In the meantime cities have tools but it takes political will to implement them.

Girish Lakshman, Vice President of Amazon.com described Amazon’s Locker program. Customers are able to pick up their purchased items delivered by Amazon to nearby neighborhood

lockers located in retail buildings. The program is expected to mitigate emissions and fuel costs and there is also a potential social benefit as the lockers can become meeting places for communities.

A bit of good news regarding voter sentiments was shared by Dr. Richard Bernard, Senior Vice President of Fairbank, Maslin, Maulin, Metz & Associates. Voters have more positive perceptions with regards to the state and understand that their cities are pressed for revenue. He stressed that cities should not assume their voters will reject revenue measures and they should use polling to tailor the language of their measures to help them succeed.

The General Assembly is a free event, made possible every year by our generous sponsors who were recognized for their contributions, both cash and in-kind throughout the day.

Speaker presentations are available at the SBCCOG website – www.southbaycities.org

This project is funded by Measure R.

Metro SOUTH BAY CITIES COUNCIL OF GOVERNMENTS

Measure R construction signs are being planted this Spring around the South Bay as the first South Bay Highway Program Early Action improvement projects are completing their designs and starting construction. Watch for new signs going up throughout the South Bay showing our progress.



SBESC ADDRESSES THE IMPACT OF OUR ENVIRONMENTAL FOOTPRINT

By: Catherine Showalter
Deputy Executive Director, Environmental Programs
South Bay Cities Council Of Governments

A Dakota Indian proverb states, “We will be known forever by the tracks we leave.” One could argue that the work of the South Bay Environmental Services Center (SBESC) is a direct response to actions that cause unintended consequences.

No one sets out to intentionally pollute the oceans by washing drugs or engine oil down street drains. People don’t deliberately pollute the air that we breathe – it’s a result of transporting goods and people outdoors and being unaware of the health effects of poor air quality indoors. The creation of lighting technology was not done to set the stage for light pollution from street advertisements or information streams that bother our eyes. Our voices, music, and heavy construction equipment were not created to be sources of noise pollution. And yet, all these activities are present in varying degrees, damage the environment we live in, and leave our “tracks” for future generations.

The beauty of the South Bay casts a wide net over the sixteen cities that we serve at the South Bay Cities Council of Governments and the challenge is to realize that beauty can be fleeting if we do not pay attention to the unintended consequences of our actions on a daily basis. A “Sustainable South Bay” is not just a slogan – it is a call to action. We’ve all heard that simple is better, so how can we incorporate that concept into our standard of high quality living? That is the challenge.

The South Bay Environmental Services Center (SBESC) is a conduit for information about programs that can fit into this paradigm. School districts in the South Bay are benefitting in no small way from energy efficiency and water audits that lead to better lighting and improved heating and ventilation systems for students and teachers. Rebates from the Southern California Edison Company and the Southern California Gas Company help make such changes financially possible for schools. Because the audit teams also include representatives from the West Basin Municipal Water District, on-site school facilities and public works professionals become aware of innovative small devices that reduce water use in cafeteria kitchens, restrooms, and playgrounds and are given samples of such equipment to try.

Other solutions that may be waiting in the wings are swimming pool covers that save energy and reduce heating costs while maintaining a comfortable temperature for student and community swimmers. Student athletic fields can truly become “Fields of Dreams” by changing to more energy efficient lighting, landscaping to capture water run-off, and reusing the water to irrigate vegetation and ocean friendly gardens.

Residences, municipal buildings, and businesses can all benefit from SBESC services in varying ways as well; the SBESC is not just limited to serving schools. For instance, the 110 Freeway ExpressLanes are now functioning and some confusion still exists as to who can use the lanes, at what times, and for how much money. Through our contracts with Los Angeles Metro, the SBESC is provided a designated Environmental Services Analyst who can answer such questions and assist people in acquiring the transponder needed to use the lanes. Likewise, information and assistance are available for businesses to help their employees form vanpools to save dollars otherwise spent due to the ever increasing cost of gasoline.

Such efforts work to reduce mobile sources of pollution that lead to smog. This is a tried and true employee benefit, most appreciated by those who need it the most – long distance commuters who experience the unwelcome stress of facing traffic congestion before and after their work day.

As we strive to offer meaningful services in the South Bay community, the SBESC staff is exploring how to best serve establishments that offer senior living residences for older adults. In addition to the energy and water efficiency programs already described, “Reduce, Reuse, Recycle” programs of the LA Sanitation Districts that manage waste are critical components for such businesses. Simple acts taken on a consistent basis are practical and effective in reducing landfills.

There are certainly other strategic initiatives underway at SBESC with our Partners that directly relate to reducing negative human impacts on Mother Earth. While it is not always possible to determine the exact consequences of our actions, Climate Action Planning (CAP) with cities is definitely forward thinking. The diligent implementation of the CAP strategies on a regional scale will no doubt minimize our carbon footprint for future generations who really won’t care if the consequences were intentional or not. They will be living with the results of our actions regardless.

How will our tracks define our legacy as individuals and as the South Bay community? What can we do now to take softer steps?

For more information or to volunteer at the South Bay Environmental Service Center, please contact Jennifer Alderete at (310) 371-7222, Jennifer@sbesc.com



Find SBESC at www.sbesc.com

FACELIFT FOR WATERFRONT PLANNED FOR REDONDO BEACH

The City of Redondo Beach, supported by Kosmont Companies, an advisory services firm with expertise in structuring and financing public-private real estate transactions, has been working to create an economic development program that will revitalize Redondo Beach's aging waterfront. The Redondo Beach waterfront had gone years without an integrated investment plan and it now struggles to compete with neighboring South Bay cities for consistent patronage. Without the capacity to use a redevelopment agency as the catalyst, the City applied an



Redondo Beach Pier and Waterfront

innovative program known as lease/leaseback financing to acquire land to set the stage for a transformative project. After years of work, Redondo Beach is making economic development a reality on the waterfront.

To revitalize the waterfront, the City has been exploring ways to improve the pier, boardwalk and surrounding properties. The City began by acquiring leaseholds on area properties starting with key pieces of land known as the International Boardwalk and Pier Plaza. Applying a combination of lease/leaseback financing with structured option agreement, the City was able to assemble over 15 acres of waterfront land for development. After an extensive developer recruitment and selection process, in October 2012, the City selected El Segundo based CenterCal Properties as the preferred developer for the project. Kosmont is advising the City on the developer selection and negotiation process.

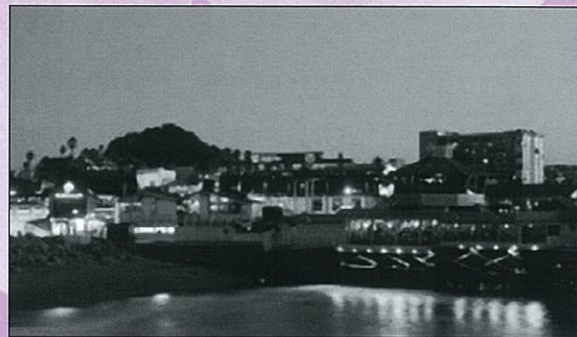
After months of community meetings and public outreach, CenterCal recently shared their preliminary design concept with the community which includes the installation of water features, a wider variety of dining experiences, a market hall, local retail shops, a small theater and a boutique hotel on the beach. On March 12, CenterCal received unanimous approval from the Redondo Beach City Council to continue fine tuning the plan and so far has generally received praise from residents and community groups for its engagement and vision. There will be additional community meetings and the public is encouraged to visit redondobeachwaterfront.org to learn more about the project.

The Redondo Beach waterfront is one of the last opportunities to develop and revitalize oceanfront properties located within the Los Angeles Metropolitan Area. The City is working to develop the waterfront in a manner that retains its authenticity, attracts a family demographic and residents of proximate communities and that will expand its customer base of regional patrons, locals, and tourists.

The revitalization project will build on a significant level of public and private investment at the Waterfront over the next two years, including new restaurants, retail and other private and public sector amenities. The project is expected to cost in excess of 200 million dollars and is projected to create approximately 2,500 new jobs while generating sales, property taxes and hotel room taxes for the City.

Kosmont Companies, a certified Minority Business Enterprise (MBE), has a 26 year track record of creating successful public-private partnerships and inducing economic development in challenging circumstances.

Contact: Larry Kosmont, 213-507-9000,
lkosmont@kosmont.com



Redondo Beach at night

14TH ANNUAL GENERAL ASSEMBLY



Chief Ed Medrano, Hamid Bahadori
Steve Burrell, Bobbi Peckham, Jane H. Adams



Fred Silva



Larry Kosmont



Inglewood Councilman
& SBCCOG Chair Ralph L. Franklin



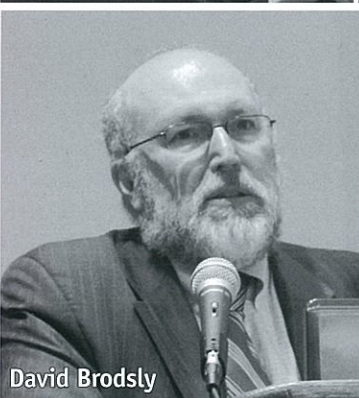
Congresswoman
Maxine Waters



Assemblymember Al Muratsuchi



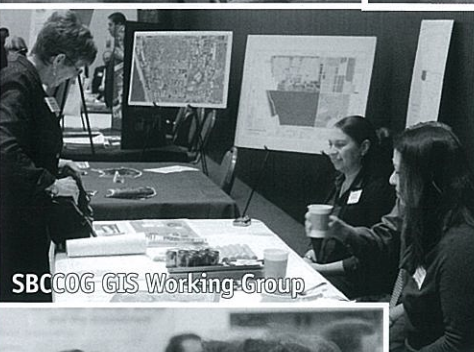
Girish Lakshman



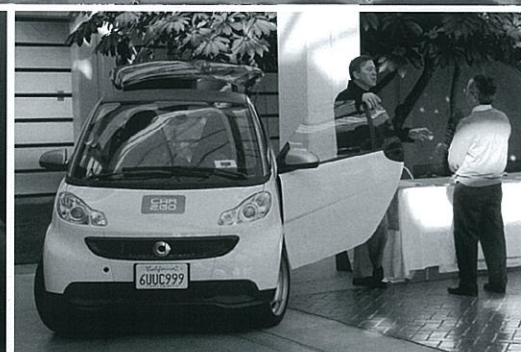
David Brodsky



SBESC table staffed
by Chandler Shields



SBCCOG GIS Working-Group



Dr. Richard Bernard



Carson Councilmember
Julie Ruiz-Raber and
Congresswoman Maxine Waters



Redondo Beach Councilmember Pat Aust
Former City Manager Steve Burrell,
Hermosa Beach Councilmember Howard Fishman



Redondo Beach City Manager
Bill Workman visits exhibits

Food for Thought

WOULD YOU LIKE LESS CONGESTION IN THE SOUTH BAY?

The South Bay Cities Council of Governments (SBCCOG) Board of Directors has endorsed car sharing for the South Bay and is working with the car2go service. Here's why.

There are 600,000 personal vehicles in the South Bay and we're adding about 3,000 a year. 268,000 are second or third vehicles in a household which are often driven relatively few miles in a week. They take up too much room on our streets and in our parking lots.

The Auto Club says that private vehicles on average cost about \$8,900 per year. Yet they are parked most of the time. \$8,900 could be used alternatively to add to savings, reduce credit card debt, pay for a child's college fund, take a vacation, and so forth.

Carsharing provides on-demand access to a private vehicle without filling out a lot of papers and having the cost and hassle of monthly payments, insurance, maintenance and ever more expensive gasoline. South Bay transit services aren't frequent enough to provide a viable alternative to the private auto and not everyone can bike. People in the South Bay keep vehicles that they may only use a few hours a month because they have no other choice.

Car2go's service model has free floating vehicles that can be accessed on demand, driven one-way or round trip, and rented by the minute rather than by the day or hour as in other car-sharing models. It is ideal for the many short trips taken every day by South Bay residents. It can replace the household's second or third car. With carsharing, residents of the South Bay have an extra car at their disposal to use when they need it and pay only for when they use it.

What is planned for the South Bay?

Car2go is 100% private enterprise – unlike with transit, no public subsidy is required. However, what IS required is the city's permission for the vehicles to be left on city streets, wherever the resident takes them, without regard to time limits of 2 hours or more or permit restrictions (they purchase permits). Car2go vehicles would not have access to spaces that are illegal for parking such as red curbs, loading zones and areas with time limits under 2 hours such as green zones. Where there is street sweeping, the drivers are asked not to leave the cars within 24 hours of the street sweeping time.

Car2go vehicles will have a 24 hour contact number and if there is a parked car that is disturbing a resident or business, upon receiving a call, they will remove it within a few hours.

Although this service may initially appear to make scarce parking even more scarce, practice in the 9 other US cities and cities in Canada and Europe with the car2go service is the opposite. Since the vehicles are shared, they circulate much faster than private vehicles do. In other words, more parking is created, not less. And the convenience to drivers is substantial. With car2go you can go to a commercial district and not have to interrupt your shopping to feed the meter. You can park and walk away and find another car2go when you want to leave. El Segundo, Gardena, and Lomita have approved car2go as of this writing. Hawthorne, Hermosa Beach, Lawndale, Manhattan Beach, Redondo Beach, and Torrance are the other cities that would be in the initial home area. That means you must begin or end a rental there but you can take the car anywhere that your travel takes you.

Car sharing is simply an idea whose time has come. Please join the growing list of supporters: Senator Roderick Wright, Assemblyman Isadore Hall, South Bay Association of Chambers of Commerce as well as the Hawthorne, Lomita, Redondo Beach and Torrance Chambers of Chambers and the Manhattan Beach Downtown Business Association and help the South Bay become a leader in this new form of personal mobility. Please let the city council know that you support car sharing in the South Bay. For more information on car sharing for the South Bay, please contact jacki@southbaycities.org.

CALENDAR

All meetings are open to the public

April

- 8 Measure R Oversight Committee & Steering Committee
- 10 GIS Working Group
- 17 Livable Communities Working Group
Infrastructure Working Group
- 25 **Board of Directors**

May

- 8 GIS Working Group
- 13 Measure R Oversight Committee & Steering Committee
- 15 Livable Communities Working Group
Infrastructure Working Group
- 16 Economic Development Roundtable
- 23 **Board of Directors**

June

- 10 Measure R Oversight Committee & Steering Committee
- 12 GIS Working Group
- 19 Livable Communities Working Group
Infrastructure Working Group
- 27 **Board of Directors**

Contact jacki@southbaycities.org for further information.

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