

South Bay Cities Council of Governments

Breakfast with Legislative District Staff MINUTES

Wednesday, May 14, 2014; 8:00 to 9:30 a.m.
South Bay Cities Council of Governments Theatre
20285 Western Avenue Torrance, California 90501

Flag Salute & Call to Order & Introductions

The meeting was called to order at 8:15 a.m. by the SBCCOG Immediate Past Chair Ralph Franklin, followed by the Flag Salute and introductions.

The following individuals in attendance introduced themselves:

Elected Officials and Board Members

Olivia Valentine, Hawthorne
Ralph L Franklin, Inglewood
Steve Napolitano, LA County D4
Britt Huff, Rolling Hills Estates
Mark Waronek, Lomita

Legislative Representatives

Maurice Lyles, Senator Boxer
Joey Apodaca, Congressman Waxman
Bill Orton, Senator Wright
Timothy Lippman, Assemblymember
Muratsuchi
Jennifer Zivkovic, Senator Lieu
Avelino Valencia, Assemblymember Hall
Myla Rahman, Assemblymember Bradford

City Staff

Eleanor Jones, Torrance
Michael Rock, Lomita
Artie Fields, Inglewood
Melanie McDade, Inglewood

Other Agencies

Jacki Bacharach, SBCCOG
Charles Gale, MWD
Jeffrey Kiernan, League of CA Cities
Natalie Champion, SBCCOG
Rosemary Locklow, SBCCOG
Steve Lantz, SBCCOG
Matt Horton, SCAG
Stan Myles, AQMD

SBCCOG Work Program Update

Jacki Bacharach discussed the Work Program handout distributed to attendees, which was also presented at the Board of Directors meeting in April 2014.

Direct Install Program: Jacki discussed the Direct Install Program, which provides energy-efficient equipment to faith-based organizations and requested that attendees take some of the flyers on the sign-in table to disseminate. Jacki shared that there was a similar program for municipalities, in which the South Bay cities saved approximately \$100,000 a year with the installation of the free equipment provided by this program.

Water Leak Detection: Jacki described the Water Leak Detection Pilot and the potential water and energy cost savings to be realized for the 4 participating South Bay cities: Inglewood's potential cost savings through this program is approximately \$70,000 per year; Lomita's potential

saving is \$39,000 a year and Manhattan Beach could save \$30,000 a year. Jacki discussed the Southern California Edison Energy Leader Program and shared that the SBCCOG platinum cities include Lomita, Lawndale, and Manhattan Beach, with anticipation of more cities becoming platinum within the next quarter. SCE has 7 platinum cities throughout their entire service area with 4 in the South Bay.

Transportation: Jacki discussed the maintenance fee for the I-110 ExpressLanes transponders and that Metro is planning to charge \$1/month for transponders to all consumers. Jacki requested the assistance of representatives in opposing a possible Metro attempt to divert funding from the ExpressLane revenues, which are supposed to go to betterments in the corridor, to fund Metro's operational deficit. The SBCCOG will be sending a letter requesting that Metro use the funds according to the original plan. Additionally, Jacki discussed the Adams Boulevard exit and how Metro is considering using the aforementioned funds to alleviate congestion around this exit. Jacki recommends that Metro find alternative funds for implementation of this regional project. She also solicited support from representatives to ensure that said funding is used for Corridor transportation improvements.

Measure R: The SBCCOG has approximately \$6 million in project completion and will continue to work with cities to complete more projects.

car2go: Jacki shared that car2go is establishing a presence in the South Bay, as the car sharing program will be located in six of the South Bay cities and mentioned car2go will be providing a presentation at the next Board of Directors' meeting.

New Projects: Jacki mentioned that the Southern California Regional Occupational Center's funding is in jeopardy and the SBCCOG is asking for support to ensure funding continues. Jacki shared that the SBCCOG recently formed a committee on senior issues, especially with certain cities having over 25 percent of their population comprised of seniors and stated that this is an increasingly important issue in the South Bay. Jacki mentioned the new Social Media Working Group to maximize what cities can do with social media; additionally, Jacki stated that the SBCCOG is looking into the feasibility of taking a more active role in addressing homelessness in the South Bay.

Legislative Matrix: Jacki referenced the Legislative Matrix distributed at the meeting entitled, "Bills to Monitor and for Action." Jacki is recommending that the Board oppose Proposition 42 on the ballot. Maurice Lyles from Senator Boxer's Office inquired if the Direct Install Program was available for school districts as well. Jacki said that she would try to see if such programs were available.

HERO Program - Jacki mentioned that 12 cities in the South Bay had joined the HERO program. Los Angeles County has not taken steps to allow assessments be taken from property tax bills in order for the program to begin; the agenda item has been delayed since it seems to have gotten linked to the County wanting to create their own program which will take time. HERO is available currently and will allow property owners to take immediate advantage of energy savings. The SBCCOG is asking cities to write or call the Board of Supervisors and say that this is a ministerial action, especially considering that 42 cities that have joined within the County cannot utilize the HERO program. Steve Napolitano representing LA County District 4 recommended cities write letters or call LA County Supervisor Antonovich, since Supervisor Knabe supports moving forward on this issue. Ralph Franklin advised Steve to share with cities how best to engage the LA County Board of Supervisors to move forward on this issue.

State Offices

Ralph Franklin mentioned topical areas for State discussion, including the successor agencies; he also recommended discussion about sequestration and the domino effect on cities' quality of life during the Federal reports.

Senator Roderick Wright's Office - Bill Orton discussed that three members of the Senate are away from their desk and had been voted by members of the Senate to be suspended. This is the first time in the history of the State Legislature to place members on suspension. This has direct implications for the number of votes, thereby eliminating a super majority; currently passing legislation requires more negotiation with the minority party. Bill also discussed leadership changes including the induction of the new Speaker of the Assembly Toni Atkins and the end of the tenure for Assemblymember John A. Pérez. Additionally, Bill shared that Senator Darrell Steinberg will no longer be the Senate President pro Tem after this year. Both these men were effective in guiding the Legislature through the Recession and the changes in leadership will have some effect on the types of and how policies are passed. Bill discussed the Rainy Day Fund and Proposition 30, which places strict limits on how money is used and deposited and where it will be derived from, especially as it pertains to Capital Gains. Bill discussed the May Revise and the Governor's conservative approach, resulting in \$2.5 billion of additional funds being added to the Rainy Day Fund, including \$1 billion allocated to Medi-Cal, with a third of California's deriving their healthcare coverage through Medi-Cal. Bill commented that the taxpayers of the State are making a significant social investment in the health care of Californians, with 11 million residents signing up through the Healthcare Exchange. The other \$1 billion will be allocated for education, with higher-education receiving \$150 million, in exchange for a freeze in tuition increases. The Governor is maintaining the promises he made and is trying to create a legacy, specifically around the Sacramento-San Joaquin Delta water tunnels and high-speed rail. Ralph Franklin requested representatives also discuss worker retention in California, in lieu of businesses leaving the State; Ralph asked representatives to identify what legislators are doing to address this issue through policymaking. Bill mentioned Toyota's departure from the State and how in the past, the Senator authored legislation to incentivize Toyota remaining in the State. Bill also shared many companies are staying in California and that the job picture is not as dire, with Northern and Southern California being the two leading regions in job creation in the nation. Timothy Lippman from Assemblymember Al Muratsuchi's Office shared that the Assemblymember is in conversation with the Governor's Office, Toyota and the City of Torrance's Economic Development Committee in an effort to assist Toyota employees who are staying and the impact on the City of Torrance. Timothy also shared that the Assemblymember introduced legislation that was signed into law to encourage and entice the aerospace industry to remain in the South Bay and California.

Senator Ted Lieu's Office - Jennifer Zivkovic inquired about the successor agencies. Jeff Kiernan from the League of California Cities shared information on AB 2280 entitled, "Community Revitalization and Investment Authorities" and the League's support of this legislation. Jeff also discussed the Governor's infrastructure program. Jennifer shared that Senator Ted Lieu is in touch with GO-Biz and the Pacific Gateway Workforce Investment Board, in order to create a special program for those Toyota employees who decide not to go to Texas due to the consolidated move and stated that additional funding will come from the State Workforce Investment Board. The May Revise included a \$60 million increase to the ports and addresses the unfunded liabilities in the teachers retirement system (CalSTRS) and continues to pay down education debt. Jennifer cited that Senator Lieu has sponsored SB 1388 entitled, "Human Trafficking," which is supported by LA County; the bill represents a paradigm shift by increasing the penalties and fines associated with trafficking and provides funding for the victim. Metro and Clear Channel Communications, Inc. have developed a public service announcement and

marketing campaign to bring attention to human sex trafficking. Regarding SB 511 entitled, "Trade Promotion of California Ports: California Export Finance Office," Jennifer shared that an important amendment is pending for the bill, which requires GO-Biz to establish a committee comprised of a group of stakeholders to promote the ports, especially due to the economic impact of the expansion of the Panama Canal on the jobs that the ports currently provide. Approximately 25 percent of California's port business will be diverted to the Panama Canal, and the amendment seeks to bring back the California Export Finance Office, which will help businesses export through loan guarantees. Senator Lieu chairs the Joint committee on Arts and introduced SB 1432 "Arts Council: grants," which seeks to increase funding to the California Arts Council. Jennifer discussed the findings from the Otis Report on the creative economy of the Los Angeles region, which has a \$273 billion impact, including 1.4 million in jobs and \$13 billion in tax revenues. Jennifer stated that California is the lowest funded State as it pertains to investments in the creative economy. Senator Lieu is proposing to increase funding by \$25 million into the arts, which will bring back \$175 million in revenue to the State. Jennifer stated that the funding allocation for the Southern California Regional Occupational Center was not included in the May Revise, however, there is an effort to include this item in the budget as part of the Senate Subcommittee 1 on Education, chaired by Senator Marty Block, with the backup plan being to include it in Assemblymember Al Muratsuchi's bill as a last resort. Ralph Franklin requested representatives discuss the reentry and early release of prisoners back into communities and whether there is available funding for local law enforcement since they must monitor the return of prisoners.

Assembly Member Steve Bradford's Office - Myla Rahman shared that many constituents are concerned about the early release of prisoners and Assemblymember Bradford has authored legislation to increase the funding for reentry programs, services and assistance. The Assemblymember is also pushing legislation (AB 2311 and AB 15) that will address the needs of veterans and recidivism, specifically through housing, education, medical and addressing the issue of homelessness within this demographic. Regarding worker retention, Assemblymember Bradford introduced legislation that provides incentives to businesses that utilize alternative energy plants, with a meeting scheduled at the end of May inviting businesses to discuss how the Assemblymember can help businesses remain in the South Bay.

Assembly Member Al Muratsuchi's Office - Timothy Lippman discussed how the May Revise accelerates payments to schools that experience payment deferrals during budget cuts in previous years. Timothy shared that the Governor continues to work on the Rainy Day Fund through negotiations with both Houses. Regarding Toyota, the Assemblymember continues to work with the Governor, especially advocating for the employees remaining in State. Timothy stated that Toyota is not leaving because of the business climate, but as part of a business strategy to consolidate several State operations. Timothy stated that the Governor did not include a funding allocation for the Southern California Regional Occupational Center in the May Revise, but the goal is to get the aforementioned item included in the budget through upcoming hearings by the Assembly Budget Subcommittee No. 2 on Education Finance, chaired by the Assemblymember. The alternative plan is to ensure a direct line of funding through AB 2216 entitled, "Regional occupational centers and programs: funding," which is supported by the SBCCOG. Regarding legislation, the Assemblymember did sponsor a bill dealing with the realignment issue, probation and parole. However, said bill failed in the Assembly Committee on Public Safety chaired by Assemblymember Tom Ammiano. AB 777 entitled, "Taxes: exemption: space flight property," sponsored by the Assemblymember, with support by LA County, was signed into law. AB 2188 entitled, "Solar energy: permits," which deals with streamlining small solar panel residential installations, specifically 10,000 kilowatts or less, is supported by the solar industry, including Verengo Solar and is doing well, passing the Assembly Committee on Local

Government with a vote of 7-0. The Assemblymember continues to work with the League of California Cities, who opposes this measure, and public safety officials and welcomes input from local officials on how they are implementing their solar panel installation programs and processes. AB 2710 entitled, "Public schools: school superintendent contracts: ethics training," is currently in the Assembly Committee on Appropriations, which creates a transparency mechanism and ethics training for school boards with regards to superintendent compensation. AB 2013 entitled, "Vehicles: high-occupancy vehicle lanes," is an extension of the specified label for vehicles to use lanes designated for high-occupancy vehicles (HOVs), increasing the number of those green identifiers that the DMV is authorized to issue to 85,000 and will take effect immediately as an urgency statute, if approved; the bill is currently in the Assembly Committee on Appropriations.

Assembly Member Isadore Hall, III's Office - Avelino Valencia stated he will be attending the SBCCOG Legislative Briefings and will be providing more updates during the July Briefing. Valencia announced that the Assemblymember will be hosting a Senior Scam Day Friday, May 16 from 10 am to 4 pm.

City Issues Identified for Discussion & Dialogue

Regional Occupational Centers - Jeff Kiernan from the League of California Cities mentioned that in the Governor's May Revise, there is a measure to increase funding, totaling \$40 million to increase frontline public safety officers at the local government level. Jacki Bacharach discussed AB 2216 entitled, "Regional occupational centers and programs: funding," and the changes the bill has undergone during negotiations. Timothy Lippman stated that the referenced bill would be amended based on the conclusion of the negotiations.

Business Retention - Olivia Valentine from the City of Hawthorne applauded the legislators who are concerned with keeping businesses in the State. Olivia shared that she attended the recent Business to Business (B2B) Roundtable hosted by Assemblymember Hall, and that some business owners mentioned that they would not be expanding their operations within the State, in cities like Hawthorne, but would be moving out-of-state because of the lower taxes, thereby increasing the threat of businesses leaving the State. Olivia emphasized the need to find out what other states are doing to lure businesses, especially considering the loss of certain portions of the film/entertainment industry and other states' advertising in California enticing local businesses to relocate.

Strategic Growth Council Grants - Steve Lantz discussed the Strategic Growth Council grant application process, with several cities in the South Bay applying such grants and the importance of state support from the legislators as the deadline approaches for May 21. Steve mentioned that Metro has changed its funding; Metro used to fund bikeways, pedestrian projects and transportation enhancement, but recently, the State has assumed control through the Federal Transportation Program MAP-21. Timothy Lippman stated the Assemblymember will support cities pursuing such grant funding. Jacki Bacharach shared that the SBCCOG also applied for funding and thanked those who supported the SBCCOG application for Strategic Growth Council grant funds. Michael Rock inquired about how the proliferation of massage parlors correlates to human trafficking.

League of California Cities - Jeff Kiernan discussed and distributed several handouts during the meeting including the following: "Massage Therapy Act of 2014: Summary of Major Changes and Support," "Torrance and Lomita Massage Establishments," "AB 2550 (Hernandez) Election Dates (Oppose)," "Marijuana Update" and "League of California Cities: The Leading Voice for California Cities." Regarding the issue of massage parlors, Jeff shared that AB 1147 entitled,

"Massage therapy," will assist in gaining control over the expansion of massage parlors and requested cities provide updated letters of support, since the amendments to the bill has altered the previous content. Regarding marijuana, SB 1262 entitled, "Medical marijuana: regulation of physicians, dispensaries, and cultivation sites," will codify how cities are able to ban dispensaries and is sponsored by the League; AB 1894 entitled, "Falsely filed liens or encumbrances," is opposed by the League and would require that cities have one dispensary per 10,000 people, and take away the cities ability to ban dispensaries. SB 1262 is helping the League to establish regulatory structures, although legalization of marijuana is not on the November ballot, but may be on the ballot in 2016. Regarding AB 2550 entitled, "Election dates," Jeff stated the bill would require all city elections to coincide with the statewide ballot, and would eliminate all the March and April election dates, causing a longer ballot and possible voter fatigue. Similarly, Jeff stated that AB 2715 entitled, "District-based municipal elections," would require that all cities with a population over 100,000 have district-wide elections; however, during the hearings, it was recommended to drop the population threshold so that all cities would have to adopt district-wide elections regardless of size, which could pose a problem for elected officials not residing in said district, in addition to increasing costs for district setup. Regarding SB 2188, the League is against this bill, as it gives special consideration to certain types of permits. Regarding Cap and Trade in the May Revise, Jeff stated that \$600 million in transportation funding and \$850 million in environmental quality funding was allocated for cities on an annual basis. Jeff mentioned that the League is continuing to work on the Water Bond in order to make sure that cities receive some of the funding for local storm water maintenance, since regulations are putting pressure on local governments to become compliant in managing and monitoring storm water. Regarding AB 1025 entitled, "Department of the California Highway Patrol," the Governor signed said bill into law, which doubles the amount of time that public safety employees qualify for workers compensation. Olivia Valentine stated that implementing of AB 2550 may be in response to low voter turnout and that it would cut down on the confusion voters may have regarding when and where they are able to vote. Ralph Franklin shared that since the City of Inglewood is a charter city, it would prohibit currently seated council members from running for the mayoral position.

Federal Offices

Senator Barbara Boxer's Office - Maurice Lyles discussed that Senator Boxer's transportation bill, which will keep the MAP-21 construction funding the same, adjusting for inflation; Maurice also discussed the Highway Trust Fund and the Federal Gas Tax, which has not been adjusted since its enactment in 1993. Maurice stated that it might be difficult to get the adequate support to increase the gas tax, which is currently \$.31 per gallon, since it is an election year and with the increase in gas prices. Maurice mentioned that the Senator chairs the Senate Environment and Public Works Committee and focuses on national infrastructure and is currently working on HR 3080: The Water Resources Reform and Development Act of 2014, which should go to the House for a vote next week and is expected to pass. Maurice mentioned that the Senator has also released a new report entitled, "Medical Errors: A Report by the Staff of U.S. Senator Barbara Boxer," which details the most common and harmful errors at hospitals and what California is doing to prevent them. Maurice has a list of hospitals that have responded to correcting medical errors available upon request. Regarding student loans, Maurice shared that the Senator has co-sponsored a bill for emergency student loan refinancing at the low interest rates that current students receive. Regarding the rental car bill, Maurice shared that the Senator is pushing for legislation that will require rental car companies to comply with removing recalled vehicles from their lots. Maurice shared that TIGER discretionary grants for infrastructure and transportation are available for the SBCCOG or cities, and said to contact him for more information.

Congressman Henry Waxman's Office - Joey Apodaca shared the Congressman's support for the "Make It In America" plan for developing a national manufacturing strategy to promote the export of U.S. goods, encourage businesses to return jobs and innovation back to the U.S., and train the 21st Century workforce. The goal is to receive bipartisan support through the negotiation process. Joey stated that the Congressman is a strong supporter of aerospace and defense, especially as both undergo the annual appropriation and defense authorization process. Joey mentioned that the Congressman supports the bipartisan effort to get the Navy's unfunded budget priority of 22 additional essential tactical aircrafts included in the budget, especially considering that the 33rd district is the largest producer of such aircraft. Joey also mentioned that the Congressman is also in support of the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education and Science (COMPETES) Reauthorization Act.

Comments

Matthew Horton from the Southern California Association of Governments (SCAG) shared that SCAG is working with Metro in administering the Active Transportation Program and to contact him if cities are interested in pursuing funding through MAP-21 and other such programs.

Ralph Franklin thanked all those in attendance for their reports and support of the SBCCOG. Ralph recapped the meeting and major points including worker retention, medical marijuana dispensaries, HERO, realignment, human sex trafficking, infrastructure, and aerospace preservation in the South Bay.

Stan Myles from the South Coast Air Quality Management District (AQMD) shared a flyer distributed at the meeting entitled, "26th Annual Clean Air Awards," to be held October 3, 2014 at the Millennium Biltmore Hotel. Stan welcomed cities and state representatives to nominate projects for the award and he offered to assist with the application process upon request.

Artie Fields from the City of Inglewood introduced Melanie McDade, the Mayor's Legislative Liaison, and stated that she is the contact to offer assistance for letters of support and other issues.

Jacki Bacharach mentioned that the next two Legislative Briefing meetings will occur on Thursdays July 10 and October 9.

Adjourn

There being no further business, the meeting was adjourned by SBCCOG Immediate Past Chair Ralph Franklin at 9:42 a.m.

Respectfully Submitted,
Natalie Champion
South Bay Cities Council of Governments