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2012 FEDERAL PRIORITIES

PROTECTING LOCAL REVENUE AND LAND USE AUTHORITY

California local governments are enduring extremely difficult fiscal circumstances in the national economic downturn, and already face limited options to generate revenue to provide valuable services. Local government land use and revenue authority is critical to the federal-state-local partnership effort to advance community and economic development and must be preserved. As such the League urges Congress to:

- Oppose legislation that would reduce or eliminate local government resources by providing a tax moratorium for the expanding and profitable cellular telecommunications industry;
- Oppose legislative and administrative efforts by online travel companies to circumvent remittance of transient occupancy taxes to local governments from hotel reservations purchased using the internet;
- Oppose legislation that would preempt California local government's ability to regulate and collect revenue derived from state and local use taxes;
- Ensure that federal legislation addressing eminent domain does not severely impact states, like California, which have strong laws that limit the use of the tool and have strong protections for property owners. The seldom-used but important tool allows communities in California to convert to safe and affordable housing, to clean up environmentally toxic areas, and to assist impoverished, economically depressed neighborhoods; and
- Ensure that local polices retain as much discretion as possible in the time, place, and manner in which telecommunications equipment may be sited on public and private property.

COMMUNITY AND ECONOMIC DEVELOPMENT

With the statewide unemployment rate at over 11% and an ongoing state budget deficit of \$5 billion, California cities need jobs and economic investment to overcome the national economic crisis. The League urges Congress to:

- Preserve full funding for the Community Development Block Grant (CDBG) program, which is critical in assisting urban and rural cities throughout California with creating jobs, providing affordable housing, eliminating blight and generating new economic investment. In addition, seek flexibility in the CDBG state program to enhance the use of the program by California's 314 non-entitlement cities (cities under 50,000); and

- Maintain the tax exempt status of municipal bonds, which are a critical tool used by local governments to finance much needed community and capital improvement projects.

AFFORDABLE HOUSING

As the state's population continues to grow and California grapples with the effects of the national mortgage crisis, our cities are deeply concerned with the need for affordable housing. The League urges Congress to:

- *Resource Efficient Development.* Support legislation and proposals that provide incentives and resources to expand local redevelopment planning policies that integrate housing, transportation and land use and assist in the reorganization and replacement of existing support infrastructure for California's growing population;
- *Workforce Housing:* Seek the creation of new initiatives that provide affordable housing to working families. The housing shortage has particularly affected low- and middle-income families. In many areas, workers who provide basic services to local governments, such as teachers, firefighters, and police officers, cannot afford to live in the communities where they work;
- *Section 8 Housing Choice Vouchers:* Preserve full funding of the Section 8 program, which assists very low-income families, the elderly and the disabled afford decent and safe housing;
- *Home Investment Partnerships Program (HOME) Program:* Preserve funding for the HOME program, which directs formula grants to local governments to create affordable housing for low-income households;
- *Preservation of Affordable Housing:* Support initiatives that provide a variety of financial restructuring options, such as loan forgiveness, payment deferrals, grants, loans and loan guarantees to preserve rental housing for long-term affordable use; and
- *Housing Tax Incentives:* Seek tax incentives to promote investment in the production of multifamily rental housing, including expanding the Low Income Housing Tax Credit to create mixed income developments.

WATER AND WASTEWATER INFRASTRUCTURE

California cities' water and wastewater systems need a significant overhaul to keep the world's eighth largest economy moving. There has been almost no new investment in California's water and wastewater systems in more than 30 years. This delay puts increasing pressure on the state for action as California is expected to grow by 10 million by 2020 and is working to meet new, more stringent standards for safe drinking water and clean water. The League urges Congress to:

- Provide adequate and reliable long-term financing solutions for municipal water delivery, maintenance and treatment needs to meet federally mandated water quality standards and maintain the vital infrastructure necessary to ensure the availability of clean water for an increasing population.
- Enact legislation that would exempt Private Activity Bonds for water and sewage facilities from the state volume caps and expand the application of innovative

financing mechanisms, such as the Transportation Infrastructure Financing and Innovation Act (TIFIA) to local water infrastructure projects.

SAFETEA-LU REAUTHORIZATION

California has more than 186,000 miles of roadway and one of the most developed transit systems in the nation. California's cities and counties are responsible for administering the local streets and roads that connect with the state and federal highway system, a total of 82% of the total roadway miles in the state. Our transportation systems face rapidly growing vehicle use by an ever increasing number of new drivers. The cost of building new lane miles rises much faster than inflation and road maintenance needs increase with the age of the freeway system. In a recent survey of cities and counties, California's local streets and roads system was found to be at risk of falling into "poor" condition. In order to bring the local streets and roads system up to best management practices – the most cost effective condition – California local governments need additional funding of \$78.9 billion over the next 10 years. As Congress begins to consider the reauthorization of the nation's highway and transit laws, the League urges Congress to:

- Support federal legislative efforts that support and encourage local and regional transportation and land use planning that takes into consideration housing and economic development strategies as well as energy and water conservation to reduce congestion, increase mobility and community access, improve air quality and public health and create jobs;
- Make reconstruction and preservation of the existing system a high priority for expenditures; and target funds for maintenance to local agencies, which are charged with administering the system; and
- Support federal transportation legislation that fully utilizes a federal, state and local partnership to develop multi-modal transportation solutions to reduce congestion, streamline transportation project delivery and integrate transportation planning solutions for the nation's highway, rail, air and port freight systems to achieve more efficient goods movement.

PUBLIC SAFETY/HOMELAND SECURITY/DISASTER PREPAREDNESS

California's cities are on the front line of the war on terrorism and crime. To strengthen California's homeland security, emergency preparedness and crime-fighting efforts, the League urges Congress to:

- Maintain federal investment in resources critical to enabling local law enforcement to adequately provide public safety, including full funding for the Byrne/Justice Assistance Grants (JAG) program and the Community Oriented Policing Services (COPS) program, and extend suspension of the COPS grant's local cost share requirement;
- Maintain full funding for the Staffing for Adequate Fire and Emergency Response (SAFER) and the Assistance to Firefighters grant programs and retain the local cost share waiver for both programs;

- Support the allocation of the 700 MHz D Block of spectrum to public safety and identify and extend federal resources to assist in the construction of integrated public safety communications systems;
- Maintain funding for disaster preparedness, prevention, recovery, and response for all-hazard threats, including investment in assisting communities with necessary upgrades to existing flood control systems; and
- Support full funding for the Interoperable Emergency Communications Grant Program; and maximize first responder funding to California cities, as well as flexibility in the use of funds to assist areas of need (i.e. personnel, training, and target hardening).
- Support federal funding and/or full reimbursement for local training programs for the federal Commercial Mobile Alert System (CMAS)/Personal Localized Alerting Network (PLAN) emergency communication tool.

ENERGY EFFICIENCY

In California, 31 million of the state's 38 million residents live in cities. For this population California's cities continue to work collaboratively with its state and regional partners to implement community development strategies that increase energy efficiency and reduce consumption of energy sources that create pollution and impact public health. This effort has been effective in reducing local government operating costs and relieving the strain of the national economic downturn on struggling communities. To continue these successful campaigns and effectively accomplish the goals of local governments under these initiatives, the League urges Congress to:

- Support federal resources to assist regional and local governments in developing and implementing energy efficiency and conservation strategies that reduce costs, expand community access and protect public health;
- Support federal incentives that assist local governments in integrating new growth into existing communities, and develop and implement transportation, land use and building policies that encourage maximum use of resources and lower energy consumption; and
- Ensure that local governments can continue, and not be preempted in, their efforts to achieve economic improvements through increased energy efficiency and conservation plans that seek to decrease carbon emissions.