



# Local News RoundUp

October 10, 2013

## PENSIONS / EMPLOYEE RELATIONS

[Mountain View: City-Funded Affordable Housing Projects to Pay Prevailing Wage \(\*San Jose Mercury News\*\)](#)

Construction workers hired to build city-funded affordable housing projects in Mountain View will be paid a prevailing wage going forward.

On Tuesday, the city council voted 6-1, with Mayor John Inks opposed, to expand a policy that has long applied to public works projects and developments funded by the federal government or through housing impact fees. The higher pay, council members reasoned, will help keep workers who build affordable housing projects from needing affordable housing themselves.

[San Jose Mayor Days from State Pension Measure \(\*Contra Costa Times\*\)](#)

San Jose Mayor Chuck Reed said Wednesday he hopes to file papers within days for a statewide constitutional measure that would empower governments to trim pension benefits for their workers' remaining years on the job.

Reed, who has been building support for such a measure over the past year, made his remarks as a keynote speaker for the California Public Pension Solutions Conference at the Hoover Institution.

[Deal Cut to Give Atherton Cops Raises but Make Them Pay More for Benefits \(\*San Jose Mercury news\*\)](#)

Atherton police will get a 5 percent raise over the next three years, but have to chip in more toward health benefits and pensions, under a deal reached between the city and police union.

As a result, Atherton could save more than \$100,000 a year in health care costs alone, City Manager George Rodericks said Wednesday, adding that the town came out ahead in the deal.

[Judge Throws Out Racketeering Allegations by Union Members \(\*Los Angeles Times\*\)](#)

A federal judge has thrown out allegations by labor activists in Los Angeles that their local and international union engaged in racketeering and corruption that sapped a pension fund and other funds designed to benefit members.

## CITY PLANNING & DEVELOPMENT

[Milpitas Council Will Review Plan to Sell Property to School District \(\*San Jose Mercury News\*\)](#)

Milpitas City Council on Tuesday is expected to review Milpitas Unified School District's proposed cash for land swap regarding a key McCandless Drive property that school leaders hope to develop into a new elementary and middle school.

[Council Reviews Land Use Policies \(\*St. Helena Star\*\)](#)

After months of reviewing the draft General Plan, the St. Helena City Council arrived Tuesday at the heart of the plan, the chapter detailing the city's land use policies.

The council added some policies encouraging the preservation of agriculture and open space and removed one that discouraged low-density development.

However, councilmembers agreed not to change the city's key housing policies until the council updates the General Plan's Housing Element, a process which should start soon after they finish the rest of the plan.

### [Albany: Sides Make Case on UC Project \(Inside Bay Area\)](#)

The city has added a page to its website [www.albanyca.org](http://www.albanyca.org), under the Top Stories section) promoting the controversial University Village mixed-use development that is currently working its way through the planning process.

"The project will revitalize a vacant lot that historically included World War II-era worker barracks and student housing," the page reads. The project currently includes a Sprouts Farmer's Market and senior housing. It was the subject of a Planning and Zoning Commission meeting on Oct. 9.

## **REDEVELOPMENT**

### [Lots of Debts to Pay as Modesto Redevelopment Agency Dissolves \(Modesto Bee\)](#)

Modesto's now-defunct redevelopment agency has nearly \$129.7 million in unpaid obligations, including \$77.7 million in loans owed to the city of Modesto.

Exactly when that debt finally will be paid off isn't known, but city officials estimate it will take another 25 to 35 years.

### [City of Milpitas Plans to transfer 6 Acres to Developer Free \(San Jose Mercury News\)](#)

City officials claim they must act swiftly to resurrect a low-income senior housing project that was planned but delayed by the recessionary economy and the 2011 dissolution of Milpitas Redevelopment Agency, in order to avert a potential state takeover.

### [California State Controller's Office Orders Cerritos to Sell \\$170 Million in City Property \(Downey Beat\)](#)

In a devastating blow that will send shockwaves across the city of Cerritos, Hews Media Group-Community News obtained the California State Controller's Office (SCO) review on Tuesday confirming that transfers recorded by the Cerritos City Council and the Cerritos Redevelopment Agency were unallowable under ABX1 26, and the city must return over \$170 million in property and cash to the Successor Agency.

## **REVENUE & TAXATION / FINANCE**

### [Business Tax Hike on Ballot: Foster City Wants Increase; Fees Haven't Seen Increase Since 1971 \(The Daily Journal\)](#)

Foster City residents will choose this November whether to update the city's business license tax to raise an extra \$700,000 by fiscal year 2015-16 for the city's general fund.

The council voted in June to put Measure U on the ballot after officials with the Finance Department and Chamber of Commerce reached out to the city's largest businesses such as Visa, Pacific Gas and Electric and the Crowne Plaza Hotel before bringing the item to the council for a vote.

The extra income will help trim from the city's expected \$1.35 million deficit projected in the coming years.

### [Strong Economy, Fiscal Control Boost San Francisco Credit Rating \(San Francisco Business Times\)](#)

San Francisco's strong economy has helped the city boost its credit rating.

Mayor Ed Lee said Wednesday that major bond rating agencies upgraded San Francisco's credit after a meeting in August with Moody's Investors Service, Standard & Poor's and Fitch Ratings.

Cities want strong credit ratings in order to get the best terms when issuing bonds.

### [Riverside County: Development Fee Cuts Extended \(The Press-Enterprise\)](#)

Riverside County supervisors voted Tuesday to extend a 50 percent cut in development impact fees, despite a report showing the county has lost more than \$12 million since the fees were first lowered.

## **BANKRUPTCY**

### [Stockton Gives CalPERS a Pass, but Pension Costs Still Big Issue \(Sacramento Bee\)](#)

For government workers across California nervous about their retirement benefits, Stockton's bankruptcy plan would seem like cause for relief: The city says it will leave pensions untouched and will continue making all its required payments to CalPERS.

But Stockton's plan, approved by the City Council last week, is hardly the last word in the debate over

whether local governments can legally cut employee pensions to reduce their financial burden.

## **HEALTHCARE**

### [Covered California Says Health Plan Enrollment is Higher than Expected in First Week \(Modesto Bee\)](#)

More than 28,000 Californians were signed up for health insurance in the first week of Affordable Care Act enrollment, which was more than expected, the state health exchange said.

Officials said the Covered California exchange increased the bandwidth for the [www.coveredca.com](http://www.coveredca.com) site, meaning it should be easier for local residents to enroll online.

## **TRANSPORTATION & INFRASTRUCTURE**

### [State to Spend \\$359 Million in New Transportation Projects \(Central Valley Business Times\)](#)

The California Transportation Commission on Wednesday allocated \$359 million to 36 projects including highways, bike paths and passenger rail.

“These projects allow millions of dollars to flow into construction and produce enormous economic benefits for California,” says Caltrans Director Malcolm Dougherty.

Bay Area Rapid Transit (BART) received \$140 million from Proposition 1A, the high-speed rail bond, to purchase 46 new rail cars that will provide new service from the BART/Caltrain Millbrae Station directly to San Francisco International Airport.

The Central Valley projects total more than \$90 million.

## **PUBLIC SAFETY**

### [Yolo Helps Rehabilitated Criminals Clean Up Records \(Daily Democrat\)](#)

Yolo County Public Defender Tracie Olson announced the launch of the Record Mitigation and Community Reintegration Clinic.

The result of a collaboration between the Public Defender's Office and the UC Davis School of Law, the clinic will help rehabilitated offenders clean up their criminal records to remove barriers to economic stability and avoid recidivism.

## **FEDERAL SHUTDOWN**

### [Government Shutdown Hits Santa Barbara \(The Daily Nexus\)](#)

Local tourism group Santa Barbara Adventure Company has lost \$30,000 in possible revenue after eight days of a federal government shutdown, and the business is just one of many local services and groups that are hurting.

## **LEGISLATION**

### [Brown to Sign Vets Housing Law \(San Diego Union Tribune\)](#)

Gov. Jerry Brown plans to sign legislation in San Diego Thursday that will ask voters to spend preapproved bond money to provide rental housing and related services for veterans instead of restricting the funds to loans for buying single-family homes and farms.

“It speaks to the commitment we all have to stand up and create housing opportunities for veterans who put their lives on the line for us,” Assembly Speaker John Pérez, D-Los Angeles, said in an interview. Pérez carried Assembly Bill 639, which would put the issue before voters in June.

### [Brown Signs Law by L.A. Councilman Putting Teeth in Mobile Ad Bans \(Los Angeles Times\)](#)

On Tuesday, Gov. Jerry Brown signed into law a bill that Blumenfield introduced as a legislator that will help cities, including his own, crack down on unlawful mobile advertising displays.

The League of California Cities supported the Blumenfield bill for providing “a resolution that is in between a tow ticket and issuing a misdemeanor.”

## **ENVIRONMENT**

### [Santa Barbara Picks Drilling Over Greening \(Ca/Watchdog\)](#)

Santa Barbara is ground zero for the environmental movement in California after the infamous Union Oil Company oil spill in the Santa Barbara Channel in 1969. Almost 45 years later, the Santa Barbara County Planning Commission approved 136 new oil wells on 32 acres in the unincorporated area of Orcutt in Santa Maria Valley.

The Orcutt project signals that local governments are now willing to overcome environmental opposition in return for jobs and tax revenues. Over 80 percent of Santa Barbara County's debt comes from unfunded pensions.

## **IN OTHER CITY NEWS**

### [Putnam Award for Excellence Goes to Mammoth Gateway Project \(Sierra Wave Media\)](#)

After three years of meticulous planning, indomitable fundraising and generous contributions from the entire community, the Mammoth Gateway Project is now complete and has been awarded the 2013 "Putnam Award for Excellence" from the League of California Cities.

"The Mammoth Gateway Community Project illustrates how cooperation between local, state and federal agencies as well as business and community volunteers can help make a lasting first impression for visitors in a town where the local economy is highly dependent on tourism," stated Elizabeth Tenney, Planning and Economic Development Commissioner.

### [City Partners with PR Firm: Millbrae Officials Want to Educate Public on its Financial Situation \(The Daily Journal\)](#)

With a tax set to expire next spring, the Millbrae City Council approved an agreement with Ground Floor Public Affairs to proceed with plans to educate the public on the city's financial history and economic development.

At its meeting Tuesday night, the council voted 5-0 for a \$30,000, four-month partnership with the public relations firm to work on the Millbrae Financial Sustainability Program.

The city's fire suppression assessment tax is up June 30, 2013 and the tax is a potential June ballot measure. Millbrae voters originally passed the \$144 annual fee for fire services on single-family homes in 2004 as one solution to address the city's budget crisis, which began in 2001. It was extended in 2009 and the tax brings in about \$1.2 million per year to the general fund, according to a staff report.

### [South Pasadena to Hire 'Principal Management Analyst' to Replace Transportation Manager \(Pasadena Star-News\)](#)

In two weeks, the City Council will seek to hire a principal management analyst who will usurp the deactivated transportation manager position, City Manager Sergio Gonzalez said.

The new job title is part of South Pasadena's new "management generalist series," an employee strategy the City Council adopted on July 17.

### [City Can't Intervene in Twelve Oaks Sale but Could Buy Property \(Glendale News-Press\)](#)

While City Hall can't legally put the brakes on a nonprofit's plan to close and sell a senior living facility, there could be other options that might thwart the move, some of which officials suggested be taken up by private citizens.

"I do think legally it's next to impossible for us to put together any moratorium that is going to stand up," said Councilman Frank Quintero at a Tuesday City Council meeting. "This is a very difficult position we're put in, and when I say we, I mean the community."

### [California Ranks 18<sup>th</sup> in Tax Foundation's Business Climate Index \(Sacramento Bee\)](#)

California ranked 48th out of 50 states in the Washington, D.C.-based Tax Foundation's 2014 State Business Tax Climate Index.

The index, now in its 10th edition, collects data on the 50 states' tax provisions and compares the scores. While the foundation cited "improvements" in California's corporate tax code, the state was ranked above only New Jersey and No. 50 New York.

### [California Cities Fight Growing "Regionalism" and State Domination \(Halfway to Concord\)](#)

When the State of California was going through the worst of their budgetary crisis as Jerry Brown took

office, funds given redevelopment agencies were curtailed. At the same time more responsibilities were passed down without matching funds to pay for these services.