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IN THIS ISSUE:

Page 5: One Week Left to Submit 2016 City Managers Department Meeting Session Proposals
New Federal Water Rules Released
California City Solutions: Palm Springs Becomes Bike-Friendly with New Infrastructure

Budget Committees Finish Work, Negotiations to Continue in Joint Conference Committee

Placeholder Language on Redevelopment Proposal Included

The [Assembly Budget Committee](#) on Wednesday adopted the FY 2015-16 budget reports from its budget subcommittees by a vote of 15-8, moving it to the full joint-house Budget Conference Committee. The Senate took this action last Friday. *For more, see Page 2.*



Update: 2015 League Hot and Priority Bill Status; Transportation, Housing Bills Move to Floor

Three League of California Cities-supported bills that together could provide billions of dollars for much-needed maintenance of city streets and millions more for affordable housing programs passed out of Appropriations on Thursday during suspense hearings upon adjournment of session. *For more, see Page 2.*



Future CalPERS Rate Increases Being Studied to Manage Fund Risk and Volatility

Don't Miss This CalPERS Webinar Next Week to Learn More

City officials who have just stretched to accommodate the current round of CalPERS rate increases into their FY 2015-16 budgets are **STRONGLY** urged to tune in next week for a CalPERS webinar explaining the options the CalPERS Board of Administration is studying to reduce risk and volatility in the fund. Both strategies are intended to ensure the long-term sustainability of the fund and **will have impacts to member and employer contributions in the future.** It is important to note that taking no action may pose an even higher risk of rate increases in the future. *For more, see Page 4.*

'Budget' Continued from Page 1...

Redevelopment Dissolution

On the redevelopment dissolution issue, both houses adopted placeholder language while discussions continue.

During Wednesday's hearing, Assembly Member Mark Stone (D-Scotts Valley) asked Assembly Member Adrin Nazarian (D-Sherman Oaks), chair of the Assembly Budget Subcommittee #4 on State Administration, about the significant issues cities have with the proposal. These were acknowledged and will be part of further budget discussions. The League's position on the proposal contained in the May Budget Revise is detailed in the League's opposition [letter](#) and [analysis](#) sent to the Budget Subcommittee #4 in each the Assembly and the Senate.

Public Safety Funding

Another issue being tracked by the League is grant funding for front line public safety.

The Assembly Budget Committee approved \$40 million to be allocated to be earmarked as follows:

- \$20 million is to be allocated as originally proposed in Gov. Jerry Brown's Budget;
- \$5 million is to be earmarked for grants for local agencies that want to acquire body cameras; and
- \$15 million will be made available to police departments that submit data on use of force incidents by law enforcement officers resulting in either death or hospitalization.

Likely there will be a specific format and reporting method that the state will require. Once that data is submitted, local police departments obtain access to the funds. The League is reviewing this proposal in conjunction with the California Police Chiefs Association.

Budget Conference Committee

The Legislature is constitutionally required to send the Governor a budget by June 15 for implementation on July 1 of each year.

The members of the joint FY 2015-16 [Budget Conference Committee](#) were announced on Thursday. This committee comprises six members, two Democrats and one Republican from each house of the Legislature.

Committee members:

- Sen. Mark Leno (D-San Francisco), chair
- Assembly Member Shirley Weber (D-San Diego), vice chair
- Sen. Ricardo Lara (D-Bell Gardens)
- Sen. Jim Nielsen (R-Gerber)
- Assembly Member Richard Bloom (D-Santa Monica)
- Assembly Member Melissa Melendez (R-Lake Elsinore)

The Budget Conference Committee will begin [meeting](#) on Monday, June 1 in the State Capitol, Room 4203.

'Suspense' Continued from Page 1...

All three bills now move to the floor of their respective houses:

- SB 16 (Beall), which would create a five-year funding program to address deferred maintenance on the local streets and roads system and state highway system. The bill would raise an estimated \$2.8 to \$3.6 billion annually through a 10-cent increase in the gas tax, a 12-cent increase in the diesel tax, a \$35 vehicle registration fee increase and a new \$100 surcharge for zero-emission vehicles. The bill also includes a vehicle license fee increase of 0.35 percent to backfill the general fund for the shift in weight fees. Five

percent of revenues would be set aside to incentivize counties without a local transportation funding measure to approve such a measure.

- AB 1335 (Atkins), which would generate up to \$700 million per year for affordable rental or ownership housing, supportive housing, emergency shelters, transitional housing and other housing needs via a \$75 recordation fee on real estate transactions. This fee would not apply to home sales.
- AB 35 (Chiu and Atkins), which would increase the state’s Low Income Housing Tax Credit by \$300 million to build and rehabilitate affordable housing.

Another bill from the League's Hot and Priority Bills List, AB 266 (Cooley) — which provides a framework for medical marijuana distribution — passed out of committee. A merger of that bill and AB 34 (Bonta), which was held, is planned. Discussions between the authors are ongoing.

The League and California Police Chiefs Association are co-authors of AB 266.

Bill Status Update

The following list reflects the current standing of several priority bills of interest to the League after this week’s fiscal committee deadline.

Bill titles are hyperlinked to provide additional information on current bill status and find sample letters that cities can use. Please note, as the legislative session progresses, bills may be added/subtracted and positions are subject to change.

Bill #	Author	Subject	Position	Status	Notes
Assembly Appropriations Suspense File					
AB 22	Rodriguez	Office of Emergency Services: oil-by-rail spills: firefighters	Support	Passed out of Appropriations	
AB 34	Bonta	Medical cannabis regulation and enforcement	Oppose unless amended	Held	Hot
AB 35	Chiu and Atkins	Income taxes: low-income housing: allocation increase	Support	Passed out of Appropriations	Hot
AB 45	Mullin	Household hazardous waste	Oppose	Held	Hot
AB 74	Calderon	Care facilities: regulatory visits.	Support	Passed out of Appropriations	
AB 90	Chau	Federal Housing Trust Fund	Support	Passed out of Appropriations	
AB 150	Melendez	Theft: firearms	Support	Held	
AB 184	E. Garcia	Small Business Technical Assistance Act of 2015	Support	Held	
AB 254	R. Hernández	Election dates	Oppose unless amended	Passed out of Appropriations	
AB 266	Cooley	Medical marijuana	Support	Passed out of Appropriations	Hot
AB 278	R. Hernández	District-based municipal elections	Oppose	Passed out of Appropriations	Hot
AB 428	Nazarian	Income taxes credit: seismic retrofits	Support	Held	
AB 448	Brown	Local government finance: property tax revenue allocations: vehicle fee adjustments	Support	Passed out of Appropriations	Hot
AB 511	Gipson	Workers' compensation	Oppose	Held	

AB 702	Maienschein	CalWorks: temporary shelter assistance	Support	Passed out of Appropriations	
AB 771	Atkins	Personal income and corporation taxes: credits: rehabilitation	Support	Held	
AB 870	Cooley	Homelessness: rapid rehousing	Support	Passed out of Appropriations	
AB 988	M. Stone	Outdoor Environmental Education and Recreation Grants Program	Support	Passed out of Appropriations	
AB 1159	Gordon	Product stewardship: pilot program: household batteries and home-generated sharps waste	Support	Held	Hot
AB 1239	Gordon	Tire recycling: California tire regulatory fee and waste tire program	Support	Passed out of Appropriations	
AB 1315	Alejo	Public contracts: water pollution prevention plans: delegation	Oppose	Held	
AB 1335	Atkins	Building Homes and Jobs Act	Support	Passed out of Appropriations	Hot
AB 1347	Chiu	Public contracts: claims	Oppose	Passed out of Appropriations	
Senate Appropriations Suspense File					
SB 16	Beall	Transportation funding	Support	Passed out of Appropriations	Hot
SB 25	Roth	Local government finance: property tax revenue allocation: vehicle license fee adjustments	Support	Passed out of Appropriations	Hot
SB 122	Jackson	California Environmental Quality Act: record of proceedings	Watch	Passed out of Appropriations	
SB 239	Hertzberg	Local services: contracts: fire protection services	Oppose	Passed out of Appropriations	Hot
SB 254	Allen	State highways: relinquishment	Support	Passed out of Appropriations	
SB 643	McGuire	SB 643 (McGuire) Medical marijuana	Support if amended	Passed out of Appropriations	Hot

'CalPERS' Continued from Page 1...

The pension fund will be holding two webinars **next week** to brief you on these strategies that will feature speakers and an opportunity to ask questions that you may have about the implementation and impacts. Both webinars will include the same presentations and information, so you should choose one to attend.

Webinar Details (choose one)

- Wednesday, June 3, 1:30 to 3 p.m.
- Thursday, June 4, 1:30 to 3 p.m.

Speakers include:

- Cheryl Eason, chief financial officer;
- David Lamoureux, deputy chief actuary; and
- Eric Baggesen, senior investment officer, Asset Allocation and Risk Management.

[Register online.](#)

One Week Left to Submit 2016 City Managers Department Meeting Session Proposals

Proposals due by June 5

The deadline to submit a request for a session proposal for the 2016 City Managers Department Meeting is fast approaching. Don't miss this opportunity to present to this important group during their annual meeting being held Feb. 3-5, 2016 in Indian Wells.

The League is looking for ideas and input for speakers and session topics to help managers and their cities improve themselves. If you have expertise in an area of interest to managers or information to share with your peers, submit your proposal today.

Submissions, non-commercial in nature, from any individual, group, business or organization on any topic are welcome. The Program Planning Advisory Committee will consider the educational value of each proposal and the extent to which it presents new and/or significant information.

Fully completed ideas should be submitted through the [online proposal](#) form by Friday, June 5 to be considered by the committee.

Please contact [Dayna Casper](#) for questions about this opportunity.

New Federal Water Rules Released

The U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers on Wednesday announced new water rules that enhance and clarify protections under the Clean Water Act. The goal is to curtail pollution in streams, rivers, and wetlands. California already has some of the nation's most stringent environmental protection regulations. However, the new rule could expand the number of waterways covered by the federal Clean Water Act.

In brief, the rules:

- Clearly defines and protects tributaries from pollutants that impact the health of downstream waters;
- Provides certainty in how far clean water safeguards extend to nearby waters;
- Focuses on streams, not manmade ditches. Maintains the status of waters within [Municipal Separate Storm Sewer Systems](#). The rule does not change how those waters are treated and encourages the use of green infrastructure; and
- Reduces the use of case-specific analysis of waters.

The EPA has posted [information on the new rule](#) including fact sheets and other resources.

California City Solutions: Palm Springs Becomes Bike-Friendly with New Infrastructure

This story is part of an ongoing series featuring Helen Putnam Award entries. The 2014 entries are available on the League's website as a resource for cities in a searchable database called [California City Solutions](#). Palm Spring's Bicycle-Friendly Community was submitted in 2014 for the Public Works, Infrastructure and Transportation award category.

The desert city of Palm Springs is known for its blue skies, year-round sunshine, stunning landscapes and palm tree-lined streets, making it a tourist attraction. It is also a close-knit community of nearly 46,000 residents. Looking to promote energy efficient transportation, the city developed a plan to improve infrastructure and safety on its way to becoming a Bicycle-Friendly Community.

Palm Springs covers 94 square miles, making it the largest city in Riverside County by land mass. The city relies heavily on motorized transportation modes, contributing to greenhouse gas emissions and air pollution. With the passage of AB 32, the California Global Warming Solutions Act of 2006, every California municipality is required to reduce emissions to 1990 levels by the year 2020. In response, the city developed a plan to reduce exhaust from automobiles without compromising access to a comprehensive transportation network.

The Palm Springs Office of Sustainability partnered with the Coachella Valley Association of Governments to develop the Non-Motorized Transportation Plan. The Palm Springs City Council adopted the plan on Oct. 5, 2011. The plan relies heavily on bicycles as a safe and energy-efficient means of travel and implementation will create a full network of bikeways and trails serving nearly every neighborhood.

Identifying the need for a strong bicycle infrastructure meant ensuring that routes were plentiful and safe for travel as well as creating space for bicycle parking throughout the city. The city also planned to provide education and awareness of cycling to make it easy for residents to choose for commuting, running errands and enjoying the downtown culture and entertainment.

Dedicated bike lanes and a broader availability of bike racks are now very noticeable throughout many city streets. Palm Springs bicycle infrastructure is frequently updated with roadway improvements, increased signage, ample parking and new bike lanes and paths for travel. The city's [website](#) features a link to biking [trail maps](#) and an interactive bike rack locator. Website visitors are also encouraged to sign the Bike Safety Pledge. Online and printed updates of new bike routes are available to residents and visitors and for distribution at local businesses. Bike maps are also distributed at the weekly community events. The Sustainability Office conducts surveys determining any new issues regarding bicycle travel.

Since 2009, Palm Springs has celebrated National Bike Month in May by holding safety classes and special events and distributing child safety helmets and bike lights. Adults may also pledge to participate in Bike to Work Week. Working with local businesses, the city has established several programs to help residents to purchase bicycles and the necessary safety equipment. City Hall enlists the assistance of local bike shops to offer discounts on tune-ups and repairs. During May 2013, the city distributed 48 safety helmets and 153 bike lights to enthusiastic young riders.

The Bike Advisory Committee, an informal meeting of involved residents, meets monthly to discuss ways to improve biking in the city. A Non-Motorized Transportation Subcommittee was created to perform monthly outreach and hold three annual events.

The establishment of a Bicycle-Friendly Business District is one of the main elements of the Bicycle-Friendly Community program and a direct result of the Non-Motorized Transportation Plan. The Business District features more than 60 installed bike racks to encourage visitors to ride to work or enjoy the downtown cultural and outdoor activities.

The Business District is divided into three sections — North, South and Downtown. Each section has color-coded racks and hitches in blue, yellow or orange. A Bike Rack Sponsorship Program helps generate funding for additional bike rack installations. Local business owners or residents can sponsor a rack in their preferred section of downtown.

Because commuting to work by bike can keep approximately 1 pound of carbon dioxide from being emitted, the city wanted to launch a bike sharing program for its employees. Based on these figures, it is estimated that 2,618 pounds of harmful toxins have been eliminated from reaching the atmosphere.

Widely known as a vacation destination, tourism is a major factor in the economy of the region. Visitors come to Palm Springs to enjoy the stunning vistas of the desert and mountain regions. Many hotels in the city are now also offering bike rentals as a method of touring the city. The promotion of cycling as a safe and healthy alternative to travel by car or bus allows for picturesque bike paths and more enjoyable public spaces. The creation of a Bicycle-Friendly Business District, coupled with diverse education and outreach initiatives, gives the community the power to improve air quality and preserve the environment.