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Department of Finance Responds to FAA Rule on Aviation Fuel Sold at Airports

The California Department of Finance (DOF) this week responded to a Federal Aviation Administration (FAA) policy concerning the use of airport revenue. Local governments with tax revenue from aircraft (jet) fuel may need to provide a spending plan to the FAA by Dec. 8. DOF offers responding guidance to local agencies. Cities and counties that impose taxes on jet fuel adopted after 1987 should study carefully the background and guidance prepared by CaliforniaCityFinance.com. *For more, see Page 2.*



League-Sponsored Bond Agency Finances Affordable Housing Projects in Duarte, Pasadena and Chino

Some of the most significant benefits of League membership for cities since 1988 have flowed from the League's co-sponsorship of the [California Statewide Communities Development Authority](#) (CSCDA). This program provides a variety of public agencies and developers access to low-cost, tax-exempt financing and economic development tools. CSCDA issued \$26.8 million in tax-exempt multifamily bonds that helped finance affordable housing projects in several California cities. *For more, see Page 2.*



Submit Your Ideas for the League's Annual Conference Sessions *Proposals Due by Jan. 8*

The League of California Cities® is inviting members, partners and stakeholders to submit session proposals for the 2016 Annual Conference & Expo. The event will be held Oct. 5-7 at the Long Beach Convention Center. This is a great opportunity to engage city officials and local government stakeholders on important ideas and issues. *For more, see Page 3.*

'FAA' Continued from Page 1...

A recently adopted amendment to a federal regulation by FAA clarifies the rule that the proceeds of state and local taxes on jet fuel at an airport must be used for airport-related purposes, including capital and operations, state aviation programs and airport noise mitigation. The FAA is allowing a three-year period through Dec. 8, 2017, during which FAA will withhold enforcement actions and state and local agencies must develop compliance plans.

In California, motor vehicle fuel — other than jet fuel — is exempt from sales and use tax. However, proceeds of some taxes on jet fuel are affected by the FAA rule. The rule does not apply to taxes in effect on Dec. 31, 1987 including the local Bradley Burns 1.25 percent rate or the 4.75 percent state general fund rate in effect at the time. However, several other state rates may be affected, as well as most local transactions and use tax rates.

[Additional information](#) is available from CaliforniaCityFinance.com.

'CSCDA' Continued from Page 1...

Duarte: Duarte Manor Apartments

Duarte Manor Apartments is an acquisition and rehabilitation of 42 multifamily affordable housing units by Jim Perley of Western America Properties, Inc. (WAP) and his nonprofit partner Better Housing Foundation. Duarte Manor will continue to be 100 percent affordable and provide 26 two-bedroom units and 16 three-bedroom units to low-income families.

CSCDA and WAP partnered with Citibank to provide \$9.1 million in tax-exempt multifamily affordable housing bonds for Duarte Manor, and WAP brought in AEGON as their Tax Credit Investor. Treadstone Companies, in San Diego, serves as the development consultant to WAP. The rehabilitation will include substantial renovation of unit interiors and property including new kitchen cabinets and appliances, tub surrounds & fixtures, Americans with Disabilities Act (ADA) improvements, interior and exterior doors, new roofing, exterior and interior painting, security cameras and controlled access and energy efficient systems. New ENERGY STAR rated and low-water usage products include kitchen hoods, ranges, refrigerators, low-E windows, air-conditioning units and low flush water closets.

The financing of Duarte Manor will maintain the affordability of units for low-income tenants for 55 years.

Pasadena: Northwest Manors II Apartments

Northwest Manors II Apartments is an acquisition and rehabilitation of 44 multifamily affordable housing apartments by East Mountain Housing Associates, LP in Pasadena. The project sponsor is Community HousingWorks. Northwest Manors II will continue to be 100 percent affordable and provide eight studio, six one-bedroom, and 30 two-bedroom apartments to low-income families.

CSCDA and Community HousingWorks partnered with Berkeley Point Capital, LLC to provide \$8,428,000 in tax-exempt multifamily affordable housing bonds for Northwest Manors II. The rehabilitation will include new flooring, countertops and cabinets in kitchens and bathrooms, windows, light fixtures, wall furnaces, interior and exterior paint, a new roof, sustainable landscape, and the installation of a new playground at each site. The financing of Northwest Manors II will maintain the affordability of units for low-income tenants for 55 years.

Chino: Vista Park Chino Apartments

Vista Park Chino Apartments is an acquisition and rehabilitation of 40 multifamily affordable housing units, also by Jim Perley of WAP and his nonprofit partner Better Housing Foundation. Vista Park will continue to be 100 percent affordable and provide 21 two-bedroom units and 19 three-bedroom units to low-income families.

CSCDA and WAP partnered with Citibank to provide \$9.3 million in tax-exempt multifamily affordable housing bonds for Vista Park, and WAP brought in AEGON as their Tax Credit

Investor. Treadstone Companies, in San Diego, serves as the development consultant to WAP. The rehabilitation will include substantial renovation of unit interiors and property including new kitchen cabinets and appliances, tub surrounds & fixtures, ADA improvements, interior and exterior doors, new roofing, exterior and interior painting, security cameras and controlled access and energy efficient systems. New ENERGY STAR rated and low-water usage products include kitchen hoods, ranges, refrigerators, low-E windows, air-conditioning units and low flush water closets.

The financing of Vista Park will maintain the affordability of units for low-income tenants for 55 years.

Background

CSCDA is a joint powers authority created in 1988 and is sponsored by the League of California Cities® and the California State Association of Counties. It was created by cities and counties for cities and counties. More than 500 cities, counties and special districts are program participants in CSCDA, which serves as their conduit issuer and provides access to efficiently finance locally-approved projects. CSCDA has issued more than \$50 billion in tax exempt bonds for projects that provide a public benefit by creating jobs, affordable housing, healthcare, infrastructure, schools and other fundamental services. Visit <http://cscda.org> for additional information on the ways in which CSCDA can help your city.

'AC Sessions' Continued from Page 1...

Session Proposal Submission Information

Submissions, non-commercial in nature, from any individual, group, business or organization, on any topic are welcome. Ideas from 2015 may be re-submitted for review by the 2016 Planning Committee. The committee will consider the educational value of each proposal and the extent to which it presents new and/or significant information. Please avoid submitting product and vendor commercialization sessions.

Session proposals are due Jan. 8.

The League only accepts session proposals [submitted through the League website](#). The submission form limits the number of words allowed in the title and description of each proposal. The League recommends that individuals interested in submitting proposals carefully review and edit their descriptions before submitting them through the online form.

Please contact [Katie Sacco](#) with any questions.

2015 Annual Conference Resolutions Final Report is Available Online

The [League of California Cities® 2015 Resolutions Report](#) has been posted on the League website. The report reflects actions taken by the general assembly during the organization's Annual Business Meeting held on Oct. 2 as part of the League's Annual Conference & Expo in San Jose.

The report contains a summary of actions taken by policy committees on the proposed resolutions and the general assembly's final action. It also includes a status report on the implementation of the resolution approved by members during the 2014 Annual Conference.

Register Before the Holidays for the 2016 City Managers Department Meeting

Deadline to Register is Jan. 4

The League is gearing up for the 2016 City Managers Department Meeting, Feb. 3-5 in Indian Wells.

This meeting provides city managers and assistant managers the opportunity to network and keep current on the wide range of issues. This is the largest gathering of managers that the League facilitates.

Full conference registration includes admission for the following:

- Two and a half days of educational sessions;
- Wednesday reception, Thursday lunch, Friday breakfast; and
- Electronic access to all program materials.

Registration fees subsidize the following: \$50 for Cal-ICMA and \$50 for CCMF.

Additional information about the City Managers Department Meeting sessions and speakers is available on the League's [website](#).

Two California Cities Achieve American Public Works Accreditation

The American Public Works Association (APWA) recently announced that the public works departments for the cities of Palo Alto and Vallejo have recently been awarded the prestigious APWA Accreditation. The APWA Accreditation program recognizes public works agencies that exceed the requirements of the management practices established nationally for the public works industry, as contained in the [APWA Public Works Management Practices Manual](#).

The cities both submitted an application in February 2013, with Vallejo receiving its APWA Accreditation in August and Palo Alto in October.

The Accreditation award indicates the department has met all applicable Accreditation requirements for documentation and practices.

The Palo Alto Public Works Department comprises four divisions — Engineering Services, Environmental Services, Public Services and Airport Operations. The department provides services that are integral to the overall health, safety and appearance of the city, with commitment, courtesy and pride. In partnership with the Palo Alto community, the staff strives to offer efficient, cost effective and environmentally responsible services that make the city a beautiful, vibrant and appealing place to live and work.

Vallejo's Public Works Department's mission is to provide high quality, professional, and excellent services in engineering, infrastructure, maintenance, water treatment, and recycling & solid waste management that enhances the safety and quality of life for all residents and customers.

A team of public works professionals from around the nation completed a thorough evaluation of operations for the Accreditation review during its August site visit to Vallejo's Public Works Department and its September site visit to Palo Alto's Public Works Department.

The Vallejo Public Works Department becomes the 102nd public agency and Palo Alto Public Works Department becomes the 103rd to be awarded Accreditation in North America. The California cities join Contra Costa County, Berkeley, Oakland, City/County of San Francisco, Palmdale, Thousand Oaks, Encinitas, Ventura, Alameda County, Orange County, San Luis Obispo County, and Ventura.

For information about APWA Accreditation, please contact [Ann Daniels](#). For APWA media inquiries, please contact [Laura Bynum](#) at (202) 218-6736.

For more information about Palo Alto's Public Works Department, contact [Mike Sartor](#) or [Larry I. Perlin](#). For more information Vallejo's Public Works Department, contact [David Kleinschmidt](#) or [M.J. Lanni](#).

About APWA

[AWPA](#) is a not-for-profit, international organization of more than 28,500 members involved in the field of public works. APWA serves its members by promoting professional excellence and public awareness through education, advocacy and the exchange of knowledge. APWA is headquartered in Kansas City, Mo., has an office in Washington, D.C. and 63 chapters in North America.
