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Sacramento's Drone Wars
League Opposes AB 2320, Supports SB 868

Drone regulation in California's Capitol is rapidly becoming a new battleground for local government. Cities' regulatory authority is under attack from some groups representing the unmanned aircraft systems industry that prefer to deal with one-size fits all state regulation. The irony is that the industry apparently does not support the most comprehensive of the regulatory drone bills introduced this year, [SB 868](#) by Sen. Hanna Beth Jackson (D-Santa Barbara). *For more, see Page 2.*



League Opposes State's Attempt to Manage Local Parking Needs
AB 2586 Passes Assembly Transportation Committee, Moves to Assembly Local Government Committee

Parking has long been one of local government's core responsibilities and functions. Its regulation is a matter of fundamental local land use planning in areas of high parking concentration. With [AB 2586 \(Gatto\)](#), the state seeks to manage local parking regulations with a permanent extension of a 2013 law that prevented local governments from ticketing cars parked at broken meters and adds new state requirements to local parking policies. The League on Monday, April 4, testified in opposition to AB 2586 in the Assembly Transportation Committee. *For more, see Page 3.*



Busy Week Ahead for Housing: Three Priority Bills Cities Should Oppose

The League strongly urges cities to oppose three pieces of proposed housing legislation. Two threaten to diminish or eliminate input into proposed housing projects in their communities, and one that makes unnecessary, confusing, and costly changes to the redevelopment dissolution process.

[AB 2501 \(Bloom\)](#), [AB 2522 \(Bloom\)](#) and [AB 2697 \(Bonilla\)](#) all will be heard next Wednesday, April 13, in the Assembly Housing and Community Development Committee. For more detailed bill information and sample opposition letters, each bill is linked below. *For more, see Page 3.*

Modeled in part on a regulatory structure recently enacted by the city of Chicago, SB 868 creates a comprehensive set of state operating regulations for drones that attempt to strike a balance between encouraging innovation and protecting public safety.

Among other things, SB 868:

- Prohibits drone flights without permission from the relevant authorities within 500 feet of critical infrastructure, 1,000 feet of a heliport, or within 5 miles of an airport;
- Limits disruptive drone use within the immediate airspace of private property without permission;
- Limits drone use over state parks, wildlife refuges, the Capitol, or other designated safety areas, without a permit or permission;
- Prohibits the weaponization of drones;
- Prohibits the reckless operation of drones and drone interference with manned aircraft;
- Requires commercial drone operators to obtain liability insurance; and
- Continues to allow local governments to regulate drone use in their communities.

In the Senate Transportation Committee on Tuesday, April 5, industry representatives lined up in opposition to the measure, which is supported by the League of California Cities[®]. They claim that the bill, which in part will bring California into conformity with federal regulations, is pre-empted by federal law, despite a December 2015 document published by the Office of the General Counsel of the Federal Aviation Administration (FAA) indicating that the federal government clearly contemplates at least some state and local regulations pursuant to local land use and police power. The Senate Transportation Committee approved the bill over the industry's objections by a vote of 7-2.

The League has taken a policy position calling for much tighter state regulations, starting with a mandatory point-of-sale registration requirement that would require registration with the FAA before a buyer can leave a store with a drone, and for online purchases, to require an internet browser to be redirected to the FAA website for registration purposes before the purchase can be completed. This is intended to give the federal registration requirement some teeth and provide a meaningful deterrent to the irresponsible use of drones, which is absent from existing law. None of the drone bill authors has yet to amend this provision into their legislation, but the League continues to advocate for this as one of the most meaningful provisions that could be put into state law.

Consistent with a position taken in a [letter issued by the National League of Cities and the U.S. Conference of Mayors](#) in mid-March to the U.S. Senate Committee on Commerce, Science and Transportation, the League has publicly rejected pre-emption of local ordinances in any state regulatory framework.

In response, this week in the Assembly, Assembly Member Ian Calderon (D-Whittier) and Assembly Member Evan Low (D-Campbell), the authors of [AB 2320](#), amended the bill to completely pre-empt local regulation by cities and counties.

Initially, AB 2320 contained only modest regulations prohibiting use of drones by sex offenders and persons subject to restraining orders. Within 24 hours, the League took an oppose unless amended position, charging that the bill now violates cities' constitutional police power under Article 7, Section XI of the California Constitution. The League will issue an action alert on April 7 to mobilize members to address this unjustified attack on cities' regulatory authority.

Cities are encouraged to send in letters of opposition to AB 2320. A sample letter can be found on the League's website at www.cacities.org/billsearch by putting the bill number into the search function.

The League will continue to push for stronger regulations of unmanned aircraft systems, including mandatory point-of-sale registration, and to work with authors who favor meaningful regulations such as Sen. Jackson and Assembly Member Mike Gatto (D-Glendale), whose [AB 2724](#) will among other things, require drone operators to obtain liability insurance.

The Issue

Assembly Member Mike Gatto's (D-Glendale) AB 61 of 2013 narrowly targeted broken parking meters; by prohibiting local agencies from ticketing cars at broken meters. The bill will sunset at the end of 2016 and AB 2586 would make this permanent; something the League believes is unnecessary or premature at best. Broken meters represent just a fraction of all parking meters, making this issue an unusual candidate for statewide policy. In addition, the initial responses to a League survey of its members indicate that cities have experienced a significant increase in meter vandalism in the two years since the law's implementation.

Unlike AB 61, AB 2586 goes well beyond the limitations imposed on local government authority to regulate its own parking needs, such as street sweeping, valet arrangements with local business, the type of technology that can be utilized, and its ability to contract with private parking enforcement.

Cities are best equipped to regulate their own parking needs. In fact, many small cities throughout the state do not have any parking meters and many of the larger cities are moving towards some of the technology called for in this bill without legislation. Cities continue to demonstrate their willingness to adapt to their residents' parking needs and there is no reason for the state to insert itself into this core local issue.

Next Steps

Double referred to the Assembly Local Government Committee, the League is asking member cities to weigh in on the measure. The bill will likely be set for a hearing in Assembly Local Government on April 20 and cities are encouraged to send a letter of opposition.

A sample letter that member cities can use, as well as the League's opposition letter and the bill text itself can be found on the League's website at www.cacities.org/billsearch. Plug in AB 2586 into the search function to access the materials.

The League will notify members when the bill's next hearing will be. If the bill passes out of committee, then it will move on to the Assembly Appropriations Committee.

'Housing' Continued from Page 1...

The League appreciates the Legislature's effort to address the state's housing crisis — [a goal that cities](#) share. Unfortunately, however, the zeal to make a difference has led legislators to pen bills that infringe on local control. Too often, these bills would hand virtually unchecked authority to developers — stripping away the vital buffer of planning commissions and councils and muting the voice of the residents and business owners that they represent.

- AB 2501 would make significant changes to the existing law of density bonuses, chief among them requiring a city to take action on the density bonus within 60 days of finding the application complete and act on an appeal within 15 days.

In addition to containing unrealistically short deadlines, the bill would also: infringe on a city's ability to reduce development standards without waiving them entirely; prohibit a city from providing public notice or holding on a density bonus application; limit the discretion of a city to approve concessions and incentives requested by a developer; prohibit a city from imposing application fees or requiring additional reports or studies; allow applicants to appeal the determination of completeness to the city council rather than the planning commission; not allow a city to deny a concession or incentive, even if the city can produce evidence it is not required to produce the units; open the door to litigation rather than allowing money-saving requirements that appeals go before a planning commission; and allow for an applicant to accept no density increase, undercutting the premise of existing law.

Troublingly, the bill would change existing law in such a way that it would infringe on a city's authority to interpret its own development standards, by allowing the developer to identify cost reductions yielded by a concession or incentive rather than the city. The bill also calls for the statute to be "liberally construed" in favor of producing the maximum number of units — which would violate the separation of powers.

- AB 2522 would require an attached housing development to be a permitted use by right if it satisfies specified conditions as to location and is on property that is part of city's residential inventory of land suitable for residential development and either the rezoning has been completed or three years have passed since the city's housing element was adopted.

This bill would not necessarily recognize local ordinances providing that "use by right" does not exempt a project from design review or allow a city to impose certain standards on the housing development. Allowing by-right approval of the maximum number of units listed on the housing element inventory would not allow cities to complete a detailed analysis of whether the site can, in fact, accommodate that many units. The bill also specifies by-right approval with specific percentages for market rate and affordable housing that would make it even more difficult than under current law to disapprove of a development. Finally, the bill would require continued affordability for just 30 years, rather than the 55 years under existing law that the League has long supported in order to ensure affordability and availability.

- AB 2697 would require a successor agency, prior to the disposal of land of the former redevelopment agency, to send a written offer to sell for the purposes of developing low- and moderate-income housing to any local public entity within whose jurisdiction the land is located, as specified. The bill would additionally require the sale of land of the former redevelopment agency to be subject to certain requirements relating to affordable housing.

This measure subjects successor agency property to the surplus property act. Many properties have already been transferred from the successor agencies to cities — to be used for government purposes. In most instances, the properties that were purchased for affordable housing development were previously transferred to cities in their capacity as the housing successors.

This measure imposes new procedural and substantive requirements for the disposition of former redevelopment agency properties that would complicate and delay the wind down process. Additionally, it would work to the disadvantage of the local taxing entities which have an interest in obtaining maximum value for the properties to be sold and or get the benefit of increased valuations from the properties that are to be used for economic development.

While the League strongly opposes the bills listed above, it is supporting a number of others that would help cities address the demand for housing. These include:

- [AB 2319 \(Gordon\)](#), which would allow the California Infrastructure and Economic Development Bank (IBank) to fund affordable housing projects.
- [AB 2475 \(Gordon\)](#), which would establish a new Local Government Affordable Housing Forgivable Loan Program within the California Infrastructure and Economic Development Bank.
- [AB 2734 \(Atkins\)](#), which would dedicate a portion of state savings resulting from the elimination of redevelopment to address local affordable housing needs;
- [AB 2817 \(Chiu\)](#), which would increase the state's Low Income Housing Tax Credit by \$300 million to build and rehabilitate affordable housing;

- [SB 873 \(Beall\)](#), which would increase the benefits for private investors who choose to invest in affordable housing.
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City Employees Largely Exempted from California’s New Minimum Wage Law *Governor Signed \$15 Minimum Wage amid Looming Ballot Measures*

The nation’s eyes were on California Monday when [Gov. Jerry Brown signed](#) legislation to raise California’s minimum wage to \$15 an hour by the year 2022. Beginning in 2023, the minimum wage will be annually adjusted using the California Consumer Pricing index. The momentum to come to a legislative agreement on the minimum wage mounted once ballot measures to raise it qualified. By in large cities wage policies for employees under the new law will remain unchanged.

Led by organized labor and greenlit by Assembly and Senate leadership, [SB 3 \(Leno\)](#) fast tracked, moving out of the Assembly Appropriations Committee, taken up on the Assembly floor and immediately transmitted to the Senate floor for a vote — all in a single day.

Some lawmakers cried foul, sighting the lack of process. Assembly Member Susan Talamantes Eggman (D-Stockton), who chairs the Assembly Local Government Committee, [sited a strong contrast](#) while speaking on the Assembly floor, between SB 3 and the water bond package passed in 2014.

“The process on how we got here just doesn’t feel right. ... When we did the water bond and we took our time and we traveled up and down the state and we listened to our constituents, we were able to craft something that nearly this entire body could get behind ... that was a good process. ... What is the rush to do this right now? We are elected by our districts to come here to be deliberate.”

This year, two minimum wage ballot initiatives heavily pushed by SEIU and other organized labor groups qualified for the November 2016 ballot. With polls showing a 65 percent approval rating for a \$15 minimum wage, the Governor struck a deal with organized labor to craft a measure that would be seemingly less harmful to California employers than what the voters will consider in November. Most notably SB 3 allows for the Governor to temporarily suspend the stepped increases in times of severe economic downturn. In exchange, the proponents have agreed to pull their measures from the ballot.

Local Governments Can Still Regulate Under SB 3

City employees who are unionized and provide health benefits through a collective bargaining agreement are exempt from SB 3 as long as they continue to be compensated not less than 30 percent more than the state’s minimum wage and are provided ongoing health benefits as part of their collective bargaining agreement. Moreover, the bill specifically exempts local government employees who are recipients of a retirement allowance (PERS, Pension, etc.).

It is, however, important to note that if a city has enacted a minimum wage ordinance that is *below* the new state minimum, the city will automatically be swept into state law. This was the main objection from Republicans and even some moderate Democrats who believe that minimum wage should be a regional issue. City councils are still free to pass local minimum wage ordinances that are *higher* than the state bill.

Registration Now Open for Two Mayors and Council Members Events in June *June 22, 23 and 24 in Monterey*

The League of California Cities® is now accepting registrations for [two excellent back-to-back opportunities](#) for mayors and council members of all tenures. The Mayors and Council Members Executive Forum, taking place at the Hyatt Regency in Monterey on June 22-23, will be followed immediately by the Advanced Leadership Workshops at the same location on June 24. There is a separate registration for both events.

June 22-23, Mayors and Council Members Executive Forum

This conference is designed for elected officials and staff who are interested in cutting-edge approaches to challenges facing cities. Learn about a wide range of topics, including trends in economic development, labor negotiations, city finance, council-manager relations, election year issues, water innovation, and much more. Discover more by viewing the [agenda and full list of educational sessions](#).

Register for the [MCM Executive Forum](#) on the League website.

June 24, Mayors and Council Members Advanced Leadership Workshops

For those who wish to stay for more education on Friday, then the Advanced Leadership Workshops are for you! Choose between two informative workshops:

- City Finances — What you Need to Know; or
- Stretching Community Dollars through Local and Regional Leadership.

Both will be held between 9:00 a.m.–3:00 p.m. and come with breakfast and lunch. Class size is limited to 110 participants. Review the [announcement and workshop information](#) and decide which workshop is for you.

Register for the [MCM Advanced Leadership Workshops](#) on the League website. Register early, as space is limited.

For more information about the mayors and council members events, please visit the League [website](#).

If you have any questions, please contact [Caitlin Cole](#).

League-Sponsored Bond Agency Issues \$14,000,000 in Tax-Exempt Bonds for Multifamily Affordable Housing in Antioch

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 recently issued \$14,000,000 in tax-exempt multifamily affordable housing bonds for the Casa Blanca Apartments in Antioch.

About Casa Blanca Apartments

Casa Blanca Apartments (Casa Blanca) is an acquisition and rehabilitation of 115 multifamily affordable housing apartments by LIH Casa Blanca Antioch, LP. The project sponsor is Levy Affiliated Holdings (Levy), which partnered with Central Valley Coalition for Affordable Housing (CVCAH) and WNC & Associates, Inc. (WNC), who is providing the equity to renovate Casa Blanca for working families in Antioch. Casa Blanca will continue to be 100 percent affordable and provide one- and two-bedroom apartments to low-income residents.

CSCDA, Levy, CVCAH and WNC partnered with Citibank to provide tax-exempt multifamily affordable housing bonds for Casa Blanca. The rehabilitation will include roof and gutter repairs, replacement of windows, new paint, cabinets, countertops, kitchen appliances, lighting fixtures, heating and air-conditioning units. The rehabilitation will also include ADA upgrades and new landscaping. The financing of Casa Blanca 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 CSCDA's [website](#) for additional information on the ways in which CSCDA can help your city.

Deadline to Enter City Programs for the 2016 Helen Putnam Awards is One Week Away

Submit entries by April 14

The entry deadline to submit your city's innovative program and compete for statewide recognition is just a week away! The call for entries closes on April 14.

Each year the League of California Cities® honors outstanding work in member cities across the state through the League Partner-sponsored Helen Putnam Awards for Excellence.

If your city has done remarkable, innovative work in any of the 12 categories listed below now is the time to get your deserved recognition. It is an opportunity to thank your employees and collaborators, gain the appreciation of your residents and feel proud of outstanding contributions made to better your city.

The award recognizes the successes of California cities as demonstrated by beneficial innovations, resourceful efficiencies, improved public service, and overall enhanced public trust and support. The award also provides a great opportunity to have a community celebration of the good work you are doing.

Does your city have an outstanding program that delivers efficiency, quality service and innovation? Enter your program at www.helenputnam.org to compete for the recognition it deserves.

Award categories include:

- CCS Partnership Intergovernmental Collaboration Award;
- Community Services and Economic Development;
- Economic Development through the Arts;
- Enhancing Public Trust, Ethics, and Community Involvement;
- Health and Wellness Programs;
- Housing Programs and Innovations;
- Internal Administration;
- League Partners Award for Excellence in City-Business Relations;
- Planning and Environmental Quality;
- Public Safety;
- Public Works, Infrastructure, Transportation; and
- Ruth Vreeland Award for Engaging Youth in City Government.

Additionally, your city can receive the President's Advocacy Award. This prestigious award honors a distinguished program or individual that best advocates for the League's annual strategic priorities. One outstanding winner may be chosen from the 12 categories.

Cities must be a League member to apply. To qualify, simply demonstrate that your city offered a program or service that has proven measurable and successful within a minimum of one year of actual implementation. Particular attention and credit is given to applications specifically advancing the League's strategic priorities at www.cacities.org/priorities, which are determined each year by the board of directors.

Submit your entry [online](#) by April 14.

Please contact [Melissa Lienau](#) with any questions at (916) 658-8216.

Plan to Attend the League's Legislative Action Day, April 27 and Preview Webinar on Priority Bills, April 21

The League of California Cities'® [2016 Legislative Action Day](#) is coming up on April 27. To prepare and brief local officials on priority bills of interest, the League is also holding a Legislative Action Day Preview webinar on April 20.

Legislative Action Day — Register by Friday, April 8

This one-day event gives city officials the opportunity to engage with state lawmakers, learn about priority issues and network with colleagues. Scheduled for Wednesday, April 27, the event is free for League members and League Partners.

Registration includes:

- Admission to educational sessions starting at Embassy Suites Sacramento;
- Admission to the Legislative Reception;
- Shuttle service from the morning briefing at Embassy Suites Sacramento to both the Capitol and the evening reception at Tequila Museo Mayahuel; and
- Electronic access to all program materials.

The rate for non-member cities is \$250 per attendee. Visit the League's website for more [information and to register](#).

If you have any questions, please contact [Brian Sanders](#).

Legislative Action Day Preview — Register by Wednesday, April 20

Join the League's Legislative team on Thursday, April 21 from 1:30-3 p.m. for a free legislative briefing webinar to review the top priority bills that will impact local governments. League lobbyists will be sharing information on legislation affecting transportation funding, employee relations, public safety and local control.

This webinar will provide you with the information on priority bills that you will need to successfully advocate on behalf of your city at the League's Legislative Action Day on April 27.

Please [register](#) for this free webinar by noon on Wednesday, April 20. Webinar log-in information will be sent the afternoon of Wednesday, April 20.

For most League webinars only one connection is allowed per city. However, due to the capacity for this webinar, the League is allowing two connections per city to provide easier access for its members.

The rate for non-member cities is \$100 per login.

For registration questions, please contact [Megan Dunn](#).

California Transportation Commission Announces New Executive Director

Last week the California Transportation Commission (CTC) announced the appointment of Susan Bransen as executive director. Bransen assumed the post on Friday, April 1 and replaces Will Kempton who has led the agency since February 2015.

The new CTC executive director brings 25 years of professional experience in transportation to her new role. At the CTC, Bransen previously held the position of chief deputy director as well as the chief of staff and policy advisor for the agency's executive director. In addition, she worked for the California Department of Transportation as the director of Audits and Investigations.

Kempton will continue his advocacy on transportation issues. He has resumed his post as Executive Director of Transportation California, a group that has partnered with the League to support transportation funding and protections for that funding since the 1990s.
