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**Assembly Local Government Committee Passes Bill that Limits Local Discretion,
Revenues and Public Benefits**
Cities Urged to Oppose Legislation

San José Mayor Sam Liccardo led a delegation of mayors and council members who joined local government advocates and others in the Assembly Local Government Committee hearing room on Wednesday afternoon to oppose [SB 649 \(Hueso\)](#). The committee passed SB 649 on a 6-1 vote. *For more, see Page 2.*



League-Sponsored Housing Bill Passes First Assembly Committee
SB 540 Now Moves to Assembly Natural Resources Committee

The Assembly Local Government Committee on June 28 unanimously passed League-sponsored [SB 540 \(Roth\)](#). This bill would provide a way to streamline the housing approval process and leads to more housing production, particularly in areas near jobs and transit. Importantly, SB 540 protects public input and environmental review while providing certainty to the development community. *For more, see Page 2.*



Legislature Considers Short-Term Changes to Bottle Bill Program

While the Legislature passed the FY 2017-18 budget several weeks ago, a number of budget-related issues remain under consideration by the Legislature and Gov. Jerry Brown. One of these issues is the California Beverage Container Recycling Program or “Bottle Bill” program. SB 102 (Budget and Fiscal Review Committee) contains a trailer bill proposal to offer short-term stabilization to this program, while a longer term solution can be negotiated. *For more, see Page 3.*

'SB 649' Continued from Page 1...

This measure would give wireless providers unfettered ability to install bulky cellular equipment on any street light or traffic light and even many public libraries, schools and other public buildings without permission from local governments, input from the public or fair compensation for city and county residents. The industry already has broad ability to use readily available public and private utility poles to attach their equipment.

This bill silences local voices and will cost taxpayers around the state tens of millions of dollars. SB 649 is a giveaway from Sacramento to the industry without requiring that the industry deliver any meaningful public benefits such as free Wi-Fi in public parks or network access for public safety first responders.

Mayor Liccardo testified on behalf of the city of San José and the over 175 cities opposed to SB 649 Wednesday afternoon. He began his testimony by reminding the committee of the letter sent by the mayors of six of California's largest cities who all oppose the measure. He focused his remarks on how SB 649 would have tax payers subsidize the wireless industry.

Also joining Mayor Liccardo were city officials from a number of other cities including:

- American Canyon Community Development Director Brent Cooper;
- Concord Mayor Laura Hoffmeister;
- Culver City Council Member Meghan Sahli-Wells;
- San Marcos Council Member Kristal Jabara;
- Vallejo Assistant City Manager Teri Kilgore; and
- West Hollywood Council Member Lindsey Horvath.

Representatives from dozens of other cities also testified in opposition to SB 649, along with the California State Association of Counties, the Rural Counties Representatives of California and the Urban Counties of California and representatives of dozens of counties.

Next Steps

SB 649 now moves to the Assembly Communications and Conveyance Committee.

The League urges all cities to officially oppose SB 649. A sample letter as well as the League's opposition letter and bill language can be found at www.cacities.org/billsearch by plugging SB 649 into the search function.

'SB 540' Continued from Page 1...

Local officials are taking seriously their role in solving the housing crisis. SB 540 would give local governments new tools to plan for housing and create a more streamlined path that eliminates some of the delays and uncertainty that currently impede housing construction.

During his testimony, Sen. Richard Roth (D-Riverside) remarked that, "Access to housing is a basic human need, and ensuring Californians have access to an affordable place to live is critical to every Californian's quality of life. That's why I am proud to have authored Senate Bill 540, which will incentivize and streamline housing construction to meet our state's dire housing shortage. I thank the committee for recognizing the critical need for this measure, and look forward to sending this measure to the Governor for his signature."

Specifically, under SB 540 cities and counties would identify priority housing areas — called Workforce Housing Zones — within their boundaries. The local government would conduct enhanced planning, important environmental reviews and public engagement at the front end with specific details as to what type of housing would be built within the zone. Because the local government has fully conducted the extensive environmental reviews at the front-end, no project-specific additional environmental reviews would be necessary.

Sen. Roth continued that “SB 540 is a commonsense measure that will remove the barriers to housing construction in the areas most in need, helping ensure this crisis does not continue to grow and families do not continue to struggle.”

By some estimates, SB 540 would shave one to two years off the development timeline without compromising environmental protection, public health, local control or the rights of citizens to participate in local land use decisions.

Next Steps

The Assembly Natural Resources Committee will be the next stop for SB 540.

The League urges cities to support this important legislation. A sample support letter, along with the League’s support letter, can be found at www.cacities.org/billsearch by plugging SB 540 into the search function.

‘Bottle Bill’ Continued from Page 1...

As noted by a recent analysis by the Senate Budget and Fiscal Review Committee, over the past 18 months, 560 recycling centers in California have closed due to the lower commodities prices worldwide and an 11 percent reduction in state payments. This has resulted in a recycling rate of below 80 percent for the first time since 2008. During the last six months of 2016, 1.6 million more containers per day were taken to landfills compared to the same period in 2015.

The Legislature, the Administration, and other stakeholders continue to negotiate the proposed short-term solution. Details of the current proposal are as follows:

- Redefine “convenience zone” to 1 mile radius of supermarket;
- Narrow grocer obligation: limit in-store take-back to 24 containers, only applies to dealers with sales of \$2 million or more;
- Adjust processing payments & handling fees to reflect 2015 cost of recycling with COLA;
- Freeze calculations of recycling costs until Jan. 1, 2019 and redirects these funds for these calculations to unserved zones;
- Makes an entity eligible for handling fees that establishes a recycling in an unserved area that operates at least 30 hours per week;
- Up to \$3 million in supplemental handling fees for underserved/rural areas until July 1, 2020; and
- Extend sunset date on plastic market development program to Jan. 1, 2019.

Bills in Committee and Legislative Hearings of Interest July 5 – 12

Legislative policy committee hearings are in full swing with many bills affecting cities set to be heard in the coming weeks. Next week hearings resume after the July 4 holiday.

The League continues to track numerous bills affecting cities. Some hearings, if not all, will be televised. The [Senate](#) and [Assembly](#) publish weekly television schedules, but audio is always available online. In addition, many hearings are also webcast via the [California Channel](#).

Additional information about the important bills the League is tracking is available in the [Update: 2017 Bill Status](#). Published on May 26, this list will continually be updated throughout the remainder of the Legislative Session. Bill language and the League’s position letters and sample letters can be found at www.cacities.org/billsearch by plugging the bill number into the search function.

Here are a number of upcoming hearings and measures of interest to cities:

July 5

Senate Environmental Quality, 9:30 a.m., Room 3191

- **AB 1158 (Chu)** Carpet recycling. *League position: Support.*

Senate Governance and Finance, 9:30 a.m., State Capitol, Room 112

- **AB 525 (Aguiar-Curry)** State Board of Equalization: offer in compromise: extension. *League position: Support.*
- **AB 943 (Santiago)** Land use regulations: local initiatives: voter approval. *League position: Oppose unless amended.*
- **AB 1414 (Friedman)** Solar energy systems: permits. *League position: Oppose.*

July 10

Senate Appropriations, 10 a.m., State Capitol, Room 4203

- **AB 56 (Holden)** California Infrastructure and Economic Development Bank: housing. *League position: Support.*
- **AB 551 (Levine)** Political Reform Act of 1974: postemployment restrictions. *League position: Neutral.*
- **AB 1444 (Baker)** Livermore Amador Valley Transit Authority: demonstration project. *League position: Support.*

Senate Public Employment and Retirement, 2 p.m. or upon adjournment of session, State Capitol, Room 2040

- **AB 20 (Kalra)** Public employee retirement systems: divestment: Dakota Access Pipeline. *League position: Neutral.*
- **AB 1597 (Nzazarian)** Public employee retirement systems: prohibited investments: Turkey. *League position: Oppose.*

Assembly Natural Resources, 2:30 p.m., State Capitol, Room 447

- **SB 188 (Jackson)** State lands: leasing: oil and gas. *League position: Support.*
- **HOT SB 540 (Roth)** Workforce Housing Opportunity Zone. *League position: Support.*
- **SB 618 (Bradford)** Load-serving entities: integrated resource plans. *League position: Neutral.*
- **SB 771 (De León)** California Environmental Quality Act: continuing education: public employees. *League position: Neutral.*

July 11

Senate Public Safety, 8:30 a.m., State Capitol, Room 3191

- **AB 1120 (Cooper)** Controlled substances: butane. *League position: Support.*

Assembly Public Safety, 9 a.m., State Capitol, Room 126

- **SB 421 (Wiener)** Sex offenders: registration: criminal offender record information systems. *League position: Support.*

Senate Natural Resources and Water, 9 a.m., State Capitol, Room 112

- **AB 1654 (Rubio)** Water shortage: urban water management planning. *League position: Support.*

Senate Governmental Organization, 9:30 a.m., State Capitol, Room 4203

- **HOT AB 22 (Bonta)** Secretary of State: storing and recording electronic media. *League position: Sponsor.*
- **AB 1168 (Gipson)** Gambling: local moratorium. *League position: Oppose unless amended.*
- **AB 1223 (Caballero)** Construction contract payments: Internet Website posting. *League position: Neutral.*

Assembly Privacy and Consumer Protection, 1:30 p.m., State Capitol, Room 126

- **SB 21 (Hill)** Law enforcement agencies: surveillance: policies. *League position: Oppose unless amended.*

Senate Judiciary, 1:30 p.m., State Capitol, Room 112

- **AB 76 (Chau)** Adult-use marijuana: marketing. *League position: Support.*

- **AB 678 (Bocanegra)** Housing Accountability Act. *League position: Oppose.*
- **AB 1008 (McCarty)** Employment discrimination: prior criminal history. *League position: Oppose.*
- **AB 1219 (Eggman)** Food donations. *League position: Support.*
- **HOT AB 1479 (Bonta)** Public records: custodian of records: civil penalties. *League position: Oppose.*

Senate Transportation and Housing Committee, 1:30 p.m., State Capitol, Room 4203

- **AB 72 (Santiago)** Housing. *League position: Oppose unless amended.*
- **AB 503 (Lackey)** Vehicle parking violations: registration or driver's license renewal. *League position: Oppose unless amended.*
- **AB 1397 (Low)** Local planning: housing element: inventory of land for residential development. *League position: Oppose.*
- **AB 1625 (Rubio)** Inoperable parking space. *League position: Oppose.*

July 12

Senate Governance and Finance, 9:30 a.m., State Capitol, Room 112

- **AB 345 (Ridley-Thomas)** Municipal code violations. *League position: Support.*
- **AB 420 (Wood)** Personal income tax: deduction: medical cannabis or marijuana activity. *League position: Support.*

Senate Labor and Industrial Relations Committee, 9:30 a.m., State Capitol, Room 2040

- **AB 570 (Gonzalez-Fletcher)** Workers' compensation: permanent disability apportionment. *League position: Oppose.*
- **AB 1066 (Aguiar-Curry)** Public works: definition. *League position: Oppose.*

Assembly Education, 1:30 p.m., State Capitol, Room 4202

- **SB 541 (Allen)** School facilities: school facility water capture practices. *League position: Support.*

Assembly Local Government, 1:30 p.m., State Capitol, Room 447

- **SB 167 (Skinner)** Housing Accountability Act. *League position: Oppose.*
- **SB 242 (Skinner)** Property Assessed Clean Energy program: program administrator. *League position: Support.*
- **SB 252 (Dodd)** Water wells. *League position: Oppose unless amended.*

Senate Health, 1:30 p.m., State Capitol, Room 4203

- **AB 175 (Chau)** Adult-use marijuana: marketing: packaging and labeling. *League position: Support.*

July 18

Assembly Privacy and Consumer Protection, 1:30 p.m., State Capitol, Room 126

- **HOT SB 182 (Bradford)** Transportation network company: participating drivers: single business license. *League position: Oppose.*

League-Sponsored Bond Agency Issues \$96.1 Million in Tax-Exempt Bonds for Community Hospital in Monterey

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 a total of \$96,100,000 in tax-exempt bonds for Community Hospital of the Monterey Peninsula, in Monterey.

About Community Hospital of the Monterey Peninsula (CHOMP)

CHOMP, a California nonprofit public benefit corporation, owns and operates a 258 licensed-bed acute care hospital located in the Carmel Hill area of the Monterey Peninsula. CHOMP also owns and operates Westland House, a 28-bed skilled nursing and hospice facility, and an outpatient hospice facility located in Monterey and provides outpatient healthcare services at various outpatient facilities throughout Monterey County. CHOMP is the market leader for acute care services in its Primary Service Area, identified as the Monterey Peninsula, which includes the communities of Seaside, Monterey, Carmel Valley, Pacific Grove, Marina, Pebble Beach, Sand City, Del Rey Oaks, Big Sur, and unincorporated areas of Monterey County located on the peninsula.

CSCDA partnered with Piper Jaffray to place the \$96,100,000 in tax-exempt bonds for CHOMP. The bonds will be used to finance the cost of implementing an electronic medical records system as well as refinance CSCDA's previously issued Series 2011B Bonds.

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.
