

**COMMUNITY SERVICES POLICY COMMITTEE
HIGHLIGHTS**

Friday, March 29, 2019

Hilton Orange County/Costa Mesa, Pacific Ballroom 1, 3050 Bristol Street, Costa Mesa

ATTENDANCE

Members: Larry Moody (Chair), Oley Olsen (V.Chair), Janet Abelson, Darlene Barber-Martinez, Gregory Barton, Kevin Bash, Stacy Berry, Edi Birsan, Ruben Chavez, Andrew Chou, Melissa Crowder, Christine Engel, Maria Garcia, Jay Ingram, Janet Jimenez, Kathleen Kelly, Jesse Loren, Shelly Masur, Heidi Messner, Liz Morris, Trish Munro, Kim Nguyen, Nitesh Patel, Todd Rigby, Lydia Romero, Bruce Roundy, Jesse Sandoval, Mariam Shah, David Shapiro, Michael Smith, Nancy Smith, Steve Walker, Curtis Yakimow, Aly Zimmermann

League Partners: Emily France

Staff: Derek Dolfie

I. State Budget and General Briefing

Jeff Slowey, Chair, League Revenue and Taxation Policy Committee, gave a brief introduction to the General Briefing Session. After his welcome, he introduced League President Jan Arbuckle, Council Member, Grass Valley, who welcomed everyone to the second round of policy committee meetings of the year. President Arbuckle then introduced Rich Garbarino, League Immediate Past President, Carolyn Coleman, League Executive Director, and acknowledged all of the League Partners in the room.

President Arbuckle then shared a highlight of the most recent League board meeting where the Board had the pleasure of meeting with newly elected Governor Gavin Newsom. Arbuckle stated that the Governor's decision to visit the League Board of Directors and his willingness to stay for over an hour demonstrates the importance of our collective city voice. She encouraged everyone in the room to register for the League's Legislative Action Day and remain engaged, then handed the meeting over to Carolyn Coleman.

Ms. Coleman thanked President Arbuckle for all of the hard work she dedicates to her role, and then emphasized the importance of the policy committees in developing the Leagues positions on key issues. She then introduced Dan Carrigg, League Deputy Executive Director and Legislative Director. The rest of the briefing was presented by the League's legislative team.

Mr. Carrigg began by reinforcing the importance of showing up for Legislative Action Day and meeting with Assembly Members and Senators face to face. Mr. Carrigg then introduced the League's fiscal advisor, Michael Coleman, to walk everyone through the State Budget update. Mr. Coleman briefly discussed the moderate growth of the economy, but acknowledged that there are some signs of a slowing economy, and stressed the importance of maintaining a balanced budget.

Mr. Carrigg then gave an overview of the political dynamics of having a new Governor, a Democratic legislative super majority, and longer legislative term limits. He said that legislators and interest groups are inclined to test Governor Newsom by sending him many bills Governor Brown would not previously sign. This would be a year when we will all find out what the Governor is willing to say no to.

Mr. Carrigg went on to discuss two important economic development bills, SB 5 and AB 11. Both of these measures would reinvest the state into tax increment financing. A renewed

investment would greatly improve opportunities for economic development and provide a great opportunity for the state to work with locals to accomplish shared state and local goals. Mr. Carrigg then referred to a hand out with a list of the current economic development tools currently available to cities. In addition, Mr. Carrigg discussed ACA 1 and several initiatives that have qualified for the ballot including the split roll, bail reform, and the Grocers and Police Chiefs criminal justice reform initiative. Then Mr. Carrigg introduced the League's lobbyists to discuss their respective issue areas.

Jason Rhine, League Assistant Legislative Director, focused on the housing affordability and availability challenges throughout the state. Mr. Rhine noted that housing legislation is a high priority for the Governor, Legislature, and the League this year. He noted that if achieved, Governor Newsom's goal of producing 3.5 million housing units by 2025 would create an unprecedented level of housing production in the state. Additionally, Mr. Rhine encouraged members to engage and advocate for legislation that will help local governments address their housing challenges while preserving appropriate local control.

Mr. Rhine also briefly discussed the Governor's housing trailer bill proposal and a short list of bills of significant concern. This year, he said, housing related legislation touches on nearly every section of housing law before many of the laws enacted over the past two years have had time to be implemented. The League has been working closely with the Governor's office and Legislators on the trailer bill language and the 200+ housing related bills introduced this legislative session.

Dane Hutchings, League Legislative Representative, briefed members on issues related to governance, transparency, and labor relations. Mr. Hutchings began by discussing the political realities in Sacramento surrounding employee relations legislation and then briefly discussed several bills regarding worker compensation and elections. Mr. Hutchings also highlighted AB 1332, which would significantly limit the ability for state and local agencies to cost-effectively contract for a variety of public services, create an ever-evolving blacklist of prohibited companies and create millions of dollars of unfunded mandates. Mr. Hutchings also briefly discussed the recent Cal Fire pension decision and its impact.

Charles Harvey, League Legislative Representative, gave an update on various public safety related issues including cannabis and cannabis deliveries, drones, police use of force, and gun legislation. On the topic of cannabis, Mr. Harvey discussed the legislative and expected judicial challenges of the recent Bureau of Cannabis Control regulations authorizing cannabis deliveries in any jurisdiction in the state. In addition, Mr. Harvey discussed AB 392 (Weber), the re-introduction of a police use-of-force bill from last year, which the League opposed, and SB 230 (Caballero) an alternative bill backed by police chiefs that the League would likely support.

Derek Dolfie, League Legislative Representative, highlighted evolving environmental and community issues that will be big in 2019. A major issue is organic waste diversion and the regulations that will implement a 50% reduction target coming out this summer. Mr. Dolfie also discussed various proposals that seek to provide clean water to California residents. He also touched on bills regarding recycling, energy, disaster preparedness, storm water, aging, homelessness and tobacco use regulations.

Rony Berdugo, League Legislative Representative, discussed transportation, communications, and public works. Mr. Berdugo began by discussing the proposal to link SB 1 transportation dollars with housing production. The proposal was met with hostility by many legislators and Mr. Berdugo suggested that folks in the room speak to their legislator and tell them that this proposal should not move forward. Next, he discussed the FCC small cell order and how the League and

others have attempted to push back against this in the courts and on the federal level. Finally, Mr. Berdugo discussed emergency alert legislation and disaster preparedness regarding seismic safety.

Lastly, Dan Carrigg briefly discussed issues related to revenue and taxation. Mr. Carrigg touched on the League's support of AB 147 (Burke) which would implement the Wayfair decision in California and increase revenue for local governments, and discussed legislation that would limit sales tax agreements that shift revenue from other jurisdictions.

II. Welcome and Introductions

Chair Larry Moody and Vice Chair Oley Olsen welcomed the committee members and gave some opening general remarks. Chair Moody then asked the committee to introduce themselves and say one sentence about why their city is interesting.

III. Public Comment

No public comment.

IV. Legislative Update

League staff, Derek Dolfie, provided an update on various bills that are being tracked, relative to Community Services, reiterating that all bills are informational and not action items.

The bills discussed with the committee included:

- AB 740 (Burke) – Wildfire Victim Restitution Fund
- AB 797 (Grayson) – Mandated reporters: financial abuse of elder or dependent adults
- AB 1005 (Arambula) – Foster Children and Youth: Family Urgent Response System
- AB 1382 (Aguiar-Curry) – Master Plan for Aging in California

Subsequently, the committee discussed and asked several questions on other bills with League staff, including bills related to child care, tobacco and electronic cigarettes, and homelessness.

V. Retirement Housing Foundation

Reverend Dr. Laverne Joseph opened his presentation by providing background on his biography and on the inception of the Retirement Housing Foundation (RHF) to the committee. His organization is rooted in faith-based institutions and has a national presence, and including operations in Puerto Rico and US Virgin Islands and has its largest senior affordable housing community in Los Angeles. RHF has 16,130 units; 1900 units for those with special needs, and still need to address housing for more than 37,000 folks

Dr. Joseph discussed how housing for seniors is a growing issue in California due to people living longer and a reduction in federal Housing and Urban Development (HUD) programs. Redevelopment monies were used to build and house seniors in the early 2000s, but given the dissolution of redevelopment, those funds have also gone away. Dr. Joseph also mentioned that recent federal tax credit legislation will actually hinder efforts to build affordable housing for seniors.

After his presentation, Dr. Joseph took numerous questions from the committee. One notable question was how RHF would address the senior housing crisis. RHF stated that they believe a solution to the homelessness crisis is to simply create more affordable housing to get folks off the street. The state is losing more affordable housing than is being created and this makes the problem worse. Equity investors have been aggressive in trying to convert housing in certain areas into market rate housing; as there is so much demand there that it is severely pinching the efforts to retain, let alone expand, affordable housing.

Chair Moody thanked the speaker for presenting and mentioned to the committee that it is important that local officials find more ways to partner with faith-based organizations in seeking to address housing issues for vulnerable populations.

VI. City of Costa Mesa – Homelessness

Mayor Katrina Foley gave a presentation to the committee on how her city, Costa Mesa, is addressing homelessness. She began by giving some background on herself and shared that she has been Mayor since November 2018. She indicated that addressing homelessness has been her top priority since coming into office and that Costa Mesa has opened a bridge facility through a faith-based organization to temporarily house persons. The city is currently exploring partnerships with faith based organizations in the homelessness space.

Mayor Foley then discussed the details of Costa Mesa's new homelessness shelter. The city recently purchased a permanent housing shelter for \$6.9 million, operated by Mercy House, and will soon begin preparing that space to house persons. The cost is \$2.3 million a year, which will ultimately be a cost savings over spending approximately \$100k per homeless person per year. The shelter will be doing 24-hours a-day half mile radius patrols to regulate this facility and ensure everyone's safety.

The shelter is a partnership with the community, law enforcement, and the city. The shelter will use a referral-only system for intake of new visitors. They will prohibit walk-ins and persons with prescribed criminal convictions, such as felony murder. The overall focus will be to help those with mental health disparities. The need for this shelter is greater than the number of beds with 78 persons identified in the program's early outreach, despite the fact that the shelter only has 50 beds.

Some of the stated goals for the shelter are:

- Relieve local emergency departments, which currently are consumed by persons who use the emergency room to simply seeking shelter;
- To create goals and self-sufficiency plan for homeless persons to help them eventually find their way; and
- To serve people in their local community

Mayor Foley also discussed how her city was sued over its anti-camping ordinance, which was a catalyst for the creation of the homeless shelter. In response to this legal challenge, Costa Mesa is planning on revising their anti-camping ordinance in the future. Additionally, she mentioned that the 9th circuit court has ruled that you cannot enforce anti-camping ordinances if you do not have shelter to house persons.

Lastly, Mayor Foley then took numerous questions from the committee.

Next Meeting: Friday, June 14, League Offices, Sacramento