

STAFF REPORT

DATE: February 16, 2021

TO: City Council

FROM: Legislative Subcommittee (Vice Mayor Lucas Frerichs and Councilmember Dan Carson)
Mike Webb, City Manager

SUBJECT: 2021 Legislative Platform

Recommendation

Approve the attached resolution authorizing the adoption of a 2021 Legislative Platform

Fiscal Impact

The existing budget of the City Manager's Office absorbed the staff time necessary to prepare a draft 2021 Legislative Platform. The Platform itself, however, contains several items, which if successful, could yield fiscal benefits for the City.

Council Goal(s)

Ensure Fiscal Resilience.

Background and Analysis

Review of 2019 and 2020 Legislative Platforms

On [January 8, 2019](#), the City Council adopted its first Legislative Platform, which ultimately resulted in an additional \$2.7 million for the Interstate-80/Richards Boulevard Interchange Improvement Project, resolved a parking issue at the Amtrak Station, and paved the way for fruitful staff discussions with the California Department of Housing and Community Development (HCD) and the Sacramento Area Council of Governments (SACOG) on Regional Housing Needs Allocation (RHNA) processes.

On [December 17, 2019](#), the City Council adopted an updated legislative platform for 2020 that also proved beneficial to the City. The 2020 Legislative Platform included both legislative priorities and advocacy priorities as outlined below.

- *Request guideline changes to two Proposition 68 grant programs to ensure the City's eligibility.* The City was able to petition successfully to change guidelines for two parks grant programs for which the City would otherwise have been ineligible: the Rural Recreation and Tourism Program and the Recreational Infrastructure Revenue Enhancement Program. For the Rural Recreation and Tourism Program, the State changed the guidelines to allow midsize cities like Davis, located in a small and largely rural county like Yolo, to apply. For the Recreational Infrastructure Revenue Enhancement Program, the City worked with Senator Dodd and Representative Aguiar-Curry to have the State

change its guidelines to allow eligibility for communities that passed revenue measures that improve, enhance or maintain local park infrastructure.

- *Research both regulatory and legislative options to change the State's allocation method for distributing sales tax.* The City explored options to change the allocation method. Instead of basing the allocation on the proportion of other taxable sales, the City remains interested in basing the allocation on the place of sale for in-person transactions and the destination for online transactions.
- *Continue to advocate for changes to RHNA processes.* City staff worked with HCD and SACOG representatives to determine a solution to receive credit for affordable housing in by-the-bed rental projects.
- *Request funding in the state budget to assist the City with development of a public memorial to honor Officer Natalie Corona.* Focus on this area has led to the preparation of a grant proposal for the funds stemming from Proposition 68.
- *Support Caltrans' efforts to implement the Yolo I-80 Corridor Improvement Project.* The City continues to support this effort and is actively engaged with Caltrans and with our State Representatives.
- *Support SACOG's state lobbying efforts to consolidate and reallocate \$100 million of its regional share from various state grant programs to the Green Means Go initiative.* The City supported the efforts, and the Green Means Go program is underway.
- *Authorize the City Manager to send a letter to the League of Cities' California Voting Rights Act (CVRA) working group.* The City Manager provided a letter on behalf of the City sharing concerns and suggestions. Staff will update the City Council should there be any response to this effort.
- *Continue support for Senate Bill 5 (SB 5), which would establish an Affordable Housing and Community Investment Program.* Staff and the Legislative Subcommittee tracked the legislation and remain engaged with co-author Assembly Member Aguiar-Curry.
- *Continue tracking of Senate Bill 266 (SB 266), which relates to employer responsibility for incorrect pension calculations by the California Public Employees' Retirement System (CalPERS).* Staff and the Legislative Subcommittee tracked the legislation.
- *Continue advocacy to change the owner occupancy requirements for junior accessory dwelling units (JADUs).* Staff has continued to track issues related to junior accessory dwelling units as part of the City's larger ADU advocacy efforts.

Proposed 2021 Legislative Platform

The Council Subcommittee of Carson and Frerichs met with City staff and is proposing the following 2021 Legislative Platform:

- *Infrastructure Bills.* Track, and advocate for, proposed bills that address funding for infrastructure needs, including funding for broadband. Congress has suggested that there may be significant funding this year allocated to States and local communities. Infrastructure may include more typical forms, such as transportation infrastructure, but also advance the prevalence of technologies such as community-wide broadband. In 2016 the City Council formed the Broadband Advisory Task Force to look into municipal broadband. With the conclusions of the Broadband Advisory Task Force presented to the City Council in 2019 the City Council concluded that pursuing municipal broadband did not appear to be financially viable, but directed staff to continue to track ideas and opportunities such as new private-public partnerships to improve high-speed broadband access and services. Legislative advocacy provides an avenue to evaluate options moving forward, either for funding that would make municipal broadband more feasible, and/or through funding support for the provision of more robust service through other provider mechanisms.
- *COVID Assistance.* Continue to look for opportunities to encourage Congress and the State to assist cities that need flexible COVID assistance, particularly direct assistance to cities Davis' size. Actions may include outreach to the California League of Cities, Assemblymember Aguiar-Curry, Senator Dodd, Representative Garamendi, or other advocates to suggest direct benefits to smaller/medium size cities.
- *Sales Tax Legislation.* Continue to track sales tax legislation, particularly as it relates to internet sales. Carrying over the legislative priority from 2020 the City will research both regulatory and legislative options to amend the State's allocation method for distributing sales tax. Instead of basing the allocation on the proportion of other taxable sales, the City suggests basing the allocation on the place of sale for in-person transactions and the destination for online transactions.
- *RHNA Process.* The City will continue to advocate and engage with our State representatives on legislation and administrative rules related the Regional Housing Needs Allocation (RHNA), particularly with respect to the types of housing units that are more unique to college communities. Continue to work with HCD and SACOG representatives and other stakeholders to consider bedroom counts in by-the-bed projects when quantifying RHNA credit.
- *I-80 Corridor.* Continue to be directly engaged and support Caltrans' efforts to implement the Yolo I-80 Corridor Improvement Project.
- *Affordable Housing Bills.* Monitor bills related to affordable housing, as well as SB 5.
- *Housing Streamlining.* Monitor and consider support for efforts by the League of Cities, SACOG, and the State Legislature to seek expedited judicial review and CEQA streamlining for housing projects that meet with local and regional policy priorities.
- *ACA 1.* Support ACA 1, a Constitutional Amendment, authored by Assemblymember Cecilia Aguiar Curry, to lower the necessary voter threshold from a two-thirds

supermajority to 55% to approve local general obligation bonds and special taxes for affordable housing and public infrastructure projects. (Attachment 3)

- *Unfunded Mandates.* Review the general topic of unfunded State mandates to determine if there are areas where the City should take a position or reach out to legislators.
- *SB 1383 Funding.* Support grant and funding opportunities that provide resources to implement the state mandated SB 1383, which deals with food waste diversion, organic waste, and the reduction of greenhouse gases.
- *Grant Funding.* In general, seek opportunities to support grants or funding that address needs identified in the City's [Comprehensive Funding Plan for grants](#).
- *SACOG's Green Means Go initiative.* The City will continue to advocate for and support the SACOG Green Means Go pilot program funding effort, including any related policy bills and budget action.
- *Valley Clean Energy.* The city will support legislative efforts to help VCE, our local clean power agency, in which the City of Davis is a partner, to overcome legislative and regulatory challenges that could slow its progress.

Other issues may arise over the course of the year that would benefit from the review of the Legislative Subcommittee. The Subcommittee will review bills and other items related to legislation that may be of interest to the City and make recommendations as to whether they should be included in the Legislative Platform.

Attachments

1. Resolution
2. ACA 1 Fact Sheet

RESOLUTION NO. 21-XXX, SERIES 2021

RESOLUTION AUTHORIZING THE ADOPTION OF A 2021 LEGISLATIVE PLATFORM

WHEREAS, the Legislative Subcommittee is encouraged by the City's recent success in addressing legislative concerns and securing grant awards and feels further action is beneficial to improve the City's policy objectives; and

WHEREAS, the Legislative Subcommittee is seeking City Council support to adopt a 2021 Legislative Platform consisting of legislative and advocacy priorities; and

WHEREAS, the primary purpose of the Platform is to identify priorities that require legislative action, through either regulatory changes, bills, or budget trailer language, that will help the City secure additional revenue or reduce costs, as well as help the City to meet policy goals.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Davis to authorize the adoption of a 2021 Legislative Platform as follows:

- *Infrastructure Bills.* Track, and advocate for, proposed bills that address funding for infrastructure needs, including funding for broadband. Congress has suggested that there may be significant funding this year allocated to States and local communities. Infrastructure may include more typical forms, such as transportation infrastructure, but also advance the prevalence of technologies such as community-wide broadband. In 2016 the City Council formed the Broadband Advisory Task Force to look into municipal broadband. With the conclusions of the Broadband Advisory Task Force presented to the City Council in 2019 the City Council concluded that pursuing municipal broadband did not appear to be financially viable, but directed staff to continue to track ideas and opportunities such as new private-public partnerships to improve high-speed broadband access and services. Legislative advocacy provides an avenue to evaluate options moving forward, either for funding that would make municipal broadband more feasible, and/or through funding support for the provision of more robust service through other provider mechanisms.
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- *RHNA Process.* The City will continue to advocate and engage with our State representatives on legislation and administrative rules related the Regional Housing Needs Allocation (RHNA), particularly with respect to the types of housing units that are more unique to college communities. Continue to work with HCD and SACOG representatives and other stakeholders to consider bedroom counts in by-the-bed projects when quantifying RHNA credit.
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- *Housing Streamlining.* Monitor and consider support for efforts by the League of Cities, SACOG, and the State Legislature to seek expedited judicial review and CEQA streamlining for housing projects that meet with local and regional policy priorities.
- *ACA 1.* Support ACA 1, a Constitutional Amendment, authored by Assemblymember Cecilia Aguiar Curry, to lower the necessary voter threshold from a two-thirds supermajority to 55% to approve local general obligation bonds and special taxes for affordable housing and public infrastructure projects. (Attachment 3)
- *Unfunded Mandates.* Review the general topic of unfunded State mandates to determine if there are areas where the City should take a position or reach out to legislators.
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- *Valley Clean Energy.* The city will support legislative efforts to help VCE, our local clean power agency, in which the City of Davis is a partner, to overcome legislative and regulatory challenges that could slow its progress.
- Other issues may arise over the course of the year that would benefit from the review of the Legislative Subcommittee. The Subcommittee will review bills and other items related to legislation that may be of interest to the City and make recommendations as to whether they should be included in the Legislative Platform.

PASSED AND ADOPTED by the City Council of the City of Davis on this 16th day of February, 2021 by the following vote:

AYES:

NOES:

ABSENT:

Gloria Partida
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk



ACA 1 – 55% Vote for Local Affordable Housing and Public Infrastructure

Assembly Coauthors: Chiu (PC), Berman, Bloom, Bonta, Burke, Chu, Cooper, Eggman, Frazier, Eduardo Garcia, Gipson, Gloria, Gonzalez, Grayson, Holden, Jones-Sawyer, Kalra, Levine, Low, McCarty, Mullin, Nazarian, Quirk, Luz Rivas, Robert Rivas, Blanca Rubio, Santiago, Stone, Ting, Weber, Wicks, Wood

Senate Coauthors: Wiener (PC), Beall, Hill, Skinner

SUMMARY

ACA 1 will lower the necessary voter threshold from a two-thirds supermajority to 55 percent to approve local general obligation (GO) bonds and special taxes for affordable housing and public infrastructure projects.

ACA 1 is targeted to the urgent needs of local communities. This measure gives local governments a more realistic financing option to fund an increase in the supply of affordable housing, and to address the numerous local public infrastructure challenges cities, counties, and special districts are facing.

BACKGROUND

The California Constitution requires a two-thirds vote at the local level for both GO bonds and special taxes.

However, local school districts must only achieve 55 percent voter approval for school bonds to fund construction, reconstruction, rehabilitation, replacement of school facilities, furnishing of schools, or the acquisition or lease of real property.

From 2001 to 2013, over 2,200 local revenue measures have been placed before voters concerning school, city, county, or special district taxes or bonds. Majority vote tax measures have proven to be much more likely to pass, while just half of two-thirds vote measures succeeded. School bonds with a 55 percent have been the most successful, with four out of every five passing. In contrast, just half of two-thirds vote measures succeeded. A 55 percent voter threshold for special taxes would have made a dramatic difference. Nearly 80 percent of all two-thirds supermajority measures garnered more than 55 percent of “yes” votes.

1) AFFORDABLE HOUSING NEED

According to the Department of Housing & Community Development (HCD), in the last 10 years California has built an average of 80,000 homes per year, while the need to keep up with the housing need is approximately 180,000 homes per year. There is a shortfall of over one million rental homes affordable to extremely low and very low-income households.

2) LACK OF FUNDING FOR PUBLIC INFRASTRUCTURE

Cities, counties, and special districts face numerous challenges in securing funding for important local public infrastructure projects, including:

Water. Much of the state’s water supply, wastewater, and flood control infrastructure is aging. Rebuilding typically requires costly upgrades to meet increasingly high standards for water quality and infrastructure safety. In the last few decades, new mandates on managing stormwater runoff and climate change have added increased costs and heightened levels of management complexity. The water sector has historically relied heavily on locally generated revenues, which means that Proposition 13 (1978), Proposition 218 (1996), and Proposition 26 (2010), have made it increasingly difficult for local agencies to raise funds.

Parks and Recreation. According to the Statewide Comprehensive Outdoor Plan of 2015, 62 percent of Californians live in areas with less than 3 acres of parkland per 1,000 residents (the recognized standard for adequate parks). Additionally, 9 million people do not have a park within a half mile of their home.

Other Local Needs. Our local governments across the state know best what specific priorities matter most in their communities. For some, funding the costs of a new library or other public building is a means to create local engagement and encourage learning. For others, funding the expansion of broadband is a concern that can seem financially impossible. Strained public safety and emergency response resources in many regions could also benefit from much needed investment. Plus, with discussions underway in Washington D.C. about a possible federal infrastructure initiative, the ability to provide matching-dollars for federal grants is critical to being competitive for new grants.

3) IMPACT OF TWO-THIRDS VOTER REQUIREMENT

The California Constitution limits the opportunity for communities to decide to tax themselves to provide funding for local projects that meet goals and laws approved by the majority. One-third of local voters have the power to overrule fiscal decisions.

THIS BILL:

ACA 1 will lower the constitutional vote threshold to 55 percent for both GO bonds and special taxes, when proposed specifically for the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or supportive housing. The bill will also specify requirements for voter protection, public notice, and financial accountability.

In practice, local officials propose a local bond or special tax, and then the voters in that community decide whether they support the idea or not. The voters would still need to overwhelmingly (with 55 percent of the vote) support a bond or special tax in order for it to be approved. ACA 1 will level the playing field and create parity between school districts and cities, counties, and special districts, so that all local governments have a viable financing tool to address community needs.

ACA 1 defines “public infrastructure” to include:

- Projects to provide water or protect water quality, sanitary sewer, treat wastewater or reduce pollution from storm water runoff;
- Protect property from impacts of sea level rise;
- Public buildings, including fire and police facilities;
- Parks, open space, and recreation facilities;
- Improvements to transit and streets and highways;
- Flood control;
- Public library facilities;
- Broadband expansion in underserved areas;
- Local hospital construction;
- Public safety buildings, facilities, and equipment;
- Public library facilities.

ACA 1 defines “affordable housing” and “supportive housing” to include:

- Housing developments that provide workforce housing affordable to households earning up to 150% of countywide median income;
- Housing developments that provide housing affordable to lower, low, or very low-income households, as those terms are defined in state law;
- Targeted housing that is linked to services that assist residents in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community.

This bill proposes an amendment to the California Constitution, which means that if passed by the Legislature, the proposal would then go to the ballot for voter approval during the next statewide election.

SUPPORT:

- California Professional Firefighters (cosponsor)
- Housing California (cosponsor)
- State Building and Construction Trades Council (cosponsor)
- California Labor Federation (cosponsor)
- Alpine Village-Sequoia Crest Community Services District
- American Planning Association California
- Association of Bay Area Governments
- Association of California Healthcare Districts
- Bay Area Council
- Bay Area Housing Advocacy Coalition
- Bear Valley Community Services District
- Beaumont Library District
- Beaumont-Cherry Valley Water District
- Brooktrails Township Community Services District
- Burbank Housing
- California Apartment Association
- California Association of Council of Governments
- California Association of Housing Authorities (CAHA)
- California Association of Nonprofits
- California Association of Recreation & Park Districts
- California Association of Sanitation Agencies
- California Coalition for Rural Housing
- California Contract Cities
- California Fire Chiefs Association
- California Housing Consortium
- California Housing Partnership
- California Library Association
- California Library Services Board
- California Nurses Association
- California Park & Recreation Society
- California Rural Legal Assistance Foundation (CRLAF)
- California Special Districts Association
- California State Association of Counties (CSAC)
- California State Association of Electrical Workers
- California State Council of Laborers
- California State Pipe Trades Council
- California Transit Association
- California State Treasurer, Fiona Ma
- Cameron Park Community Services District
- Chicano Federation of San Diego County
- Chico Area Recreation and Park District
- Chino Valley Fire District
- Cities Association of Santa Clara
- City of Alameda
- City of Albany
- City of Arvin
- City of Burbank
- City of Camarillo
- City of Ceres
- City of Chowchilla
- City of Davis
- City of East Palo Alto
- City of Emeryville
- City of Goleta
- City of Gustine
- City of Laguna Beach

SUPPORT (continued)

City of Lathrop
City of Lodi
City of Long Beach
City of Manteca
City of Marin
City of Merced
City of Milpitas
City of Moorpark
City of Napa
City of Novato
City of Oakland
City of Oceanside
City of Placentia
City of Ripon
City of Riverbank
City of San Luis Obispo
City of Santa Monica
City of Stockton
City of Ventura
City of Walnut Creek
City of West Hollywood
City/County Association of Governments of San Mateo
County
Coalition for a New Community Library and Resource Center
Conejo Recreation District
County Mono
County of Marin
County of Monterey
County of Napa
County of Santa Clara
County of Solano
County of Yolo
Crestline Sanitation District
Cucamonga Valley Water District
Desert Recreation District
EAH Housing
East Bay for Everyone
East Bay Housing Organizations
East Bay Municipal Utilities District
East Bay Regional Park District
East Contra Costa Fire Protection District
Eden Housing
Environmental Defense Fund
Fallbrook Public Utility District
Fallbrook Regional Health District
Feather River Recreation and Park District
Fire Districts Association of California
Foundation for Monterey County Free Libraries
Fresno Mosquito and Vector Control District
Fulton-El Camino Recreation and Park District
Goleta West Sanitary District
Greater Merced Chamber of Commerce
Habitat for Humanity East Bay/Silicon Valley
Hayward Area Recreation and Park District
International Union of Elevator Constructors
International Union of Operating Engineers

League of California Cities
League of Women Voters of California
Los Angeles County Metropolitan Transportation Authority
Marin County Transit District
Marin County Council of Mayors and Councilmembers
Metropolitan Transportation Commission
Midpeninsula Regional Open Space District
MuniServices
Non-Profit Housing Association of Northern California
North Bay Leadership Council
North County Fire Protection District
North Tahoe Fire Protection District
Oceano Community Services District
Olivenhain Municipal Water District
Orange County Cemetery District
Palomar Health
Palos Verdes Library District
Pleasant Valley Recreation and Park District
Professional Engineers in California Government (PECG)
Salinas Valley Memorial Healthcare System
San Diego City Council President, Georgette Gómez
San Diego Habitat for Humanity
San Joaquin County Hispanic Chamber of Commerce
San Mateo County Transit District (SamTrans)
San Ramon Valley Fire Protection District
Santa Clara Valley Water District
Santa Ynez Community Services District
Shafter Parks and Recreation District
Silicon Valley @ Home
Silicon Valley Leadership Group
Solano Irrigation District
Solano Transportation Authority
South Coast Water District
Southern California Association of NonProfit Housing
SPUR (San Francisco Bay Area Planning and Urban Research
Association)
Rural County Representatives of California (RCRC)
Stege Sanitary District
The Two Hundred
Town of Discovery Bay Community Services District
Town of Yountville
United Contractors
Urban Counties of California
Ventura Council of Governments
Western Center on Law and Poverty
Western States Council Sheet Metal, Air, Rail, and
Transportation