

TO: SOUTH BAY CITIES COG BOARD OF DIRECTORS FR: JEFF KIERNAN, LEAGUE OF CALIFORNIA CITIES

CAL CITIES UPDATE FOR 10/13/2022 MEETING (as prepared OCT 18)

LEGISLATIVE UPDATE

The Governor completed his action on bills at the end of September. His office released statistics on his final actions saying he had signed 997 bills into law and vetoed another 169. There are many disappointments in his actions, like the 38 new housing bills signed into law that create new requirements on cities, including AB 2011 and SB 6 which both speed housing while limiting input from the public or city officials and eliminating parking minimums when these projects are within ½ mile of transit. Parking came under fire in several bills this year and the signing of AB 2097 (Friedman) will also prohibit parking minimums in residential and commercial zoning within ½ mile of transit.

More legislative updates will come out as we prepare our new laws webinar for the end of the year (tentatively scheduled for NOV 14), but below is some of the good news that came out of the end of the legislative session:

Community Services:

- SB 1338 (Umberg) CARE Court SIGNED
- <u>Eggman Behavioral Health Package</u>: Of the 8 bills that were introduced, 3 were signed and one was vetoed. Cal Cities worked closely with the author and recommended a support position on all of them. The three that were signed are: <u>SB 929(Eggman)</u>, <u>SB 1035 (Eggman)</u>, <u>SB 1127 (Eggman)</u>; and <u>SB 1238 (Eggman)</u> was vetoed.

Transportation, Communications and Public Works:

- AB 1685 (Bryan) Parking Violations VETOED. Would have required cities to forgive \$1,500 in parking violations annually for unhoused individuals
- <u>SB 932 (Portantino)</u> SIGNED. This bill would require cities to adopt bicycle, pedestrian, and traffic calming elements when they update their general plan. Cal Cities negotiated amendments that removed the legal liability section of this bill allowing us to remove our opposition.

Public Safety:

- AB 1740 (Muratsuchi) Catalytic Converters SIGNED
- SB 1087 (Gonzalez) Catalytic Converters SIGNED

Rev & Tax:

AB 1951 (Grayson) Manufacturing Sales Tax Exemption - VETOED

GENERAL ASSEMBLY RECAP FROM THE ANNUAL CONFERENCE

Members approved bylaws amendments and took action on a petitioned resolution that would have required Cal Cities to help qualify the Brand-Mendoza-Candell Tripartisan Land Use Initiative on the 2024 ballot (also known as the Our Neighborhood Voices initiative).

Since this item was brought as a petitioned resolution, Cal Cities bylaws do not allow amendments to the resolution nor enough time for Cal Cities policy experts (i.e. the Cal Cities policy committees and staff) to provide any briefing or policy recommendations on the item.

The general resolutions committee took extensive public comment from members on the proposal before that committee voted 39 – 4 to recommend the resolution be sent to the Housing, Community, and Economic Development (HCED) and Environmental Quality committees in 2023 for further review.

At the General Assembly, city voting delegates rejected a motion to debate the petitioned resolution by a vote of 98 – 167 and voted instead to approve the recommendation sending the petitioned resolution back to HCED & EQ policy committees.

If you still have questions on the outcome of the General Assembly, additional detail can be found <u>HERE</u> or please call me and I can brief you on the what transpired.

New Cal Cities President and Artesia Council Member Ali Taj's Message to the Membership From September 14 issue of Cal Cities Advocate:

Last week, more than 2,000 city officials gathered in Long Beach for the 2022 League of California Cities Annual Conference and Expo. It was a great honor to be installed as the new Cal Cities president. It is an even greater honor to lead this organization as it continues to advance its 124-year-long mission: to expand and protect local control for cities. Being around such an impassioned and active gathering of thousands of city colleagues reminded me of the great strength of our organization.

As I start my new term, I believe it's important to acknowledge our recent accomplishments, while also committing ourselves fully to tackling the difficult challenges that lie ahead in 2023. This past year will be remembered for the ongoing impacts of a pandemic, inflation at levels we haven't seen in decades, a declining economy, and an ever-worsening drought.

In the face of these challenges, city leaders showed strength and resilience by adapting innovative ways to serve our communities while also providing basic services with fewer resources — improving local streets and roads, planning and approving new housing, supporting unhoused residents, helping local businesses get back on their feet, and keeping communities safe.

And like city leaders, Cal Cities also delivered for our members in 2022. Cal Cities meaningfully advanced all four member-driven advocacy priorities for 2022, including:

- Housing. Cal Cities secured resources to support cities' efforts to jumpstart housing construction including nearly \$1 billion for low-income housing and infill construction and carved out flexibility for cities in bills that threaten local housing plans.
- Infrastructure. Cal Cities led a broad coalition against a large, unfunded transportation measure that would have required cities to adopt significant and costly bicycle, pedestrian, and traffic calming elements in their general plans. Cal Cities also defeated two measures that would have restricted local transportation funding.
- **Homelessness**. The Cal Cities Board of Directors adopted a policy that supports additional funding and resources to expand access to behavioral health services and that supports our county partners. With this new policy, we went to work on bills designed to modernize the behavioral health system, to better serve those who need it, including our unsheltered residents. This includes the CARE Court legislation that the Governor signed into law on Sept. 14, which includes Cal Cities' requested amendments.
- Climate resiliency and disaster preparedness. Cal Cities secured \$180 million in the state budget for organic waste recycling programs, which will go a long way towards helping advance our shared city and state priority to reduce greenhouse gas emissions. Cal Cities also had a seat at the table for a landmark recycling bill, SB 54, that became law this year. SB 54 requires all single-use plastics to be recyclable or compostable by the next decade.

But our work is not finished. While we celebrate the progress on our advocacy priorities, we continue to face challenges in the Legislature and at the ballot box that threaten local funding for local services and our land use authority.

As your president, I am committed to spending time in the State Capitol, building relationships with legislators, particularly the 35 incoming lawmakers, to advance our legislative priorities and uphold local control. But this work will require a unified voice. It will take working together for all of our cities to be stronger and our advocacy to be more effective.

To uphold our unwavering commitment to expand and protect local control, the Board directed Cal Cities to establish near-, mid-, and long-term strategies, including exploring the feasibility of a ballot measure that fights back against the continual erosion of local control by the Legislature and Administration. And at this year's conference, the membership directed us to work through our committee process to review a potential ballot measure.

Staff have already begun this important but difficult work. Designing, qualifying, and passing ballot measures in California — particularly a constitutional amendment — is no small undertaking and certainly no guarantee. It takes months of policy research, polling, legal analysis, coalition building, fundraising, and other deliberations to construct a policy that meets the goals of the organization, while also meeting the approval of California's diverse electorate.

And it takes even more to actually win at the ballot. In 2022, gathering signatures to qualify a constitutional amendment cost between \$10-16 million. The cost for 2024 could be greater. And running a campaign to pass a measure takes many tens of millions of dollars more to educate California's 20 million voters. In fact, the average winning ballot campaign spent more than \$50 million in the 2020 election cycle. Clearly, Cal Cities cannot go it alone. It will take a broad coalition and extensive evaluation to determine if there is a viable path to success.

Toward that end, the Board also instructed Cal Cities to engage in a campaign against the deceptively named "Taxpayer Protection and Government Accountability Act". Backed by the California Business Roundtable, the measure adopts new and stricter rules for raising taxes, fees, assessments, and property-related fees; and creates new ways to challenge or repeal these revenue-raising measures that disrupt fiscal certainty and local services. This measure directly challenges our mission to safeguard local control.

The California Business Roundtable has raised more than \$16 million and submitted 1,429,529 signatures to try to qualify this measure. It is likely to qualify for the November 2024 statewide ballot. We anticipate the business coalition will raise tens of millions more to push the measure in 2024.

We know what it will take to be successful at the ballot: tens of millions of dollars and a strong coalition of allies. We've already started building the coalition to oppose this measure and are working with very powerful groups: SEIU California, California Professional Firefighters, California Special Districts Association, California State Association of Counties, AFSCME California, and the California Alliance for Jobs, to name a few.

If and when this measure qualifies, we will need city officials to be all in to oppose this measure, spread the word, and raise the funds it will take to defeat it.

As I start my new term, the bottom line is that the state of Cal Cities is strong. I am confident that we will rise and respond to our challenges this year as we've been doing for over 120 years.

Thank you all for leading your communities with passion, courage, and dedication. It is an honor to lead this organization and the important work we will do in the year ahead.