

**CITY OF SANTA ANA
LEGISLATIVE COUNCIL COMMITTEE
MINUTES**

FEBRUARY 23, 2015

CALL TO ORDER

The meeting was called to order at 12:04 pm by Chair Sarmiento at City Hall Ross Annex, Room 1600.

ATTENDANCE

Members Present: Councilmember Michele Martinez
Mayor Pro Tem Vincent Sarmiento, Chair

Members Absent: None

Staff Present: David Cavazos, Sonia Carvalho, Captain Douglas McGeachy, Mark Lawrence, Francisco Gutierrez, Alma Flores, Jorge Garcia, Mike Ortiz and Yasmin Vazquez. Also present were Tony Cardenas from the League of California Cities, Leslie Pollner (by phone) and Dan Maldonado (by phone) from Holland & Knight and Ian Delzer and Niccolo De Luca (by phone) from Townsend Public Affairs.

Members of the public present: No members.

Public Comments: No comments.

AGENDA ITEMS

1. Approval of Minutes of the October 15, 2015 Meeting.

Approval of the October 15, 2015 minutes was motioned by Councilwoman Michele Martinez and approved by a vote of 2 to 0.

2. Quarterly Federal Legislative Update from Holland & Knight - Report outlining legislative advocacy work October 2014 to December 2014

HK Legislative Advocacy Update (October 2014 to December 2014)

Leslie Pollner provided a legislative advocacy update to the Committee. She discussed the one year extension of the Tax Increase Prevention Act which was passed during the lame duck session. The Act retroactively extended the Empowerment Zone employment tax credit program through 2014.

Bipartisan legislation, The Empowering Jobs Act of 2015, was introduced which would extend the Empowerment Zone program for two years and make the program more effective by expanding the way business and local government take advantage of their allocations of tax-exempt bonds.

Holland and Knight continues to work with ICE and Congresswoman Loretta Sanchez's office to ensure the City of Santa Ana receives its per diem increase for the jail. One complicating factor is the Department of Homeland Security's funding is set to end by February 27, 2015 and there is no clear resolution at the moment.

Leslie Pollner mentioned Holland and Knight has been working with the City on the My Brother's Keeper initiative. They have provided the City assistance in formulating the Promise Zone application and would like to connect the City with other applicants they work with.

Holland and Knight is also working to connect City staff with resources for an immigration outreach event.

Holland and Knight look forward to hosting the City of Santa Ana delegation in Washington D.C. next week. Meetings have been confirmed with ICE and Senator Feinstein's Chief of Staff. A draft itinerary will be sent shortly.

Councilwoman Martinez asked for the status of the Highway Trust Fund and wondered if anything would be determined by May 31, 2015. Leslie Pollner thinks it unlikely. She mentioned a bill is being worked on but at least one short-term extension will possibly be needed.

Councilwoman Martinez asked about the likelihood of the Streetcar project receiving New Starts Program funding. Dan Maldonado replied that the Streetcar project falls under the Small Starts Program and that there is strong support from a group of Senators and House members that are invested in these programs. Although there is resistance from the Tea Party because there are no political gains for the group, Dan Maldonado expects to see continued funding. Leslie Pollner mentioned that now is the time for the City to do advocacy work around this project.

Chair Sarmiento noted that the dynamics in Congress have changed and the balance of power has shifted. He wondered how the change would affect the City's priority issues. Dan Maldonado replied that our priority issues still have strong support in the Senate and that the City is in a position to move its agenda forward. Chair Sarmiento asked Holland and Knight to provide suggestions and recommendations to help the City tailor the legislative platform to this new audience. Dan Maldonado stressed the importance of the City continuing to build relationships to increase the likelihood of receiving funding.

Chair Sarmiento asked if the City of Santa Ana delegation will be meeting with Elias Alcantara in Washington D.C. and whether the White House administration could be made aware that the City would like DACA/DAPA related resources to pass along to the community. Dan Maldonado suggested the delegation highlight the forum the City had planned to hold during the meeting with the White House Administration.

Councilwoman Martinez shared that the City signed on to the Safe People Safe Streets resolution and Dan Maldonado suggested the City of Santa Ana delegation mention this during the meeting with the Department of Transportation in Washington D.C. Councilwoman Martinez asked that the resolution be sent to Holland and Knight and Secretary Anthony Foxx's office at the Department of Transportation.

Chair Sarmiento asked Holland and Knight to check on the regulation restrictions and compliance for HOME Investment Partnerships Program funds and report findings to City staff. Dan Maldonado will provide the requested information to the City. He asked if there were any red flags. City Attorney Sonia Carvalho responded that all red flags had been resolved.

3. Quarterly State Legislative Update from Townsend Public Affairs – Report outlining legislative advocacy work October 2014 to December 2014

TPA Legislative Advocacy Update (October 2014 to December 2014)

Niccolo De Luca reported the Governor submitted the budget to Legislature in January. There is concern regarding the recently released budget trailer bill from the Department of Finance regarding redevelopment dissolution which seeks to undo many of the statutes that were approved when redevelopment was dissolved. Townsend Public Affairs has a draft letter from the City opposing the redevelopment trailer bill.

No budget hearings have been held to date. On March 3rd the Assembly will have their first budget hearing and Townsend Public Affairs will inform the City of any items that impact the City.

The deadline for bills to be introduced is Friday, February 27, 2015. Townsend Public Affairs will monitor legislation for potential impacts to the City and report on issues relevant to the City's priorities.

Niccolo De Luca commented that Speaker of the Assembly Toni Atkins has proposed 3-4 bills to increase permanent funding and incentivize the building of affordable housing. She is holding a press conference on February 25, 2015 to announce the package.

Niccolo De Luca next addressed the oversight of officer-involved shootings and in particular the use of police body cameras. Several bills have been proposed related to which entities handle third-party oversight of officer involved shootings.

Another policy topic of importance to the City is the state-wide regulation regarding medicinal marijuana. Several bills have been introduced and Washington D.C. has shown some interest in putting regulations in place as more cities take positions to either have dispensaries or not.

Niccolo De Luca mentioned there are several funding opportunities including the Water Bond and the Active Transportation Planning Grant. The application for the grant will be available in March and Townsend Public Affairs will work with City staff to prepare it. Councilwoman Martinez urged Townsend Public Affairs to provide support to City staff during the application process and reminded the group that this is the last year this funding will be available to the City at the state level.

Councilwoman Martinez asked staff to follow up with Townsend Public Affairs to ensure the Sustainable Communities Regional Planning Grant application submitted in conjunction with Barry Cottle of C & C Development was completed accurately. Niccolo De Luca mentioned the initial concept proposals were due February 19, 2015. After State staff review the applications they will inform applicants if a more in-depth proposal is needed. Based on the feedback the City receives from the State, he would like to

connect us with Claudia Capio, Director of Housing and Community Development, to ensure the City submits the best application possible.

Councilwoman Martinez attended Orange County Transportation Authority's Pedestrian Safety Workshop which was a roundtable discussion about education, engineering and enforcement activities to promote pedestrian safety throughout Orange County. She would like to promote legislation that will support these types of programs and would like the City to include a diversion program within the Police Department. Some current legislation excludes certain age groups and Councilwoman Martinez asked Niccolo De Luca to do research on that and provide clarification.

Councilwoman Martinez expressed concern about SB7 and losing local control. She takes issue with the State mandating wage rates when those wages are paid with City funds. City Attorney Sonia Carvalho clarified that participation in SB7 is optional and that the City Council voted to pay prevailing wage. The City Council can vote to rescind the resolution at any time. A penalty will be incurred if the City chooses not to participate which involves the loss of grant funding. City analysis showed that the benefit of State grant funding was greater than the cost of paying prevailing wage. Chair Sarmiento asked the City Manager to provide the City analysis to Councilwoman Martinez and himself for review. Councilwoman Martinez stated she does support prevailing wage but not at the expense of local tax dollars. She would like the City Council to revisit this policy decision. City Manager David Cavazos asked Tony Cardenas of the League of California Cities to provide a list of cities that have chosen not to participate.

Chair Sarmiento asked Townsend Public Affairs for support with applications for projects such as the Sustainable Communities Regional Planning Grant submitted with C & C Development, the AMCAL affordable housing development on First St., and potential VA housing on First St. He also asked for assistance in securing grant funding or Proposition 4 funds for a new park, expansion of the zoo and the enhancement of a current exhibit at the zoo. Niccolo De Luca will be meeting with the State Senate Pro Tem's office regarding language floated for a 2016 Park Bond for cities and nonprofits and will add the Santa Ana Zoo to his discussion agenda.

Chair Sarmiento thanked Townsend Public Affairs for providing the Water Bond memo. He asked that Public Works have projects ready for submittal. He wondered about Proposition 1 fund availability for remediation efforts at Well 32 and suggested the City work closely with the O.C. Water District on that. He was unsure about the City's role and City Manager David Cavazos said he would provide clarification. Niccolo De Luca will connect Townsend Public Affairs' water expert with Public Works for assistance.

Chair Sarmiento asked about the intent of new medicinal cannabis legislation and whether it affects cities that do or do not have ordinances in place. Niccolo De Luca stated that proposed bills leave local control in place regardless of whether ordinances support or ban the sale of medicinal cannabis.

Councilwoman Martinez asked how possible recreational marijuana legislation would impact the City's current medicinal marijuana ordinance. Niccolo De Luca responded that groups proposing new legislation support keeping current medicinal ordinances in place. After doing more research he will provide the City additional information.

4. League of California Cities Briefing October 2014 to December 2014

Tony Cardenas discussed the decline of funding for transportation infrastructure due to a decrease in sales and excise tax revenue which he expects to be a major issue this session. Assembly Speaker Toni Atkins and the Senate will both be releasing bills to address this.

In regards to post redevelopment legislation, a trailer bill was introduced by the Department of Finance which makes it difficult for cities to enter into the Meet and Confer appeal process. If a city wins the appeal process it will not be reimbursed for legal fees. The League of California Cities Board unanimously opposed the bill and is currently drafting an opposition letter.

Tony Cardenas mentioned that new medical marijuana legislation, AB 1266, has been introduced by Assembly member Ken Cooley. The three components of the bill are local control, protection of public safety and accounting requirements such as keeping inventory and bookkeeping for dispensaries. A new provision introduced in the bill is dual licensing, where both City and State approval would be necessary to operate a dispensary. Another provision included is for apprenticeships. There will be other bill introductions with the vast majority giving the State control as opposed to local government.

City Attorney Sonia Carvalho asked if licensing provisions are being grandfathered in. Tony Cardenas responded that from his understanding brick and mortar dispensaries already operating in 2015 will not need to have State licenses. He will confirm and follow up with the City.

Councilwoman Martinez asked if AB 1266 makes a distinction between medical and recreational marijuana. Tony Cardenas responded that the bill is silent on recreational marijuana. Councilwoman Martinez expressed concern about future recreational marijuana legislation. Tony Cardenas stated the goal is to have some foundational regulations in place before recreational marijuana legislation is proposed.

Councilwoman Martinez asked for Best Practices to be compiled after the City finishes its approval process and for the information to be shared with the League and other legislators who may find it useful. City Attorney Sonia Carvalho has been keeping a list of policy questions that she wondered if the committee would be interested in reviewing to possibly add to the ordinance in the future.

Tony Cardenas commented on the solar power permit bill explaining that it streamlines the residential solar permitting process.

Tony Cardenas mentioned February 27th is the deadline for introducing bills. The City will be provided with a 'Hot Bills' list by the League.

Lastly, the next League Division meeting will be March 19th in Irvine. Three State legislators will be present. Tony Cardenas will send meeting information on February 24th.

5. **Washington DC Lobbying Trip**

City Manager David Cavazos mentioned Holland and Knight gave an overview earlier of some of the meetings City delegates will have in Washington D.C. He emphasized that the Orange County Transportation Authority is the lead agency for the Streetcar project and will solicit funding from New Starts and Small Starts programs. However, it is important to make Federal agencies aware, such as the Department of Transportation, that the City is very supportive of the City Council regarding this project.

Regarding the Department of Justice, City Manager David Cavazos asked Holland and Knight to provide information on what funding is available for body camera demonstration projects. Chair Sarmiento asked City Manager David Cavazos if he was aware of the labor union's position on body cameras. City Manager David Cavazos responded that it is key to work closely with the POA to ensure it is a joint effort and includes pilot projects and a committee.

Tony Cardenas commented Senator Bob Huff will be introducing SB 175 which requires each agency that employs police officers and elects to require them to wear body cameras, to develop a policy which must include duration, time, place and when cameras are to be worn. The policy must also specify the operational length of time data will be stored and provide procedures for public access.

Lastly, City Manager David Cavazos mentioned the City delegation will meet with local representatives, senators, congress members and White House Intergovernmental Relations.

6. **Review and Recommend Approval of Draft Legislative Council Committee Bylaws**

City Attorney Sonia Carvalho gave a brief explanation of why bylaws are needed and presented the draft bylaws for the Committee's approval. She suggested the Committee could become an Ad Hoc committee to alleviate the travel restrictions imposed by the Brown Act. Chair Sarmiento mentioned he believed Ad Hoc committees could not meet in perpetuity and the Legislative Committee will.

Councilwoman Martinez expressed some concern regarding transparency in the recent past with regards to who could travel. She was under the impression that the entire City Council could not travel together because that would constitute a Brown Act violation. City Attorney Sonia Carvalho clarified the council can travel together as long as the noticing provisions in the Brown Act are followed.

Approval of the draft bylaws was moved by Councilwoman Martinez and seconded by Chair Sarmiento with approval by unanimous vote.

Committee Member Comments

Councilwoman Martinez asked for future action items to be noted as such in the agenda.

Councilwoman Martinez would like to ensure the City is consistent in how affordable housing funds are distributed and that the City remains in compliance with State and Federal guidelines. She is concerned with Millennials and their ability to secure housing. Whether at the local, state

or federal level, she would like policies in place that will help this demographic qualify for housing. City Manager David Cavazos stated that this will need to be added to the legislative platform and voted on by the City Council.

Chair Sarmiento commented that although there have been great economic successes throughout the city there have also been some setbacks, such as Ingram Micro relocating to a different city. The City needs to focus on commercial and economic development as a priority in the next few years. He mentioned the City Manager is the person to lead in marketing the City. Given the success achieved, the City's geographic location and positioning, Chair Sarmiento believes now is the time to begin that effort.

Chair Sarmiento asked City Manager David Cavazos to connect with Ingram Micro to determine the reason why the company chose to leave the City.

Future Agenda Items

Councilwoman Martinez was unsure as to whether the following topic should be an agenda item or best suited for addition to the Legislative Platform, nonetheless public transportation is a topic she would like to see addressed. She believes the City may need to introduce a sales tax measure for infrastructure and transportation. Chair Sarmiento asked what the best venue for this discussion would be. City Manager David Cavazos responded because Councilwoman Martinez is suggesting a bond election, all committees would address this, particularly the Finance, Economic, Development and Technology Committee as well as and the City Council.

ADJOURNMENT

Meeting was adjourned at 1:34 pm.



Yasmin Vazquez
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City Manager's Office