# CITY OF EL PASO DE ROBLES

*"The Pass of the Oaks"*

# CITY COUNCIL MINUTES

**June 16, 2015**

**Location: Paso Robles Library/City Hall Conference Center**
**1000 Spring Street, Paso Robles**

**PLEASE SUBMIT ALL CORRESPONDENCE FOR CITY COUNCIL PRIOR TO THE MEETING WITH A COPY TO THE CITY CLERK**

PLEASE REFRAIN FROM CELL PHONE USE DURING THE MEETING - PLEASE TURN RINGER OFF

## 7:30 PM – CONVENE REGULAR MEETING

## CALL TO ORDER

## PLEDGE OF ALLEGIANCE

## INVOCATION – Pat Sheean

**ROLL CALL** Councilmembers Steve Gregory, John Hamon, Fred Strong, Jim Reed, and Mayor Steven Martin

## STAFF INTRODUCTIONS

## PRESENTATIONS

1. **Drought/Conservation Progress Report**
   D. McKinley, Public Works Director

Director McKinley presented a report outlining the progress being made towards water conservation.

## PUBLIC COMMENTS

This is the time the public may address the Council on items other than those scheduled on the agenda. **PLEASE SPEAK DIRECTLY INTO THE MICROPHONE AND BEGIN BY STATING YOUR NAME AND ADDRESS. EACH PERSON AND SUBJECT IS LIMITED TO A 3-MINUTE DISCUSSION.** Any person or subject requiring more than three minutes may be scheduled for a future Council meeting or referred to committee or staff. Those persons wishing to speak on any item scheduled on the agenda will be given an opportunity to do so at the time that item is being considered.

**Dave Fretwell** spoke about airport issues.
**Ditas Esperanza** announced the opening of Union Road from Kleck Road to Montebello Oaks Drive.

## AGENDA ITEMS TO BE DEFERRED

## PUBLIC HEARING

2. **Tourism & Lodging Promotions Business Improvement District (BID) Renewal of Annual Assessment**
   M. Williamson, Assistant City Manager

For the City Council to consider:

**Options:**

**a.** For the City Council to adopt Resolution No.15-069 renewing the levy of an annual assessment for the fiscal year July 1, 2015 through June 30, 2016 for the Paso Robles Tourism and Lodging Promotions Business Improvement District.

**b.** Amend, modify, or reject the foregoing option.

**PUBLIC COMMENT**

**Dale Gustin** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Hamon**, seconded by Councilman **Strong** to adopt Option **A**

Motion **passed** by the following roll call vote:

AYES: Hamon, Strong, Gregory, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

## CONSENT CALENDAR

**ITEMS ON THE CONSENT CALENDAR ARE CONSIDERED ROUTINE, NOT REQUIRING SEPARATE DISCUSSION.** However, if discussion is wanted or if a member of the public wishes to comment on an item, the item may be removed from the Consent Calendar and considered separately. Councilmembers may ask questions of clarification without removing an item from the Calendar. Individual items are approved by the vote that approves the Consent Calendar, unless an item is pulled for separate consideration.

**3. Approve City Council Minutes from 6-2-2015**
D. Fansler, City Clerk

**4. Approve Warrant Registers 7181-7271; 7272-7451**
J. Throop, Director of Administrative Services

**5. Advisory Body Minutes**
Airport Advisory Committee (April 23, 2015)
Travel Paso Robles Alliance Minutes (April 28, 2015)
Advisory Body Interviews & appointments (May 7, 2015)

**6. Adopt Ordinance No. 1016 amending the city zoning map established by reference in Section 21.12.020 of the zoning code (title 21) and amending the Borkey Area Specific Plan Buena Vista village at San Antonio Winery 2610 Buena Vista Drive, APN 025-391-075 || Read Ordinance 1016**
W. Frace, Community Development Director

**7. Adopt Resolution No. 15-070 adopting an appropriations limit calculation for fiscal year 2015-16 || Read Resolution 15-070**
J. Throop, Director of Administrative Services

**8. Lucky Luke's (disregard per addendum, clerical error)**

**9. Adopt Resolution No. 15-071 authorizing the acceptance of a federal grant for self-contained breathing apparatus and making a supplemental appropriation || Read Resolution 15-071**
K. Johnson, Director of Emergency Services

**10. Adopt Resolution No. 15-072 authorizing the city manager to extend the professional service contract with Big Red Marketing for services on behalf of the tourism and lodging promotions business improvement district || Read Resolution 15-072**
M. Williamson, Assistant City Manager

**11. Adopt Resolution No. 15-073 authorizing the city manager to extend the professional service contract with AugustineIdeas for marketing services on behalf of the tourism and lodging promotions business improvement district through June 2016 || Read Resolution 15-073**
M. Williamson, Assistant City Manager

**12. Adopt Resolution No. 15-074 awarding a contract for maintenance repairs of city streets Walnut Drive, Jackson Drive, and Shannon Hill Drive || Read Resolution 15-074**
D. McKinley, Public Works Director

**13. Adopt Resolution No. 15-075 approving the recordation of the final map for tract 3047-1 (Paso Robles Spring Street, LLC) || Read Resolution 15-075**
W. Frace, Community Development Director

**14. Adopt Resolution No. 15-076 authorizing the execution of a reimbursement agreement for construction of Uptown Specific Plan Improvements to Spring Street (Paso Robles Spring Street, LLC)**
**|| Read Resolution 15-076**
W. Frace, Community Development Director

**15. Adopt Resolution No. 15-077 accepting an irrevocable and perpetual offer of dedication for road purposes on Ardmore Road (PD 09-002, Case Paso, LLC) || Read Resolution 15-077**
W. Frace, Community Development Director

**PUBLIC COMMENT**

**Dale Gustin** requested items 10 and 14 be pulled for discussion.

**ROLL CALL VOTE**

Consent Calendar items **3 through 7, 9, 11 through 13 & 15** were approved on a single motion by Councilman **Strong** and seconded by Councilman **Gregory**.

Motion **passed** by the following roll call vote:

AYES: Strong, Gregory, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

## DISCUSSION

**16. Add Eroica California Vintage Bicycle Event to 2016 City Park Event Schedule**
D. McKinley, Public Works Director

For the City Council to consider adding the Eroica bicycle event to the 2016 City Park event schedule.

**Options:**

**a.** Adopt Resolution No. 15-078

1) Authorizing the use of City Park for Eroica California on April 8, 9 and 10, 2016, and;
2) Agreeing to be listed as a sponsor of Eroica California 2016.

**b**. Amend, modify, or reject the above options.

**PUBLIC COMMENT**

**Kris Kington-Barker** and **Dale Gustin** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Gregory**, seconded by Councilman **Hamon** to adopt Option **A1&2**

Motion **passed** by the following roll call vote:

AYES: Gregory, Hamon, Reed, Strong, Martin
NOES:
ABSTAIN:
ABSENT:

**17. Financial Forecast and FY 2015/2016 Budget**
J. Throop, Director of Finance

For the City Council to consider the semi-annual update of the 5-year Financial Forecast, adopt the FY 15/16 operating budget and allocate $1.3 million proceeds from the sale of real property at 4th and Pine Streets.

**a**. 1. Receive and file June 2015 financial forecast report

2. Approve the FY2015/2016 Budget for all funds for all expenditures for a total of $69,339,874

3. Approve partial repayment of existing internal promissory note to the Sewer Fund using proceeds ($1.3 million) from the sale of the 4th/Pine Street surplus property; or

**b.** Amend, modify, or reject the above option

**PUBLIC COMMENT**

**Karl Hansen and Dale Gustin** spoke on this issue.

**ROLL CALL VOTE**

**Motion #1**

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to adopt Option **A1**

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**Motion #2 - Adopt Resolution No. 15-079 to adopt maintenance & operations and capital appropriations for fiscal year 2015-16**

Motion by Councilman **Gregory**, seconded by Councilman **Hamon** to adopt Option **A2**

Motion **passed** by the following roll call vote:

AYES: Gregory, Hamon, Reed, Strong, Martin
NOES:
ABSTAIN:
ABSENT:

**Motion #3** Adopt Resolution No. 15-080 to:

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to adopt Option **A3**

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**18. Approval of Conceptual Design for City Park Rehabilitation and Repair**
Dick McKinley, Public Works Director

For the City Council to consider the proposed scope of park repair and playground replacement.

**Options:**

**a.** Adopt Resolution No. 15-081 approving the conceptual design for City Park rehabilitation and repair and authorizing staff to complete construction plans and specifications.

**b.** Amend, modify, or reject the above option.

**PUBLIC COMMENT**

**Dale Gustin, Michael Dusi, Brandon Medeiros and Norma Moye** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to adopt Option **A**

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**19. Paso Robles Police Department Update**
R. Burton, Chief of Police

For the City Council to receive a departmental presentation regarding police services.

**Options:**

**a.** Receive and file report.

**b.** Add one new Police Officer in FY 2015-2016 dedicated to Traffic Safety. Split the cost in year 1 with the PD Supplemental Law Enforcement Services Fund grant. Initial cost of $62,500 for the first year and a recurring cost of $125,000 to the General Fund after year one.

**c.** Amend, modify, or reject the above options.

**PUBLIC COMMENT**

**Dale Gustin and Anna Marrs** spoke on this issue.

**ROLL CALL VOTE**

**Motion #1**

Motion by Councilman **Strong**, to adopt Option **B**

Motion **died due to a lack of a second.**

**Motion #2**

Motion by Councilman **Gregory**, seconded by Councilman **Hamon** to adopt Option **B amended directing staff to explore possible funding options for an additional officer and bring back to Council in 90 days.**

Motion **passed** by the following roll call vote:

AYES: Gregory, Hamon, Reed, Strong, Martin
NOES:
ABSTAIN:
ABSENT:

**Mayor Martin requested that Council consider items 10 and14, previously pulled off the Consent calendar for discussion, at this time. By unanimous voice vote Council approved.**

**ITEMS PULLED FROM CONSENT AGENDA FOR DISCUSSION**

**10. Extension of Professional Service Contract – Big Red Marketing**
M. Williamson, Assistant City Manager

Adopt Resolution No. 15-072 authorizing the City Manager to extend the professional service contract with AugustineIdeas for marketing services on behalf of the tourism and lodging promotions business improvement district through June 2016

**PUBLIC COMMENT**

**Dale Gustin** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to approve.

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**14. Reimbursement for Installation of Uptown Specific Plan Improvements; Jeffrey, Tract 3047, PD 13-001**
W. Frace, Community Development Director

Adopt resolution 15-076 authorizing the execution of a reimbursement agreement for construction of Uptown Specific Plan improvements to Spring Street (Paso Robles Spring Street, LLC)

**PUBLIC COMMENT**

**Dale Gustin** and **Rick Jeffrey** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to approve.

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**20. Senior Nutrition Program Rental Fees**
J. Dahlen, Director of Library and Recreation Services

For the City Council to consider facility rental fees for senior nutrition program use of the Senior Center kitchen.

**Options:**

**a.** Receive and file

**b.** Adopt Resolution No. 15-082, waiving monthly rental fees for **Senior Nutrition Program of San Luis Obispo County** to prepare and serve free lunches to Seniors 5 days per week at the Paso Robles Senior Center.

**c.** Amend, modify, or reject the above options.

**PUBLIC COMMENT**

**Dale Gustin** and **Marie Brinkmeyer** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to adopt Option **B**

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Reed, Martin
NOES: Hamon

ABSTAIN:
ABSENT:

**21. Landscape Conversion and Renovation Priorities – Landscape and Lighting Maintenance District Zone 10, Sub Areas 72 A, B, C, D**
Dick McKinley, Public Works Director

For the City Council to consider resident-proposed landscape conversion improvements within Landscape and Lighting District Zone 10.

**Options:**

**a.** Approve Resolution No. 15-083 confirming the landscape conversion project list in Paso Robles Landscape and Lighting Maintenance District Zone 10, Sub Areas 72 A, B, C and D with funding from Sub Area Accumulated Reserves; or

**b.** Amend, modify, or reject the above option.

**PUBLIC COMMENT**

**Steve Rath** spoke on this issue.

**ROLL CALL VOTE**

Motion by Councilman **Strong**, seconded by Councilman **Gregory** to adopt Option **A**

Motion **passed** by the following roll call vote:

AYES: Strong, Gregory, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**22. Tower Well Rehabilitation**
Dick McKinley, Public Works Director

For the City Council to consider emergency repairs to the Tower Road water well.

**Options:**

**a.** That the City Council Adopt Resolution No. 15-084 authorizing a contract with Aqua Engineering for the rehabilitation of Tower Well for $62,274.

**b.** Amend, modify or reject the above option.

**PUBLIC COMMENT - None**
**ROLL CALL VOTE**

Motion by Councilman **Gregory**, seconded by Councilman **Strong** to adopt Option **A**

Motion **passed** by the following roll call vote:

AYES: Gregory, Strong, Hamon, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**23. Nacimiento Water Project Bond Financing**
J. Throop, Director of Finance

For the City Council to consider proposed refinancing of the Nacimiento water project bonds.

**Options:**

a. Adopt Resolution No. 15-085 in Connection with the Refunding of the Nacimiento Water Project Revenue Bonds, Approving Certain Disclosures Regarding the City and Authorizing Certain Actions in Connection with Such Refunding; or
b. Amend, modify, or reject the above option.

**PUBLIC COMMENT - None**
**ROLL CALL VOTE**

Motion by Councilman **Strong**, seconded by Councilman **Hamon** to adopt Option **A**

Motion **passed** by the following roll call vote:

AYES: Strong, Hamon, Gregory, Reed, Martin
NOES:
ABSTAIN:
ABSENT:

**COUNCIL BUSINESS & COMMITTEE REPORTS**

**24. City Council Liaison Committee Reports (if any)**

Each Councilman offered reports on recent committee activities and Councilman Strong submitted his report in writing for the record.

**ADJOURNMENT OF REGULAR MEETING**

Motion by Councilman **Gregory**, seconded by Councilman **Hamon** to **ADJOURN REGULAR MEETING**

Motion **passed** by the following **Voice** vote:

AYES: Gregory, Hamon, Reed, Strong, Martin

## ADJOURNMENT OF REGULAR MEETING AT 10:39PM TO:

- REGULAR PLANNING COMMISSION MEETING - 7:30PM ON TUESDAY, JUNE 23, 2015 IN THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET, PASO ROBLES.
- REGULAR CITY COUNCIL MEETING - 7:30PM ON TUESDAY, JULY 7, 2015 IN THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET, PASO ROBLES.

Submitted by:

Shonna Howenstine, Deputy City Clerk
Approved: July 7, 2015

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Any writing or document pertaining to an open session item on this agenda which is distributed to a majority of the City Council after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the City Clerk's Office, 1000 Spring Street, Paso Robles, CA, during normal business hours, and may be posted on the City's web site at www.prcity.com/government/citycouncil/agendas.asp.

All persons desiring to speak on an agenda item are asked to fill out Speaker Information Cards and place them at the Staff Table prior to public discussion of that item. Each individual speaker will be limited to a presentation total of three (3) minutes per item.

**AMERICANS WITH DISABILITIES ACT** Any individual, who because of a disability needs special assistance to attend or participate in this meeting, may request assistance by contacting the City Clerk's Office (805) 237-3960. Whenever possible, requests should be made four (4) working days in advance of the meeting.

**Summary of Mayor Pro Tem Strong's activity report**
**For Council meeting of June 16, 2015**

I have been out of the area for eight of the past ten days in an unusual spate of heavy activity at the regional, state and national levels on behalf of my elected and/ or appointed constituencies.

At the national level I met with the Secretary of Transportation and staff members from the departments of transportation, rail, highways and transportation safety. I was able to get a national policy on seaport infrastructure, safety and connectivity adopted and some advice and cooperation on some local transportation issues.

I also was able to confer with many experts on various aspects of economic development applicable to our local area.

At the State level I chaired the League of Cities' Policy Committee meeting on Housing, Community and Economic Development on Thursday. We took a position to oppose the State mandating zero parking spaces for some developments , thereby supporting local control of parking requirements, and we supported efforts by the State to provide or enable over $2 billion a year in funding for various types of housing.

On Friday I participated, as past chairman, in the Revenue and Taxation Policy Committee where we heard information on efforts to reassess certain non-residential and non-agricultural properties on an annual basis. We took a position to seek sales tax revenue from internet and catalog sales to be given to the jurisdiction where the product is delivered, rather than from the location of the company's computer or warehouse. We also supported elimination of some "exclusions" from hard goods sales taxes. On a very close vote (20 - 17) the committee defeated my efforts to exclude services from sales taxation. These votes were recommendations to The League's Board of Directors.

Yesterday, I was appointed to The League's Resolutions Committee at its annual conference in San Jose in September.

## Report of Out of Town Representation June 3 - 16, 2015

## By

## Mayor Pro Tem Fred Strong, City of El Paso de Robles, CA

I am your representative to SLOCOG and SLOCOG has membership in LOSSAN (board of directors for the Pacific Surfliner passenger rail service from San Diego County to San Luis Obispo County), CALCOG (regional governments in California ) and NARC (regional governments in the United States and our territories). The Board of Directors of SLOCOG has chosen me, for a number of years, to be its representative to all three of those entities. In turn CALCOG elected me to its Board of Directors and Executive Committee (representing small counties) and NARC's membership elected me to represent the entire membership on its board of directors for the past three years. Three presidents of NARC have subsequently appointed me Policy Chairman of its Transportation Policy Committee and the just elected president has informed me that he is having me continue in that position in 2015/2016. I report back to you because all governmental things are connected. All of these positions are based upon my being on this City Council and the results of my actions and decisions at those levels of government have either a direct or indirect effect upon our city and region. In that regard I have also chosen to participate in the League of California Cities and have been chosen by that body to serve on two policy committees for a period in excess of ten years: Housing, Community and Economic Development as well as Revenue and Taxation. The policy decisions being made at those levels of government have profound influence upon what we can and will do in our local area. Therefore, my Council meetings usually take precedence over the other ones except for very rare priority meetings at those levels. However, I can and do miss some local organization meetings for which I am liaison due to this. I have the other Council liaison attend in those cases so that we are still represented.

Since our last meeting I have had seven days of meetings of these organizations and have been in Raleigh, North Carolina, as well as in Sacramento and Los Angeles in that regard.

Since I am writing this on the weekend it will not have written up to date information on the second LOSSAN Board of Directors meeting in Los Angeles.

**National Association of Regional Councils (NARC) - Annual Conference/ Exhibition & Board of Directors' meeting (June 7 - 10)**

I arranged for CouncilMember Reed to cover the meetings of Main Street and The Paso Robles Housing Authority on the 8th and 9th before driving to Sacramento Saturday night for an early Sunday morning flight to Raleigh which arrived at 6:30 p.m. Sunday in North Carolina. I met with members from around the nation and our hosts from the Triangle J Region at the Marbles Kids Museum, a public activity center for children 1 to 18 years of age. I also met with staff on a policy I've been developing with other national organizations regarding our coastal ports which are involved with 26% of the total economic activity in the United States. Earlier this year I was able to get the Board of Directors to agree to add ports to the areas for which we have policy positions for the general category of "Transportation". Since then my staff and I have been working with the The American Association of Port Authorities, National League of Cities, National Association of Counties and the National Congress of Mayors to develop an effective policy that we could all work with collaboratively.

On Monday, June 8, the main conference opened at 8 a.m. (5 a.m. California time). NARC concentrates on transportation and economic development with consideration for the environment. Our first general session was on economic development with senior representatives of the Federal Reserve Bank concentrating on research, workforce development and investment. Our second session was on complete street designs with transportation and mobility experts from Virginia, Florida and the Federal highway Administration in Washington, D.C. The importance of safety for pedestrians and bicyclists was stressed with an emphasis on the way speed limits effect what we are able to see while traveling. We were urged to write and adopt specific design guidelines in our circulation elements and to send a copy to the Federal Highway Administration for its research department.

The afternoon started with a conversation with Secretary of Transportation Anthony R. Foxx and I also included Congressman David Price, a senior member of the House Appropriations Committee, in the discussion. We discussed the recent federal report and guidelines called out in "Beyond Traffic 2045" by the DOT as

well as the transportation reauthorization Bill. That is the Bill through which I was able to get $350 million for our small region two years ago. We are slightly hopeful that we can get a Bill to guarantee transportation funding for a period longer than two years.

Following my discussion with Secretary Foxx I convened the meeting of the Transportation Policy Committee with guest speakers from the Federal Highway Administration (FHWA) and the Federal Transportation Administration (FTA). The main topics were safety and funding. This was followed by consideration of the proposed Port Policy.

It was noted that marine cargo activity in 2014 generated $4.6 trillion, or 26% of the nation's gross national product. The port revenues accounted for $321.1 billion of federal, state and local taxes. The ports are asking for only $28.9 billion for the infrastructure needed to meet the increased demand and productivity by 2025. The policy was approved with one amendment asking for increased attention to protecting the homeland.

Following that meeting the bulk of those attending went on a tour of the American Tobacco Campus in Durham. I stayed in the hotel/convention center area to participate by phone, along with Director Pettis of Cathedral City, in a special LOSSAN Board of Directors meeting being held in Los Angeles. I will report on that separately.

On Tuesday we learned about the many tools and mechanisms that are being used by the Triangle J Region to attract major economic development to its region through cooperation among the cities within the region. Most of the development is taking place in the 7,000 acre "Research Triangle Park" (RTP) non-profit owned and operated area. Speakers included RTP's CEO and the CEOs of the both the Raleigh and Durham Chambers of Commerce. They urged that we pay attention to our roots as they are the glue between the elements of successful economic development.

The next three sessions had special emphasis upon the changing demographics of America and its regions. The aging of our society and the variation in birth and death rate between various ethnic elements within it are showing a major change in the face of America. Speakers included two professors from the University of

North Carolina, Chapel Hill, and the Acting Administrator of the Federal Transportation Administration.

The session entitled, "From East to West: Challenges and Solutions to Water Resource Issues" had minimal value to our local situation. The East has flooding and contamination problems while California was represented by a speaker from the San Joaquin Valley who spoke primarily about the Delta and the canal system providing water to agriculture and the Los Angles area.

The session on transportation safety featured safety experts from the Federal Highway Administration, Federal Rail Authority and the National Transportation Safety Board. I was able to address a rail safety issue we have at the end of 28th Street with the FRA representative and received some pertinent information to address that problem.

Wednesday involved the election of officers for 2015-16 and the election of regional representatives and open "at large" seats. California's representative, Pam O'Conner, the Mayor of Santa Monica, was re-elected and Judge Byron Ryder of Leon County, Texas, was elected President. The Board meeting followed almost immediately after adjournment of the conference.

The board decided to continue the effort to create a nonprofit sister organization to increase our ability to lobby the Congress on important local/regional matters. Following a short presentation by Transportation Staffer Erich Zimmerman and myself the board adopted the Port Policy by unanimous vote.

A separate issue arose over an attempt in Congress to cancel Census information gathering on everything other than a minimum of information such as the number of people in a specific location. The Bill would make it a "voluntary" count so that anyone who didn't want to answer would not be required to do so. The board, and I, felt that the information would then be inaccurate and worthless for planning, programming and providing for the needs of our people. Also, many areas of Federal tax rebates, allocations of funds to local areas and grants require the information provided by the 10 year census as well as the spot sample annual census that is done. If we lose that census information we also lose millions of dollars for local roads, transportation, housing and basic resources, such as water related projects. The board voted to oppose the proposed changes.

## League of California Cities Policy Committee Meetings

## Sacramento Convention Center, June 11 and 12

### Housing, Community and Economic Development:

I arrived in Sacramento at midnight and proceeded to my hotel by shuttle. At 8:30 a.m. I met with my staff prior to chairing the Housing, Community and Economic Development Policy Committee to review the speakers we would have and the issues on our agenda. The meeting started at 10 a.m.

Following a general outline of what all of the committees were dealing with my committee convened independently of the other committees.

We were told that our triple flip checks for what is due will be issued in full by the State on June 22nd. We are also warned to check our redevelopment agency reimbursement agreement carefully due to a new threat by the Legislature to try to prevent our being able to repay debt using money currently allowed by the State.

Susan Riggs, the new interim director of the State Department of Housing and Community Development, joined us for a discussion of our interaction with HCD and her plans to advance housing development. My committee is also supporting legislation to provide up to $1 billion a year in affordable housing funds plus an increase from $70 million to $370 million in Low Income Housing Tax Credits. Finally, in that area, we are supporting a small fee on real estate transactions, excluding home sales, to provide up to $700 million a year to leverage billions of dollars in federal, local and bank investments in affordable housing.

We were then asked to listen to Assemblyman Ed Chau of Southern California talk about his Bill, AB 744. He brought the developer who urged him to introduce the Bill with him to speak. He was allocated 20 minutes on our agenda. Combined, he and his developer plus Q&A took nearly an hour and a half. His proposal is to eliminate all parking requirements for low income senior and some specialty housing projects that are within a half mile of public transit. The League offered a compromise to ½ parking space per unit under the same conditions. The Assemblyman was relatively quiet but his developer argued extensively with

everything brought up by the committee which includes members who develop low income housing. At the end of the day the committee voted to change its position from "oppose unless amended" to "oppose". Toward the end of this segment the Assemblyman asked me to just end the Q&A. Twice I'd limited the scope of Q&A and twice admonished the developer and committee members to not argue opinions and stay with actual questions and actual answers without editorial comment. Following the Assemblyman's request I closed the discussion within five minutes.

The terrible diplomatic skills of that segment dominated the session and may have colored other decisions later.

An issue regarding a Bill that would allow homeless people to park overnight, uninhibited, in any legal parking space was opposed in favor of retaining local control of parking regulations. However, it was suggested that local government provide sufficient parking to accommodate the demand in appropriate locations with sanitation and life support amenities within a reasonable distance.

A panel of representatives including Ryan McCarthy, Air Resources Board staff, and Bill Higgins, CEO of CALCOG, presented a projection of where the requirements of AB 32 and SB 375 are going in the future.

An item requesting support to limit unlicensed group homes to no closer than 300 feet from each other was suggested to the author to be drawn up as a League Resolution for presentation at the annual meeting this September in San Jose.

All other items were informational only.

**Revenue & Taxation** (which I chaired in 2013)**:**



There was only one action item on the Revenue & Taxation Policy Committee agenda. All others were informational only.

taking 90% of all businesses off the personal property tax lists. This would provide an off-set so that the change would not hurt small businesses nearly as much. It would also change the ratio of home vs business property taxes and how much they provide for services. Currently the vast majority of property taxes come from homes. An example given of inequity was two parking lots in Los Angeles that are the same size and sit side by side. One is assessed at $2.3 million and the other is assessed at $25 million paying more than 10 times as much in property taxes.

We discussed efforts to capture all of the Transient Occupancy Taxes due to us (SB-593), Tax Increment tools (AB 313 & AB 2) and the Hertzberg sales tax reform proposal. I asked about AB 476 which could cost Paso robles about $400,000 a year in lost property taxes and was told that it had died in committee. Staff did not have any information on a similar proposed Constitutional Amendment by the Howard Jarvis Taxpayers Association.

We received a program from Steve Sanders of the ILG which is asking if we are interested in getting money from the Cap & Trade program to help fund some of our local needs. I have that form for our City Manager.

The major discussion revolved around reform of the sales tax to capture sales taxes on on-line and catalog sales. There were a number of issues involved including expansion of the items taxed to include additional "hard" items currently exempt as well as services. The place to which the sales tax is to be paid was also discussed at length (something I've been working on for eight years in this committee). I finally prevailed in getting the committee to recommend that the sale takes place where the item is received.

I prevailed in getting some additional "hard" items to be considered for sales tax, such as soft drinks and bottled water. However, I lost by three votes on the issue of taxing services. I opposed this inclusion. Even though they were talking about auto repairs and landscaping, I'm afraid that once that door is opened medical, legal and

## LOSSAN Board of Directors

## June 8th and 15th

I participated in the special board meeting by phone from Raleigh on June 8th. LOSSAN must complete and sign the agreement with CalTrans to assume local control of the rail corridor by June 30th or the ability to do so will expire.

I made every motion to approve, with some minor clean-up language, the various segments of the agreement with its many appendices.

All of the motions passed unanimously. The remaining two appendices are on the agenda for approval on June15th.

The meeting lasted one hour due to extensive explanation and discussion.

**LOSSAN Board of Directors**
**June 15th in Los Angeles**

The Board of Directors met at 12:30 p.m. and heard reports on legislation pending and high speed rail progress. A position was taken on a split vote favoring a lowering of the vote threshold on transportation funding from ⅔ to 55%.

We reviewed and approved the final two documents required to complete the transfer of operations of the corridor running the Pacific Surfliner trains from the State to LOSSAN. An effort to change the documents was defeated and they were adopted as presented on my motion. We also adopted our Board of Director Initiatives for the coming year with my amendment calling for our branding effort to be done in cooperation with Amtrak.

We expect to have a contract signing ceremony and celebration sometime in the next two weeks.

**Statement to NARC Transportation Committee and Board of Directors prepared, along with a draft policy, for presentation June 8th and 10th, 2015, in Raleigh, NC. By NARC Transportation Committee Policy Chairman Fred Strong.**

You may wonder why we should expend our efforts supporting the nation's ports when we have so many pressing needs in the area of highways, bridges and rail. Failing infrastructure is extremely important but we can't pay attention to one aspect of infrastructure and transportation mobility without paying attention to all areas that interface with it or we are doomed to failure.

Each segment of our economy generates jobs, economic benefits and, most importantly for government ... tax and fee revenue.

Our nation's coastal ports in 2014 accounted for 541,946 direct jobs and an additional 21.4 million jobs are with exporters/importers and users of our ports.

In 2014, marine cargo activity generated approximately $4.6 Trillion of economic activity, accounting for 26% of the nation's gross domestic product.

In 2014, ports accounted for $321.1 Billion of federal, state and local taxes.

What the ports need in return in infrastructure and security maintenance and improvements to handle the expected freight volume in 2025 is a total of $28.9 Billion from the federal government. Pacific ports need over $13 billion. Atlantic ports need over $11 billion. Gulf ports need over $4 billion and Great Lakes ports need over $300 million.

Working together with a Congress and an Administration that recognizes the value of our nation's TOTAL transportation system for economic survival and the safety of our citizens, we can achieve this during the balance of this Congressional session through long term commitments to achievement.

NARC has developed a port policy proposal that allows us to work with like minded groups to be a significant part of that dialog and achievement. We have the opportunity during this conference to enact it and start down that path.

## NARC Ports & Waterways Policy Adopted June 10, 2015

### *PORTS AND WATERWAYS*

Ports and waterways are crucial to an integrated, intermodal transportation system; the nation's economic well-being; and protecting the homeland.

NARC supports federal legislation that:

- Creates a national, intermodal freight policy to improve the reliability and efficiency of freight movement and the transportation system overall.

- Recognizes the importance of freight and intermodal freight connections and the essential role that regional planning organizations play in issues related to freight movement. MPOs and other regional planning organizations must be partners in the development of a federal freight program and any federal efforts to create programs to increase freight movement and efficiency, including access to funding.

- Provides long-term, increased funding for surface transportation legislation that: allows for adequate construction and maintenance of the landside infrastructure that accesses the nation's ports and; recognizes and funds planning and construction of intermodal facilities to support these operations.

- Annually distribute all funds collected through the Harbor Maintenance Tax for harbor maintenance projects and allow for full utilization of the Inland Waterways Trust Fund.

- Protects the nation and its regions with proactive measures that increase the security – including cybersecurity – of ports and waterways.