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# Memorandum

**TO:** MAYOR RON DELLUMS & THE OAKLAND CITY COUNCIL

**FROM:** ANITA R. ESTELL (PRINCIPAL, POLSINELLI SHUGHART) & CHARLES STEPHENSON (DIRECTOR OF FEDERAL AFFAIRS, CITY OF OAKLAND)

**RE:** **DRAFT REPORT ON 2009 FEDERAL LEGISLATIVE AGENDAS AND FY10 APPROPRIATIONS REQUESTS**

**DATE:** NOVEMBER 17, 2009

## Overview

Per the request of Mayor Dellums and the City Council, and in keeping with continuing efforts on behalf of the City in Washington, the Oakland Federal Government Affairs Team has prepared the following report (1) outlining outstanding appropriations projects for FY 2010 and expected appropriation agenda items for FY 2011; (2) describing American Recovery and Reinvestment Act (ARRA) and other federal competitive grant successes and impending opportunities; and (3) addressing legislative initiatives for the first and second sessions of the 111<sup>th</sup> Congress.

For Fiscal Year 2011 (FY11), we have prepared background materials that provide a description of emerging ARRA opportunities, relevant authorizing legislation expected in the Second Session of the 111<sup>th</sup> Congress, and examples of potential earmark programs/accounts in relevant appropriations bills. The FY11 information is intended for discussion purposes and to be used as a strategic tool to identify which

projects (1) are most relevant to federal funding streams; (2) narrow and define parallel approaches for the short-term, mid-term and long-term funding cycles and (3) have the highest probability of success. We are recommending that the City pursue a combined approach to maximize the probability of success, particularly in an increasingly constrained and competitive federal budget climate.

Under the new Administration, the City's Government Affairs Team continues to provide unparalleled leadership in assessing, developing and implementing federal policy and programmatic priorities that are integral to furthering Mayor Ron Dellums' Model City vision, and City Council priorities.

The Team continues to establish and strengthen relationships with the Obama Administration, within the Executive Branch, and across federal agencies. Unlike last Congress, much of the policy being introduced on the Hill is coming directly from

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the White House and in many instances legislation is being drafted and introduced quickly. The Democratic majority is focused on passing measures that reflect President Obama's proposals while addressing the challenges of blue dog Democrats, historic budget deficits and debts, inertia associated with health care and other macro proposals and a new Administration that is still getting its footing. All of these dynamics coupled with larger challenges associated with the economy continue to impact federal efforts.

In 2010, our goal will be to continue to facilitate strategic discussions with City representatives to outline local priorities and their relevance to the national agenda. To this end, Polsinelli proposes to continue to undertake weekly conference calls with the Mayor's senior Oakland-based staff, and bimonthly calls with the Council's staff and any others who may wish to participate.

# APPROPRIATIONS

## FY 2010 PENDING FEDERAL APPROPRIATIONS REQUESTS

Beginning in late 2008, the Government Affairs Team initiated outreach through the Mayor's Office to relevant City officials to invite proposals for inclusion within the City's FY10 federal appropriations agenda. In cooperation with the Mayor's staff, the team

worked to assess the City's appropriations proposals, identify appropriate appropriations vehicles for projects likely to be prioritized, and finalized the City's appropriations agenda.

### *FY10 Appropriation Requests*

#### COMMERCE-JUSTICE-SCIENCE

- **\$1,325,000 for the Oakland Police Comp Stat project.** The requested funding will enable the City to develop, design, and deploy a centralized and consolidated criminal data repository system to enhance public safety efforts within the Oakland community.
- **\$612,000 for the Oakland Special Prosecution project.** The requested amount will solidify the implementation of a local Special Prosecution Team as part of the Mayor's Crime Reduction Strategy. The project entails dedicating three city prosecutors and investigators to work closely with the police, the community, the courts and the District Attorney to prosecute quality of life offenses.
- **\$1,100,000 for the Automatic Vehicle Locating (AVL) project** to supplement local efforts to purchase and install AVL units within all municipal vehicles. Currently, the City of Oakland is unable to secure additional resources necessary to purchase and install AVL units for the remainder of the municipal fleet.
- **\$6,632,750 for the Interoperable Communications project.** The requested funding will provide enhanced interoperable communications capabilities throughout the city and surrounding region.

#### ENERGY & WATER

- **\$250,000 for the Oakland Inner-Harbor Tidal Canal Feasibility Study project.** The requested funding will allow the U.S. Army Corps of Engineers to conduct a new feasibility study as an initial element of a potential effort to improve the federally owned Oakland Inner-Harbor Tidal Canal.

#### HOMELAND SECURITY

- **\$1,740,000 for the Public Safety Vehicle Acquisition project.** The requested funding will provide the necessary support for the purchase of 30 police vehicles, thereby increasing the Oakland Police Department fleet to meet current force strength and allowing new officers to provide essential public safety services to the community and region.
- **\$508,333 for the Mobile Incident Command Posts project.** Requested federal funding will allow the Oakland Police Department and Oakland Fire Department to purchase and maintain a Mobile Incident Command Post to assist with "Quality-of-Life" issues that contribute to the negative perceptions of communities. In addition to assisting in combating crime and disorder,

this mobile facility will help East Bay regional public safety authorities to ensure that the City is prepared to protect its residents in all emergency scenarios.

#### LABOR-HHS-EDUCATION

- **\$5,000,000 for the Municipal HIV Initiative Demonstration project.** The Office of the Mayor seeks funding to implement the "Get Screened Oakland" program. The "Get Screened Oakland" program is a public-private partnership in public health to address the on-going state of emergency posed by HIV within the Oakland community and East Bay region.
- **\$1,000,000 for the East Bay Green Jobs Corridor project.** The Project will be jointly undertaken by the cities of Berkeley, Oakland, and Richmond who will leverage their existing employment and economic development funds to develop job training programs targeted to disadvantaged communities, which are designed to expand economic opportunities in the green economy.

#### TRANSPORTATION-HUD

- **\$2,500,000 for the Lake Merritt Improvement project** to support comprehensive infrastructure enhancements to improve pedestrian accessibility and general landscape surrounding Lake Merritt, a national historic landmark located within the Oakland community.
- **\$2,700,000 for the East Oakland Economic Development project** to support Phase II construction of the East Oakland Sports Center. The FY10 funding will support the installation of an outdoor competitive swimming facility to promote economic development in the East Bay community.

This final agenda was then compiled and reformatted to comprise the City's FY10 Legislative Briefing Materials (attached).

With these materials in hand, the Government Affairs team initiated a round of meetings with the City's Congressional delegation - Senator Dianne Feinstein and Senator Barbara Boxer, along with Congresswoman Barbara Lee. Follow-up letters drafted and delivered by the Government Affairs team are attached.

Much the same, the team maintained regular communications with appropriations staffers within each delegation office to identify relevant appropriations deadlines and secure all forms necessary to complete an official appropriations request. Forms were completed and submitted to the City's Congressional delegation in advance of each respective deadline. One set of these forms, submitted to the office of Senator Boxer, is attached.

A summary of the status of the City's requests is outlined within the chart that follows.

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**Status Chart of FY 2010 Project Requests**

Project	Amount Requested	Bill	Included in House Bill	Included in Senate Bill	Included in Conference
Oakland Police CompStat	\$1,325,000	Commerce, Justice, Science	--	\$1,325,000 (Boxer & Feinstein)	TBD
Oakland Special Prosecution Project	\$612,000	Commerce, Justice, Science	--	--	N/A
Lake Merritt Improvement Project	\$2,500,000	Transportation -HUD	--	\$850,000 (Boxer)	TBD
East Oakland Sports Center Phase II	\$2,700,000	Transportation -HUD	--	--	N/A
Municipal HIV Initiative Demonstration Project	\$5.0 million	Labor-HHS-Education	--	--	N/A
Oakland Inner-Harbor Tidal Canal Feasibility Study	\$250,000	Energy and Water	\$1,000,000 <sup>1</sup> (construction) (Lee, Pelosi) \$10,000,000 <sup>2</sup> (operations & maintenance) (President, Lee)	\$1,000,000 <sup>3</sup> (construction) \$9,255,000 <sup>4</sup> (operations & maintenance)	\$1,000,000 <sup>5</sup> (construction) \$9,154,000 <sup>6</sup> (operations & maintenance)
East Bay Green Jobs Corridor	\$1,000,000	Labor-HHS-Education	--	\$600,000 (Feinstein)	TBD
Automatic Vehicle Locating (AVL) Systems	\$1,100,000	Commerce, Justice, Science or Homeland Security	\$250,000 (Lee)	--	TBD

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Mobile Incident Command Post Acquisition (ICP)	\$508,333	Homeland Security	--	--	N/A
Interoperable Communications	\$6,632,750	Commerce, Justice, Science	--	--	N/A
Public Safety Vehicle Acquisition Program	\$1,740,000	Homeland Security	--	--	N/A

At the time this report was prepared, the House has passed all 12 of its appropriations bills; the Senate has passed seven, with five yet to be completed (Commerce-Justice-Science, Financial Services, Labor-HHS-Education, Military Construction-VA and State-Foreign Operations). Currently, Transportation-HUD and Defense are in House-Senate conference committee.

On the horizon is the health care debate, which is expected to eat up significant floor time. Health care legislation is expected to see Floor action on the House side this week. The Senate intends to work a few more appropriations bills before then, so that conference reports are ready to go when floor time becomes available.

It is probable that at least some of the FY10 appropriations bills will be packaged into a small omnibus in order for Congress to wrap up its annual appropriations work before the

end of the year. Democratic leadership is considering using the Defense bill as the vehicle for whatever other spending bills are not done when leaders decide it is time to get all of the appropriations work finalized.

With the conclusion of the fiscal year on September 30<sup>th</sup> and with only one (1) of 12 appropriations bills signed by President Obama, Congress passed in late October a Continuing Resolution (CR) to provide a month of stopgap funding to federal agencies. On October 31<sup>st</sup>, a second CR was passed, which sunsets on December 18<sup>th</sup>. Under the second CR, domestic federal programs not already enacted for FY10 will operate at FY09 budget levels.

In the meantime, the Office of Management and Budget (OMB) has already requested all federal agencies to submit their expected FY 2011 budgetary needs and to begin developing the President's budget request.

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*Fiscal 2010 Appropriations Status Chart*

Bill	House			Senate			Conference			President
	Subcom.	Comm.	Passage	Subcom.	Comm.	Passage	Report	House Approval	Senate Approval	
<b>Agriculture</b>	June 11	June 1	July 9	Polled out	July 7	Aug. 4	Sept. 30	Oct. 7	Oct. 8	Oct. 21
<b>Commerce-Justice-Science</b>	June 4	June 9	June 18	June 24	June 25					
<b>Defense</b>	July 16	July 22	July 30	Sept. 9	Sept. 10	Oct. 6				
<b>Energy-Water</b>	June 25	July 8	July 17	July 8	July 9	July 29	Sept. 30	Oct. 1	Oct. 15	Oct. 28
<b>Financial Services</b>	June 25	July 7	July 16	July 8	July 9					
<b>Homeland Security</b>	June 8	June 12	June 24	June 17	June 18	July 9	Oct. 13	Oct. 15	Oct. 20	Oct. 28
<b>Interior-Environment</b>	June 10	June 18	June 26	June 23	June 25	Sept. 24	Oct. 28	Oct. 29	Oct. 29	Oct. 30
<b>Labor-HHS-Education</b>	July 10	July 17	July 24	July 28	July 30					
<b>Legislative Branch (and CR)</b>	June 9	June 12	June 19	Polled out	June 18	July 6	Sept. 24	Sept. 25	Sept. 30	Oct. 1
<b>Military Construction-VA</b>	June 16	June 23	July 10	July 6	July 7					
<b>State-Foreign Operations</b>	June 17	June 23	July 9	Polled out	July 9					
<b>Transportation-HUD</b>	July 13	July 17	July 23	July 29	July 30	Sept. 17				

*Updated on November 5, 2009*

Following the successful conclusion of the FY10 appropriations process, we will help the City secure release of any appropriated funds, and coordinate follow-up events for

your congressional champions. Long-term goals include obtaining funding in each fiscal year, and securing funding for both single- and multi-year projects.

## FY 2011 FEDERAL APPROPRIATIONS AGENDA

The Government Affairs Team is currently consulting with the Mayor's Office and relevant City officials to invite proposals for inclusion within the City's FY11 federal appropriations agenda. In particular, the team shared with the Mayor's Office an FY11 Federal Appropriations Request Questionnaire (attached), which provides guidance to City officials in identifying FY11 priorities. In cooperation with the Mayor's staff, the team then will work to assess each proposal, identify appropriate appropriations vehicles for projects likely to receive federal appropriations, and finalize the City's appropriations agenda.

### Prioritization

We will draft correspondence from the City to members of key congressional offices outlining in detail its projects by appropriations bills and ranking them in order of priority. To maximize our prospects for success, we will distribute requests among as many of the 12 appropriations bills as is possible and practical.

### Forms Completion

Throughout the appropriations cycle, we will serve as an adjunct resource to the delegation to help make the appropriations request process as effortless as possible. We will provide staff with completed questionnaires required by each Committee, and draft the formal letters required for member funding requests. All request materials will be completed as far in advance of individual Congressional appropriations committee deadlines as practicable. While this process is underway, we will counsel the

City on how to communicate successfully with Members of Congress.

### Advocacy Outreach

Once requests have been submitted, we will manage contacts with delegation staffs, alert allies on relevant Committees and within congressional leadership to the importance of your requests. We will continuously and appropriately engage champions who have submitted funding requests. As needed, we will engage congressional caucuses, conduct informational briefings, attend hearings, and help the City prepare committee testimony in support of its requests. Once the request is sent to the Appropriations Committee, we will remain focused on assuring that the Member prioritized the request, and shepherd it through the finished line.

### Federal Budget

Given the immense strain on the federal budget, both due to ongoing economic challenges and unprecedented federal spending, competition for limited federal resources will be intense. In all cases, we will remain engaged with relevant Congressional champions and House and Senate leadership, and will continue to weigh-in with the Obama Administration when necessary.

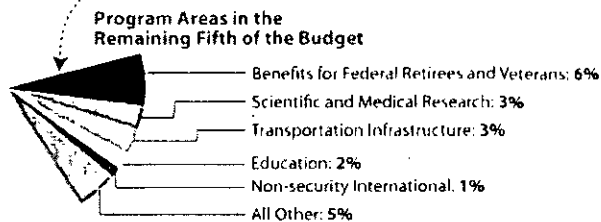
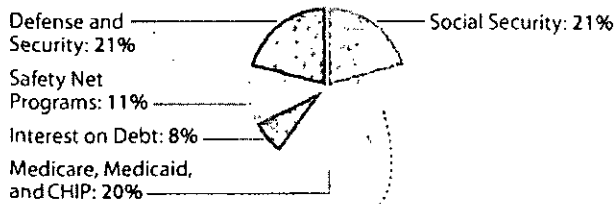
The federal government oversees an annual budget of approximately \$3.0 trillion. Of this total, a majority of federal resources are designated to support entitlement programs authorized to support low-income, elderly, and disabled Americans. Funding to support these programs is mandated through longstanding statutory formulas, leaving less than 45%, or roughly \$1.35 trillion, available



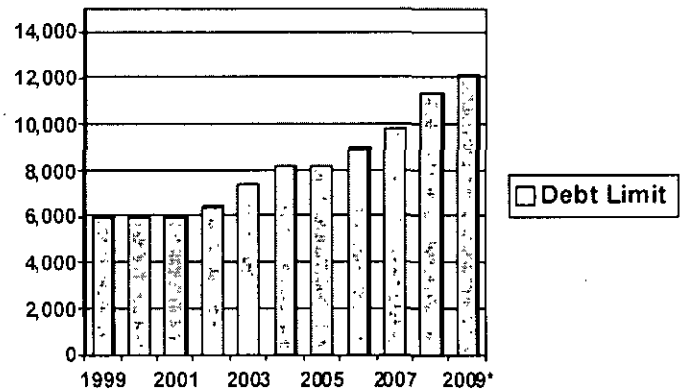
Discretionary spending is divided in turn between defense/national security initiatives and federal domestic programs. Funding for defense is currently double the amount appropriated for all domestic federal programs combined. Outside of defense (representing 14 percent of the total), the largest domestic discretionary programs (in approximate order of size) are: education, highways and other ground transportation, agriculture, housing assistance, biomedical research, federal law enforcement, public health services, and air traffic.

The federal debt has nearly doubled to approximately \$12 trillion, with much of this debt owed to foreign nations in the form of Federal Treasury Bills. The nation's continued military presence abroad, growing national debt, decline in GDP, and reduction in federal tax revenue, if unabated, likely will continue to challenge efforts to redirect federal resources to municipalities.

**Most of Budget Goes Toward Defense, Social Security, and Major Health Programs**



Source: Congressional Budget Office  
 Note: Percentages may not total 100 due to rounding



## **ARRA Grants: SUCCESSES AND IMPENDING OPPORTUNITIES**

Confronting a deepening economic recession, rising unemployment, and continued disruptions within the national credit and housing markets, federal leaders worked throughout the winter and early spring to craft unprecedented economic stimulus legislation intended to create immediate and sustainable employment opportunities nationally. In addition to priorities already outlined in conjunction with FY10 appropriations legislation, the City's Federal Government Affairs Team (in close collaboration with Dan Lindheim and Margaretta Lin) worked in 2009 to engage the Administration and Congressional leaders as they drafted and began to carry out provisions contained in the American Recovery and Reinvestment Act (ARRA).

In so doing, we worked to ensure that the City's priorities were considered as an element of the stimulus package, and when grant opportunities became available that the City had every competitive advantage at its disposal to maximize opportunities for success.

While the City's Government Affairs Team worked actively with the U.S. Conference of Mayors, the Water Infrastructure Network (WIN), the National Association of Clean Water Agencies (NACWA), and other national stakeholder organizations, to advance coalition priorities and preferred funding mechanisms that will target federal resources more effectively to local and

municipal governments, a significant share of federal stimulus funding was directed through the States.

The Team prepared for the City a detailed memorandum addressing its involvement in the legislative enactment of ARRA (attached) and a comprehensive report identifying potential ARRA funding opportunities (attached). Furthermore, we assisted by identifying grant opportunities, securing-when necessary- letters of support from the City's federal delegation in support of its grant applications, and facilitating meetings with Administration officials to address grant opportunities. A sampling of letters of support is attached, as well as a comprehensive list of ARRA and Competitive Grants pursued by the City in 2009 (attached).

Efforts related to the federal stimulus package have been and will continue to be undertaken concurrently with ongoing efforts to secure federal resources to support City initiatives through FY09 and FY10 appropriations legislation and outstanding authorization efforts. Stimulus funding generally will be available to the City, its agencies, and local stakeholders through the following means: (1) direct funding to support local/municipal governments and associated agencies (e.g., Community Development Block Grant, Neighborhood Stabilization Program); (2) "pass-through" federal funding distributed by the States (e.g. Clean/Drinking Water State Revolving Loan Funds); and, (3)

direct federal funding to businesses and non-profits.

### Second Stimulus Legislation

Speaker Nancy Pelosi has ruled out putting a large new economic stimulus plan on the House floor before the end of the year, saying Democrats plan to focus on extending certain provisions in the stimulus enacted in February instead. To create new jobs, Democrats will focus on legislation to extend extra unemployment benefits and health care subsidies for laid-off workers, provide Social Security recipients with a one-time \$250

payment, add funding to the food stamp program, extending and expanding a tax credit for first-time homebuyers, and expand a provision that allows small businesses to use losses from recent years to offset past profits and claim tax refunds.

On the other hand, pressure to address growing unemployment is changing the political dynamics and may result in the reauthorization of the surface transportation legislation early in 2010. The highway bill has long been touted as a "jobs bill," and may carry a price tag of between \$400 and \$600 million.

## COMPETITIVE FEDERAL GRANTS

Throughout 2009, we worked with City officials to assist in responding to federal grants and secure congressional support for those projects. In light of the American Recovery and Reinvestment Act (ARRA), the downturn in the national economy, and the rising federal deficit, grant opportunities provided and are likely to provide in 2011 with important and immediate funds for community safety and interoperability, amongst other City priorities.

We have engaged relevant individuals both within the Obama Administration, and the broader policy community to work to secure

funding for City priorities through relevant competitive grant opportunities.

For example, together with Bouapha Toommaly, Special Assistant to the Mayor and Earl Johnson, Director, Workforce Investment Board, we visited with the Department of Labor to discuss Oakland's recent summer's jobs program, opportunities to pursue demonstrations or obtain waivers that allow cities or regions to comprehensively prepare the "most vulnerable" for jobs in emerging markets, and other matters.

Department of Homeland Security. Urban Areas Security Initiative. The Urban Areas Security Initiative (UASI) program focuses on enhancing regional preparedness in major metropolitan areas. The UASI program directly supports the National Priority on expanding regional collaboration in the National Preparedness Guidelines and is intended to assist participating jurisdictions in developing integrated regional systems for prevention, protection, response, and recovery.

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Department of Justice. Edward Byrne Memorial Competitive Grant Program. The Byrne Program helps improve the capacity of local criminal justice systems and provides for national support efforts such as training and technical assistance projects to strategically address needs. Funds can be used for national scope replication, expansion, enhancement, training, and/or technical assistance programs.

Department of Justice. Second Chance Act Prisoner Reentry Initiative Grant. The Reentry Initiative is supported by the U.S. Department of Justice's Office of Justice Programs (OJP) and its federal partners: the U.S. Departments of Education, Health and Human Services, Housing and Urban Development, and Labor. This initiative is a comprehensive effort that addresses both juvenile and adult populations of serious, high-risk offenders. It provides funding to develop, implement, enhance, and evaluate reentry strategies that will ensure the safety of the community and the reduction of serious, violent crime. This is accomplished by preparing targeted offenders to successfully return to their communities after having served a significant period of secure confinement in a state training school, juvenile or adult correctional facility, or other secure institution.

The Reentry Initiative envisions the development of model reentry programs that begin in correctional institutions and continue throughout an offender's transition to and stabilization in the community. These programs provide for individual reentry plans that address issues confronting offenders as they return to the community. The initiative encompasses three phases and is implemented through appropriate programs.

Department of Justice. Second Chance Act Youth Offender Reentry Grants. The Second Chance Act Youth Offender Reentry Initiative assists jurisdictions characterized by large numbers of offenders returning to their communities after release. Within the context of this initiative, the program includes the delivery of a variety of evidence-based services while the offender is still confined and during his or her reentry into the community to ensure that the juvenile's transition is safe and successful.

Department of Labor. The Prisoner Reentry Initiative. The Prisoner Reentry Initiative (PRI) is designed to help strengthen urban communities and assist ex-prisoners reentering the community through an employment-based program that incorporates housing, mentoring, job training, and other transitional services. The grant is developed in collaboration among DOL, HUD, and the HHS. The solicitation aims to promote strategies that draw on faith-based and community organizations to deliver services to ex-prisoners by providing a link to the communities to which they return.

*See attached ARRA and Competitive Grant spreadsheet for other opportunities.*

## FY 2010 AUTHORIZING AGENDA

In addition to pursuing an aggressive appropriations and ARRA grant agenda to support City initiatives, we have worked with the City's Congressional delegation to request the inclusion of Oakland-specific language within upcoming authorization

legislation. In particular, we have shared with the delegation the City's water infrastructure and Surface Transportation priorities in preparation for the next reauthorizations.

### WATER RESOURCES DEVELOPMENT ACT (WRDA)

On November 8, 2007, the Water Resources Development Act of 2007 (WRDA P.L. 110-114) was last enacted into law. As a generally biennial authorization, Congress is

currently beginning the process of putting together a new WRDA proposal for consideration in 2010.

#### *WRDA City Requests<sup>7</sup>*

Easement. The City of Oakland is constructing a pedestrian/bicycle trail along its shoreline as part of the 500-mile San Francisco Bay Trail. At three locations, the trail needs to be built on boardwalks into the Federal-owned Tidal Canal, in order to pass under bridges that span the Canal from Oakland to Alameda. These are critical gaps in the continuity of the trail. The City of Oakland would like Congress to require the Secretary of the Army to grant permanent easements for the trail, authorize construction of the trail by the City, and clarify permitting jurisdiction. The City of Oakland intends to build the trail with its own funds, so no request for Federal funds is made under this amendment.

Tidal Canal. The City of Oakland requests authorization to conduct a feasibility study as an initial element of a greater effort to undertake improvements to the Federal-owned Oakland Inner-Harbor Tidal Canal. Proposed improvements would include: bank stabilization, removal of navigation hazards/encroachments, environmental remediation of soil and sediments as needed, construction of boardwalks/bridge fenders to provide safe public access under bridges as part of the 500-mile San Francisco Bay Trail, and dredging.

## SAFETEA-LU REAUTHORIZATION

The existing authorization for federal surface transportation programs provided by the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: a Legacy for Users (SAFETEA-LU) expired on September 30, 2009. As a result, the Senate passed a one-month extension of the 2005 transportation law on the night it was set to expire. On September 23, 2009, the House passed a three-month extension to the existing authorization. Chairman Oberstar put forward the three-month extension despite his resolute position of reauthorizing a new six-year package. In contrast, the

Obama Administration and Senate leaders have called for an 18-month extension.

Recently, the Senate has retreated from plans to extend surface transportation authorization for 18 months, and plans to try next week to pass a six-month extension instead. The latest extension of highway authorization, which was included in the second CR passed as part of the FY 2010 Interior-Environment Appropriations Bill, expires December 18.

### *Requests Submitted to Senator Boxer and Senator Feinstein<sup>8</sup>*

1. **42nd Ave & High Street Access Improvements to I-880-** \$17,151,000;
2. **Gateway Development Area Roadway Improvements at Oakland Army Base-** \$60,000,000 to improve access to and through the Oakland Army Base, thereby opening this little used area directly adjacent to the Port of Oakland and regional highways to economic development.; and
3. **Transit Village Transportation Infrastructure Improvement at Coliseum and West Oakland BART Stations-** \$ \$59,400,000 to improve multi-modal access to existing BART stations.

### *Requests Submitted to Representative Barbara Lee<sup>9</sup>*

1. **Gateway Area Roadway Improvements (Oakland Army Base)** – \$5,500,000 for the Army base for construction of the major roadway improvement necessary to start the project;
2. **Transit Village Transportation Infrastructure** \$5,000,000 for the transit villages for pedestrian/streetscape improvements;
3. **42<sup>nd</sup>/High Access Improvements** - \$5,000,000 for 42<sup>nd</sup> and High for the construction cost of the project;
4. **Citywide Intelligent Transportation System** - \$5,000,000 for the Citywide ITS system, we proposed to deliver a first phase of the citywide project; and
5. **Local Streets and Roads Rehabilitation** - \$5,000,000 for LS&R.

<sup>8</sup> See sample requests attached.

<sup>9</sup> We worked with the office of Representative Barbara Lee on the City's High Priority Projects in the SAFETEA-LU Reauthorization, and submitted the final list in consultation with her office.

Letters of support for these projects were provided (attached).

As we have witnessed in deliberations regarding FY10 appropriations, recent economic challenges have prevented

Congress from moving forward with these authorization efforts. With this in mind, we will continue to monitor discussions on the Hill, and will communicate timely information to the City as necessary.

## SAMPLING OF LEGISLATION WE MONITORED IN 2009

Health Care Reform. Three House Committees worked over the past year to develop legislation, and on June 14, House Democratic leaders introduced their bill. In the Senate, the Health, Education, Labor and Pension committee worked on a bill with a public insurance plan. In the Senate, the Health, Education, Labor and Pension committee worked on a bill with a public insurance plan, while the Senate Finance Committee passed its bill without a public-option in late September. Although not yet available for public review, the Senate Democratic leadership has announced that its health overhaul will include an opt-in public-option provision.

The bills would expand coverage by making more people eligible for Medicaid, and by offering subsidies to help moderate-income people buy insurance. They would forbid insurance companies from denying coverage of pre-existing conditions, and would create insurance exchanges -- new government-regulated marketplaces where individuals and small businesses could come together to buy coverage. The 160 million Americans who get their coverage through their employer would stay with that insurance. Nearly everyone would be required to get insurance or face a penalty, and businesses would be required to provide coverage or contribute to its cost. The government would create its own insurance plan as an option

for those buying coverage through exchanges.

Municipal Bonds. In response to Moody's Investors Service move to assign a negative outlook to municipal bonds recently, House Financial Services Chairman Barney Frank conducted hearings in 2009 to explore legislative options to provide equal treatment for municipal bonds, and Mayor Dellums was asked to be involved and for his input. We worked with Joseph Yew to draft and submitted a letter for the record (attached). As a result of these hearings, Chairman Frank introduced legislation that would:

1. Provide the Federal Reserve with the authority to lend money, with the backing of funds from the Troubled Asset Relief Program (TARP);
2. Establish a Treasury-provided reinsurance program, up to \$50 billion annually, designed to increase the capacity of muni-bond insurers to insure new risks;
3. Require credit creating agencies to shift to a single rating scale, so that the ratings of general-obligation municipal bonds are raised; and
4. Require the registration and regulation of muni-bond advisers.

MEGA. On January 8, 2009, Congresswoman Barbara Lee reintroduced

the Metro Economies Green Act (MEGA) (H.R.330), a bill to authorize a program at the Department of Housing and Urban Development to direct resources to our nation's cities for green job creation and maintenance (attached). The bill has been referred to the House Committee on Education and Labor.

Relevant bill provisions include,

- Metro Area Green Zones (MAGZs) – Ten programs will be designated nationally to serve as model programs of excellence, and will receive federal funding to support workforce development initiatives targeting formerly incarcerated, low-income, and difficult-to-employ persons residing in a select number of our nation's cities. Targeted federal funding will support exemplary efforts already underway throughout the nation, and establish best practice data consistent with efforts to provide stable employment in emerging green industries;
- The Metro Area Green Institute (MAGI) –The Metro Area Green Institute will serve as a clearinghouse for low-carbon economic development efforts nationally. The Institute will compile and disseminate data gleaned through the MAGZ program and provide technical assistance to local and municipal green job creation/workforce development programs throughout the country;
- Mini-Metro Green Grants – This program will expand and enhance the reach and relevance of activities undertaken by MAGZs and the MAGI

to ensure the robust participation of smaller, developing municipalities. Roughly 10 programs nationally will receive targeted grants to support local low-carbon workforce development activities; and,

- Alternative Green Academies – Federal funding will enable approximately 10 municipal/local governments to partner with not-for-profit organizations, local education agencies, community and technical colleges, trade associations, and local businesses to provide low-carbon job training, employment opportunities, and other life skills to high school drop-outs, formerly incarcerated youth, and students for whom a 4-year higher education is either undesirable or impossible.

On April 28th, we met with Mr. Van Jones, Special Advisor for Green Jobs, Enterprise and Innovation at the White House Council on Environmental Quality (CEQ) to introduce him to share with him our work on the MEGA proposal, and explore how we can work together to authorize and fund this initiative. Mr. Jones appeared very supportive of MEGA. Similarly, we scheduled meetings and conference calls between the Mayor and Mr. Bruce Katz, vice president and founding director of the Metropolitan Policy Program at the Brookings Institute to discuss MEGA and other sustainability opportunities.

Water Infrastructure. On May 14, the Senate Environment and Public Works Committee approved the Water Infrastructure Financing Act (S.1005), which will next be taken up by the full Senate. This bill incorporates in full the language of S. 854, the Clean Water Affordability Act. S. 1005 authorizes \$38.5



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billion over five years and includes these elements:

- \$20 billion for the Clean Water State Revolving fund;
- \$14.7 billion for the Drinking Water State Revolving fund;
- \$1.85 billion grants for sewer overflows;
- \$250 million for watershed improvements;
- \$60 million per year in grant money to state and local governments to remove lead from drinking water; and
- \$50 million in grants to rural and small communities to assist with agriculture-related wastewater issues.

S. 1005 also reauthorizes the Clean Water State Revolving fund, after 22 years, and the Drinking Water State Revolving Fund, after 13 years.

The bill is similar to H.R. 1262, which the House passed on March 12, which would authorize \$19.6 billion for water quality programs, including the clean fund. However, the House measure would not authorize money for the drinking water fund.

COPS. Senator Barbara Boxer and Representative Barbara Lee introduced legislation to increase the number of police officers in cities with the highest violent crime rates, including Oakland, California. These cities would become eligible for hiring grants that could increase police forces by five to 10 percent by adding officers to patrol areas affected by violent crime. The bill also authorizes the Attorney General to provide increased hiring grants to an additional 15 cities based on other crime indicators such as gang activity, drug trafficking, unemployment and poverty. Oakland Mayor Ronald V. Dellums, Acting Oakland Police

Chief Howard A. Jordan, the Oakland Police Officers Association and the Peace Officers Research Association of California support this legislation.

Education. Per the Mayor's vision, the Team drafted a proposal that would provide resources to support articulation agreements for student transition from 2-year community colleges to 4-year HBCU universities (attached). We are now working with Senator Hagan to attach this provision to the Student Aid and Fiscal Responsibility Act of 2009, which boosts Pell Grant scholarships, keeps interest rates on federal loans affordable, and enacts President Obama's key education priorities.

Waterfront. The House Natural Resources, Subcommittee on Insular Affairs, Oceans and Wildlife, held a hearing on October 20, at 2 p.m., on H.R. 2548, the "Keep America's Waterfronts Working Act of 2009." The bill would provide federal funding to coastal and Great Lakes states to use federal grant funds to purchase a threatened marina outright. It would also allow a non-profit group to obtain a grant to buy development rights in order to keep a working boatyard in business, rather than see it sold for residential development. Grants made under the bill must "provide for expansion or improvement of public access to coastal waters" and be matched at 25 percent by non-federal funds. To be eligible for grant funding, a state would have to develop a working waterfront plan and appoint an advisory committee to oversee the program. The act would authorize \$25 million, \$50 million and \$75 million to the states over three successive years.

## POTENTIAL AUTHORIZING OPPORTUNITIES IN 2010

The Surface Transportation Authorization Act of 2009. As referenced earlier, the continuing difficult national economic circumstances, particularly the worsening unemployment numbers, may result in Congress adopting another short-term SAFETEA-LU extension in expectation of adopting a 5- or 6-year reauthorization early in 2010.

Water Resources Development Act. We will continue to explore authorizations to construct projects, and changes to policies that provide the City of Oakland with opportunities.

H.R. 2454, The American Clean Energy and Security Act of 2009 (ACES Act). The U.S. House of Representatives passed on June 26 the American Clean Energy and Security Act of 2009 (ACES Act), H.R. 2454, also known as the Waxman-Markey Bill. This comprehensive climate and energy legislation establishes a greenhouse gas cap-and-trade system, and measures to help address climate change and build a clean energy economy. The bill allocates 85% of its

allowances to industry free-of-charge, and auctions the remainder. The revenue from these allowances will finance conservation of tropical forests abroad and support low-income households. 30% of the allowances will be allocated directly to local distribution companies (LDCs) who are mandated to use them exclusively for the benefit of customers. 5% will go to merchant coal generators and others with long-term power purchase agreements.

Senator Barbara Boxer, Chairwoman of the Senate Environment and Public Works Committee, unveiled draft legislation on September 30, 2009 to address the issue of climate change and energy reform. The Boxer bill mirrors part of H.R. 2454. We drafted a letter, attached, sent by the Mayor urging include elements of the MEGA – H.R. 330 – within her final energy package. Similarly, we have held formal meetings and informal conversations with members of her staff in pursue of said goal.

## OTHER MATTERS

The City's Federal Government Relations Team has regularly attended meetings sponsored by the U.S. Conference of Mayors (USCM) and National League of Cities

(NLC). Given Mayor Dellums' chairmanship of the Community Development and Housing Standing Committee, and his membership in the Poverty, Work and Opportunity

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Federal Government Affairs Team

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Taskforce, the Team has worked hand-in-hand with the association.

For example, the City drafted four resolutions adopted at the Providence, RI annual meeting of the U.S. Conference of Mayors (attached).

- The first resolution calls for expanding and increasing support for the Community Development Block Grant (CDBG);
- The second resolution urges more funding for the Community Reinvestment Act (CRA);

- The third resolution calls for the Department of Education to study solutions to the shockingly high rate in the United States of high school drop outs; and
- The fourth resolution addresses the issue of gun violence and gun possession.

Moreover, the Team worked and reviewed a number of other proposals and counsel Mayor Dellums whether or not the City should be supportive.