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PUBLIC AFFAIRS
A DIVISION OF TPA

MEMORANDUM

To: Mayor Jean Quan
Council President Patricia Kernighan and Members of the City Council

From: Townsend Public Affairs, Inc.

Date: December 4, 2014 (revised as indicated by underlined additions to text)

Subject: **REVISED: Summary of 2014 Legislative Activities and Proposed 2015 State and Federal Legislative Agenda**

Townsend Public Affairs, Inc. (TPA) has prepared this report for the City of Oakland following the end of the 2014 State and Federal legislative sessions. This report lists a summary of our efforts to date for the legislative and funding advocacy objectives of the City of Oakland.

Additionally, TPA has participated in meetings with City leadership and, based on those meetings, have prepared a recommended 2015 State and Federal Legislative agenda for adoption. This recommendation includes the framework for legislative proposals for the upcoming legislative year, with both specific City-sponsored legislative proposals and legislative and funding priorities for monitoring, as well as recommended actions.

2014 State Legislative Highlights

TPA worked with the elected City leadership and Administration to develop, advocate and secure several major City initiatives through various means including: legislation, grants, and working directly with Governor Brown's Administration.

Please note the following state legislative efforts and highlights:

Securing passage of Senate Bill 962 (Leno): Smartphones

Our top legislative accomplishment for the year was the effort to secure the passage of Senate Bill 962 (Leno), which is an effort to increase public safety by reducing the levels of cell phone theft. This bill requires a 'kill switch' on all smart phones sold after July 2015 in the State of California. The underlying premise of the legislation is to remove the profit motive for those who would attempt to steal smart phones by allowing owners to render a stolen cell phone inactive and eliminating the ability for the stolen phone to be resold. SB 962 was signed by Governor Brown in August and was the City's top legislative priority.

Our extensive efforts through the entire legislative process included:

- Working closely with Senator Leno (author), Assembly Member Skinner (co-author), their offices, Mayor Quan, Council Member Kalb, and the Oakland Police Department drafting the legislation;
- Recruiting coalition members to join and support our efforts which included numerous public safety associations, consumer associations, and cities;
- Drafting a one-page bill summary and other collateral materials to explain the issue, the negative impacts under current law, and the proposed solution;
- Drafting the City's sponsorship letter and support letters for other entities;
- Working with the authors to resolve concerns from industry stakeholders such as Google, Comcast, AT&T, and ultimately securing their support for the legislation;
- Drafting the testimony for our three key witnesses, Mayor Quan, Council Member Kalb, and Police Captain Toribio, when the bill was heard by multiple Senate and Assembly Committees;
- Briefing the office of every Assembly and Senate committee member to explain why the City of Oakland needs this bill;
- Working with Senator Leno, his office, Assembly Member Skinner, her office, the City, and Legislative leadership to successfully move the bill out of the Senate and Assembly, and,
- Once the bill was on the Governor's desk, TPA helped organize an intensive and focused letter writing campaign to the Governor outlining the need for the bill.

Securing a \$2 million dollar budget earmark for public safety programs

Through the leadership of Assembly Budget Chair Nancy Skinner, TPA worked in direct partnership with the Assembly Member and her chief of staff to draft, insert, and secure a \$2 million dollar earmark in the 2014-15 State Budget specifically for the City of Oakland.

The funding was allocated through the Recidivism Reduction Fund, administered by the Board of State and Community Corrections (CBSCC), to the City of Oakland due to its improving, but still high rates of crime. Recognizing this need, while also identifying the network of providers and programs already established in Oakland and making notable progress, Assembly Member Nancy Skinner with the support and partnership of TPA, assisted in directing the CBSCC grant to the City to help build on existing investments and expand opportunities, thus strengthen ongoing efforts around violence reduction.

Securing passage of AB 2485 (Dickinson) Unlawful detainer: nuisance: controlled substances

In close coordination with City Attorney Barbara Parker, TPA worked with Assembly Members Dickinson, Bonta and their staff to include Oakland in this bill. AB 2485 will supplement the City of Oakland's own nuisance eviction ordinance that has been in place for over a decade. This ordinance has been effectively leveraged by the City Administrator to send notices to landlords to evict tenants engaged in illegal drug sales and more serious weapons related offenses. This proposed legislation will increase the number of public safety tools at our disposal when working to protect our citizens against the destructive influence of illegal drugs in our City. This proposed legislation broadens the scope of legal standing by continuing to allow notices generated from the City Attorney, which may be more effective in getting a landlord or tenant's attention to address a nuisance situation than one coming from city administration.

Securing passage of AB 2310 (Ridley-Thomas) Unlawful detainer: nuisance: unlawful weapons and ammunition

TPA worked in partnership with City Attorney Barbara Parker, Assembly Member Ridley-Thomas and Assembly Member Bonta to include the City of Oakland into AB 2310. Similar to AB 2485, this legislation broadens the scope of legal standing and allows notices generated from the City Attorney to deal with the pervasive influence of illegal drug and weapons activities that can blight entire neighborhoods.

Securing passage of AB 1439 (Salas) Unfair business practices: contests and sweepstakes

In close partnership with the City Council and Council Member Noel Gallo, TPA worked with Assembly Member Rudy Salas and his office to sponsor AB 1439, which closes the loophole that has allowed illegal cafes to operate by prohibiting a person from operating a gambling-themed or simulated gambling electronic video monitor in a business establishment that gives cash or other prizes of value. It also permits the California Attorney General, district attorneys and city attorneys to bring civil suits to subject operators and civil penalties for violations. Local business owners have voiced concern about the negative consequences of these cafes, including many reports of increased crime. As a result, nearby businesses are hurting as their customers seek to avoid the crowd and crime these illegal gambling cafes attract. These illegal gambling cafes are a threat to both public safety and local businesses and are thinly-veiled gambling operations.

Supporting the efforts on AB 1147 (Bonilla): Massage Therapy

As one of the top City legislative priorities, TPA was actively engaged on this legislative initiative. This bill substantially revises the existing massage therapy law, incorporating changes that were recommended as a result of the 2014 sunset review process. This bill updates multiple provisions of current law to give local government's greater authority to regulate massage establishments and businesses while creating a more robust statewide regulatory system for massage professionals. TPA worked closely with Assembly Member Bonilla's office, Assembly Member Bonta's Office and the offices of Senator Hancock to ensure massage parlor legislation was crafted with the City of Oakland in mind. The bill was signed into law by the Governor.

Supporting the efforts to hold AB 2145 (Bradford): Community Choice Aggregation (CCA)

The City opposed this bill because it would thwart adopted environmental goals, infringe upon local control and local decision making, and is similar to a 2010 PGE funded ballot initiative that failed. TPA was an active member of the coalition that fought this bill. This bill would have restricted the expansion of a CCA to a geographic area of three contiguous counties, unless the CCA had already exceeded three counties prior to January 1, 2015, required CCA customer solicitations and consumer communications to include the electric supply rates for that customer if he/she remains with the Investor Owned Utility (IOU) and joins the CCA. Our efforts included briefing the entire East Bay legislative delegation on the City's position, why the bill was harmful to the existing CCA process, and securing additional members to join our fight. Additionally we testified in legislative committee hearings against the bill. This bill was stalled in the Senate and did not make it to the Governor.

Supporting the efforts for statewide medicinal cannabis regulations

TPA served as a key member of a state wide coalition that rewrote the medicinal cannabis guidelines to provide statewide regulations, while ensuring the proposal would be in the best interest of the City and residents. A comprehensive, thorough approach to statewide medicinal cannabis guidelines is needed, while at the same time allowing existing, approved dispensaries to continue to operate and show the federal government that California has clear guidelines. This bill stalled in the Senate however we are currently working with legislators to revive this effort in 2015.

Legislative monitoring

TPA monitored over 100 bills, which were identified as important to the legislative agenda of the City of Oakland. Specifically, TPA advocated on the City's behalf for 37 bills on which the City took either a support or an oppose position. Additionally, we provided the City with weekly legislative updates and bill matrices to the Mayor, City Council and Administration.

These updates included specific bills we were working on for the City along with bills we suggested the City watch, support or oppose. The legislative categories included: Public Safety, Planning, Housing and Land Use, Infrastructure, Environment, Energy and Sustainability, Economic Development, Youth, Constitutional changes, and Miscellaneous.

Funding opportunities

TPA identified and then notified the City of funding opportunities to help support City priorities. Additionally TPA provided additional support, including: helping draft applications, working with the State agencies, securing letters of support, and other advocacy methods, when deemed appropriate by the City

2014 Federal Highlights

TPA worked with elected City leadership and the Administration to develop, advocate and secure several major City initiatives through various means including: legislation, grants, and working the City's federal representation in Congress and Congressional leadership.

Please note the following federal legislative efforts and highlights:

Securing a \$1.8 million grant from the Department of Justice for to increase public safety

As one of the City's top priorities to secure funding for public safety programs, TPA worked with Congresswoman Barbara Lee's staff and the Department of Justice on the City's Community Oriented Policing Services (COPS) grant application. Further efforts included securing letters of support from the City's Congressional delegation and working closely with COPS staff to ensure Oakland's application remained competitive. These efforts resulted in over \$1.8 million dollars for the City in addition to 15 new officers for Oakland's police force.

Supporting the efforts to participate in the Promise Zone Initiative

TPA provided support and strategy on City's Promise Zone application, and facilitated the City's engagement in the initiative. TPA updated the City with new information from Department of Housing and Urban Development (HUD), both from webinars and direct conversations with senior HUD staff, and provided recommendations on the application. TPA provided a sample application well in advance for the City, reviewed the City's proposal at length, and provided edits and insight into HUD priorities, positioning the application for success. TPA is currently working to secure letters of support from the City's delegation in addition to coordinating a call with Senator Boxer and Congresswoman Lee to Secretary Julian Castro.

Supporting efforts for federal funding for Unaccompanied Alien Children

TPA worked with Department of Health and Human Services (HHS), Department of Homeland Security (DHS), House Homeland Security Committee members and their senior staff, and Congresswoman Barbara Lee's staff to secure funding that will assist the City in with the high number of Unaccompanied Alien Children currently awaiting legal action in Oakland. President Obama and his administration have indicated that he may be taking executive action on immigration policy before the end of 2014 and TPA has already begun to work with Congressional leadership and administration officials to ensure that the City is involved in any initiatives that will create additional funding opportunities or other support mechanisms for Unaccompanied Alien Children.

Supporting the efforts to participate in My Brother's Keeper Initiative

Identified as a program of interest to the City, TPA provided information and avenues to engage the City in the Obama Administration's My Brother's Keeper Initiative. TPA identified an opportunity for the City to participate in the initiative.

D.C. Advocacy Trips

- **Mayor Quan.** TPA strategically facilitated meetings for Mayor Quan's advocacy trip to Washington D.C. in January. TPA constructed an itinerary that included meetings with Congresswoman Lee, the White House Intergovernmental Affairs Office, Economic Development Administration, and the Department of Justice Associate Attorney General.

- **Chief Whent.** TPA facilitated a meeting for Chief Whent and Assistant Chief Figueroa with COPS Director, Ron Davis. TPA provided summaries and feedback from the meeting for the City. On behalf of the City, TPA also drafted a thank you letter with follow-up action items from the meeting for Oakland to send to Director Davis. Following the advocacy trip, and internal conversations with TPA and the Oakland Police Department, TPA developed an immediate agenda to keep Oakland engaged.

Legislative Monitoring

TPA monitored legislation that was identified as a top priority by the City and as well as moving legislation that impacted the City. This included meeting with sponsoring offices, committee staff with jurisdiction over the bills, attending hearings on behalf of the City and reporting findings to City staff. Particular legislation of interest to the City included:

- **Human Trafficking.** TPA provided information on relevant legislation regarding human trafficking that could impact Oakland.
- **Head Start Funding.** On behalf of the City, TPA drafted and delivered a letter of support to Senate and House Appropriations Committee Chairs and Ranking Members urging members to restore Head Start funding to pre-sequestration levels. Additionally, TPA followed up with House and Senate Appropriations Committee staff to move this agenda forward

TPA also provided general updates on Congressional action and deadlines for the City. This included a summary of the 2014 mid-term election results and included expected changes based on those results

Funding opportunities

TPA provided numerous summaries of funding opportunities and helped City staff secure additional information in order to determine if certain opportunities were viable for specific City projects. Specifically, TPA provided information on Department of Justice re-entry grants and human trafficking grants and Department of Commerce economic development grants. Additionally, TPA:

- **Secured department feedback for the City's Byrne Grant application.** TPA arranged a conference call with the Oakland Human Services Department to discuss the Byrne Grant and the Department's priorities. TPA worked with Department of Justice staff to obtain peer review comments for Oakland.
- **Advocated for the City's TIGER grant application.** TPA worked with Congresswoman Barbara Lee's office staff and with staff from the U.S. Department of Transportation (DOT) to make the City's application competitive. TPA facilitated and participated on a debriefing call with DOT

City of Oakland Legislative Priorities for 2015:

The City of Oakland's legislative agenda for 2015 will reflect the adopted priorities of the City Council and the Mayor. The strategic agenda includes advocating for legislation, regulations, and funding that is consistent with the City's adopted goals. TPA has included input from the Office of the Mayor, City Council, and City Staff. This report is compiled into three sections:

1. City Sponsored State Legislative Proposals;
2. Federal and State Legislative Priorities for Monitoring and Recommended Action,
3. Funding Opportunities and Requests

1. City Sponsored Legislative Proposals

Below is a list of Oakland specific legislative proposals. If the Council is supportive of these proposals listed below, TPA will immediately begin to research what can be accomplished through legislation, regulations, or direct advocacy with State/Federal agencies and other organizations to help address Oakland's needs.

- **An ongoing, sustainable source of funding to support affordable housing.** With the dissolution of redevelopment agencies, funding is needed to support and encourage the creation of affordable housing. The goal of this legislation would be to support efforts, including, but not limited to: tax credits, bridge loans, and other financing tools that will create a new, ongoing source of funds.
- **Efforts to reduce the sexual exploitation of youths.** The City has been a leader in efforts to reduce sexual exploitation of minors. The goal of this legislation would be to give the City additional enforcement tools to continue its efforts to stop the sexual exploitation of children.
- **Illegal Dumping/Blight Enforcement/Graffiti abatement.** As Oakland and other cities work towards their zero waste goals, some communities are burdened and negatively impacted by illegal dumping. The dumping harms the quality of life in these neighborhoods while attracting more problems. The goal of this legislation would be to provide more tools for local government to take on this challenge
- **Medicinal Cannabis Statewide Regulations.** A comprehensive, thorough approach to statewide medicinal cannabis guidelines is needed, while at the same time allowing existing, approved dispensaries to continue to operate and show the federal government that California has clear guidelines. The goal of this initiative is to provide regulations that allow existing dispensaries to operate, and to set up an entire system statewide. Additionally, efforts are needed to ensure financial institutions process transactions for marijuana-related businesses.
- **Economic Development: Coliseum City and the Oakland Army Base project.** Due to the loss of redevelopment funding, a new form of economic development is needed to attract additional support to large scale developments. As the City moves forward with the build out of Coliseum City and the Army Base, some form of tax increment funding will likely be needed. The goal of this proposal would be to develop a new funding model which local governments could utilize in the development of large scale projects with broad community support.
- **Remove illegally purchased guns in Oakland.** Similar to last year's efforts of working with Assembly Member Bonta to require additional registration of firearms; the City seeks to continue these efforts to remove illegally purchased firearms off the streets of Oakland.
- **Legislative solution for the reimbursement for higher city minimum wages.** The City of Oakland recently passed an increase to the local minimum wage. Additionally, a growing number of cities are enacting minimum wage ordinances too. Currently there are no procedures to address the required rate increases whether through State or Federal legislation. The goal of this proposal would be to create legislation that sets rate and distribution policies especially for services such as Head Start, Group Homes, Board and Care, residential facilities, child care programs, respite, and supported living programs, which are examples of services that will probably need increases.
- **Improve traffic safety by installing speeding enforcement cameras.** With public safety resources at capacity, yet quality of life concerns persist, the goal of this legislation would be to allow cities to use cameras to issue citations and thereby increasing the safety on our city streets.

- Provide greater flexibility and reduce restrictions for mutual aid. The City of Oakland has mutual aid agreements with neighboring cities, the county, and other municipalities to help address incidents of public safety that expand beyond the City's scope or capacity. Support is needed to see if State regulations may be amended to help provide the City with greater financial flexibility to address the occurrences that may grow beyond their initial scope

2. Federal and State Legislative Priorities for Monitoring and Recommended Action

The following legislative themes have been identified by the Mayor, Councilmembers, and City staff as priorities. TPA maintains a constantly updated matrix of state bills for the City of Oakland, providing additional analysis and information to inform the development of a position by the city.

If legislation is introduced that impacts any of the priorities, staff will be asked to analyze and evaluate the need for City Council action. The City Council may choose to take a position on a measure, continue to monitor without a position, or determine if any further response or reaction is needed. TPA will monitor legislative activity in the following areas:

- Public Safety
 - Measures relating to additional support for mental health services, provide for street outreach to help with the homeless, more transitional housing opportunities, gun and ammunition access, efforts to provide local law enforcement with additional support, ensure realignment funding is also targeted to support cities, and incentives to support re-entry programs.
- Economic Development
 - Pilot programs in Oakland to help jump start the economy. Measures providing for new tax increment financing opportunities, efforts to encourage local manufacturing, light industrial and bioscience opportunities, build up the workforce,
- Infrastructure
 - Measures affecting funding for roads and transit oriented developments.
- Planning, Housing and Land Use
 - Continue our proactive efforts to ensure the Cap and Trade funding guidelines meet the City's needs and goals. Measures affecting local control over affordable housing. In addition, seek funding to help support seismic retrofitting of single family homes and other residential units.
- Environment, Energy and Sustainability
 - Measures pertaining to clean energy efforts, graffiti abatement, reducing waste, and other environmental impacts of local agencies
- Youth
 - Measures providing support for the unaccompanied minors/immigration concerns, education or employment opportunities for youth and resolving issues pertaining to the final audit for Oakland Unified, absenteeism and drop outs, support for after school funding, help enhance Head Start programs, and safe houses for sexually exploited youth.
- Constitutional Modifications

- Measures which would impact local governments, such as lowering the voter threshold to 55% for various bond issuances and local taxes.

- Stake Holder Priorities

- Measures that are of importance to our local and regional partners and lend opportunities to partner and work together. Partners include, but are not limited to, the Oakland Unified School District, Port of Oakland, Alameda County, and others.

- Miscellaneous

- Any other measure or budget action which could potential impact the operations of, or services provided by, the City, and support to make local government whole from past budget actions. In addition, track legislation that seeks to limit abuses involved with handicapped parking placards.

3. Funding Opportunities and Requests

TPA will continue our proactive efforts to immediately notify the City once various funding opportunities are announced. In addition to the specific funding opportunities listed below, we will keep the City informed of any potential funding opportunities throughout the year. City staff will work with the City Council to prioritize projects submitted to the state for funding and TPA will advocate for those approved projects as appropriate. As new funding opportunities arise, TPA will make sure to inform the city and consult in the development of the optimal strategy to maximize funding for the City.

Public safety related funding for projects such as:

- Expansion of the crime lab;
- Additional police officers;
- Opportunities to enhance substance abuse programs for treatment;
- Re-Entry and anti-recidivism programs
- Radios and 911 dispatch support; and,
- Social services such as homelessness, AIDS/HIV support, and Hepatitis C prevention.

Economic Development related funding for projects such as:

- Oakland Army Base;
- City parks;
- Lake Merritt;
- Howard Terminal;
- Coliseum City,
- Transit oriented projects for both residential and commercial areas; and,
- Job training funding.

Transportation and infrastructure projects such as:

- The Broadway Shuttle;
- Fruitvale Parking Garage;
- Safe Routes to School funding for locations throughout the City;
- Bus Rapid Transit;
- More support to help pave roads;
- Seismic upgrades for residential soft stories; and,
- LAAMPS project.

Planning, Housing and Land Use projects such as:

- Support for affordable housing; and,
- Prefabricated housing issues.

Environment, Energy and Sustainability for projects such as:

- Clean energy funding;
- Healthy city funding;
- Addressing illegal dumping/graffiti abatement; and,
- EDA brownfields cleanup for sites such as GE Site.

Youth such as:

- Children of incarcerated parents;
- Literacy support; and,
- State funding for urban schools.

Process for Reporting

In addition to the weekly progress reports we send the City, TPA proposes to report out to the Rules Committee and then City Council when the State Legislature is on break. For example, we would report out in April while they are on Spring Recess and during July while they are on Summer Recess.

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PUBLIC AFFAIRS

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MEMORANDUM

To: Mayor Jean Quan
Council President Patricia Kernighan and Members of the City Council

From: Townsend Public Affairs, Inc.

Date: December 4, 2014

Subject: Follow up from the Rules and Legislation Committee Meeting
Summary of Senate Bill 628 (Beall) Enhanced infrastructure financing districts

As a follow up from the Rules and Legislation Committee meeting of December 4, 2014, below you will find a detailed description of Senate Bill 628 (Beall) which creates what is being called "Enhanced infrastructure financing districts". The approved legislation goes into effect on January 1, 2015 and there are many steps to take to move forward with the creation of a district.

This bill allows local agencies to create enhanced infrastructure financing districts (EIFDs) to finance specified infrastructure projects and facilities. More specifically, and per the committee analysis of SB 628, this bill:

1. Requires the legislative body to ensure that the public financing authority is established prior to adopting a resolution pursuant to this bill's provisions to adopt an infrastructure financing plan and to form an EIFD. Specifies that members of the public financing authority shall not receive compensation but may receive reimbursement for actual and necessary expenses incurred in the performance of official duties, as specified. Requires members of the public financing authority to be subject to provisions of law requiring ethics training. States that a public financing authority created pursuant to the bill's provisions shall be a local public agency subject to the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974. States that an EIFD is a district within the meaning of California Constitution Article XIII A, Section 1.
2. Allows an EIFD to finance specified costs.
3. Specifies that for #2) above, that the facilities need not be physically located within the boundaries of the EIFD; however, any facilities financed outside of an EIFD must have a tangible connection to the work of the EIFD, as detailed in the infrastructure financing plan adopted pursuant to the bill's provisions.
3. Prohibits an EIFD from financing routine maintenance, repair work, or the costs of an ongoing operation of providing services of any kind.
4. Allows an EIFD to finance only public capital facilities or other specified projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community, including, but not limited to, all of the following:
 - A. Highways, interchanges, ramps and bridges, arterial streets, parking facilities, and transit facilities;

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- B. Sewage treatment and water reclamation plants and interceptor pipes;
 - C. Facilities for the collection and treatment of water for urban uses;
 - D. Flood control levees and dams, retention basins, and drainage channels;
 - E. Child care facilities;
 - F. Libraries;
 - G. Parks, recreation facilities, and open space;
 - H. Facilities for the transfer and disposal of solid waste, including transfer stations and vehicles;
 - I. Brownfield restoration and other environmental mitigation;
 - J. The development of projects on a former military base, provided that the projects are consistent with the military base authority reuse plan and are approved by the military base reuse authority, if applicable;
 - K. The repayment of the transfer of funds to a military base reuse authority pursuant to existing law that occurred on or after the creation of the EIFD;
 - L. The acquisition, construction, or repair of industrial structures for private use,
 - M. Transit priority projects, as defined in existing law, that are located within a transit priority project area. For purposes of this bill, a transit priority project area may include a military base reuse plan that meets the definition of transit priority project area and it may include a contaminated site within a transit priority project area; and,
 - N. Projects that implement a sustainable communities strategy, when the State Air Resources Board has accepted a metropolitan planning organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.
5. Provides that the EIFD shall require, by recorded covenants or restrictions, that housing units built pursuant to the bill's provisions shall remain available at affordable housing costs to, and occupied by, persons and families of low- or moderate-income households for the longest feasible time, but not for less than 55 years for rental units and 45 years for owner-occupied units.
 6. Allows the EIFD to finance mixed-income housing development, but may finance only those units in such a development that are restricted to occupancy by persons of low or moderate incomes, as specified, and those on-site facilities for child care, after-school care, and social services that are integrally linked to the tenants of the restricted units.
 7. Allows an EIFD to utilize any powers under the Polanco Redevelopment Act, and finance an action necessary to implement that act.
 8. Allows an EIFD to reimburse a developer of a project that is located entirely within the boundaries of that EIFD for any permit expenses incurred and to offset additional expenses incurred by the developer on constructing affordable housing units pursuant to the Transit Priority Project Program, as specified.
 9. Prohibits a city or county that created an RDA from initiating the creation of an EIFD or participating in the governance or financing of an EIFD, until each of the following has occurred:
 - A. The successor agency for the former RDA created by the city or county has received a finding of completion;
 - B. The city or county certifies to the Department of Finance (DOF) and to the public financing authority that no former RDA assets that are the subject of litigation involving the state, where the city or county, the successor agency, or the designated local authority are a named plaintiff, have been or will be used to benefit any efforts of an EIFD formed pursuant to this bill's provisions, unless the litigation and all possible appeals have been resolved in a court of law. The city or county shall provide this

certification to DOF within 10 days of its legislative body's action to participate in an EIFD, as specified, or of its legislative body's action to form an EIFD, as specified;

- C. The office of the State Controller (Controller) has completed its review of RDA asset transfers pursuant to existing law; and,
 - D. The successor agency and the entity that created the former RDA have complied with all of the office of the Controller's findings and orders stemming from the reviews specified in c) above.
10. Allows an EIFD to include any portion of a former RDA project area, provided that the city or county that created the former RDA has met the requirements of 9) above.
 11. Allows a district to finance only the facilities authorized in this bill's provisions to the extent that the facilities are in addition to those provided in the territory of the EIFD before the EIFD was created. The additional facilities may not supplant facilities already available within that territory when the EIFD was created but may supplement, rehabilitate, upgrade, or make more sustainable those facilities.
 12. Allows an EIFD to include areas which are not contiguous
 13. States the intent of the Legislature that the creation of EIFDs should not ordinarily lead to the removal of existing dwelling units. Provides, if, however, any dwelling units are proposed to be removed or destroyed in the course of private development or public works construction within the area of the EIFD, the adopted infrastructure financing plan shall contain specified provisions
 14. Requires that any action or proceeding to attack, review, set aside, void, or annul the creation of an EIFD, adoption of an infrastructure financing plan, including a division of taxes thereunder, or an election pursuant to this bill's provisions to be commenced within 30 days after the enactment of the resolution creating the EIFD. Consistent with the time limitations, such an action or proceeding with respect to a division of taxes may be brought pursuant to Chapter 9 of Title 10 of Part 2 of the Code of Civil Procedure (CCP), except that CCP Section 869 shall not apply. Requires an action to determine the validity of the issuance of bonds pursuant to the bill's provisions to be brought pursuant to Chapter 9 of Title 10 of Part 2 of the CCP. However, notwithstanding the time limits specified in CCP Section 860, the action shall be commenced within 30 days after adoption of the resolution pursuant to the bill's provisions providing for issuance of the bonds if the action is brought by an interested person pursuant to CCP Section 863. Any appeal from a judgment in that action or proceeding shall be commenced within 30 days after entry of judgment.
 15. Allows a legislative body of a city or county to designate one or more proposed EIFDs. Requires proceedings for the establishment of an EIFD to be instituted by the adoption of a resolution of intention to establish the proposed EIFD and to do all of the following:
 - A. State that an EIFD is proposed to be established under the terms of this bill's provisions and describe the boundaries of the proposed EIFD, which may be accomplished by reference to a map on file in the office of the clerk of the city or in the office of the recorder of the county, as applicable;
 - B. State the type of public facilities and development proposed to be financed or assisted by the EIFD, as specified;
 - C. State the need for the EIFD and the goals the EIFD proposed to achieve;
 - D. State that incremental property tax revenue from the city or county and some or all affected taxing entities within the EIFD, if approved by resolution, may be used to finance these activities; and,
 - E. Fix a time and place for a public hearing on the proposal.

16. Requires the legislative body to direct the city clerk or county recorder, as applicable, to mail a copy of the resolution of intention to create the EIFD to each owner of land within the EIFD. Requires the legislative body to direct the city clerk or county recorder, as applicable, to mail a copy of the resolution to each affected taxing entity. Requires, after adopting the resolution of intention, the legislative body to designate and direct the city or county engineer or other appropriate official to prepare an infrastructure financing plan, as specified. Requires, after receipt of a copy of the resolution of intention to establish an EIFD, the official to prepare a proposed infrastructure financing plan. Requires the plan to be consistent with the general plan of the city or county within which the EIFD is located and to include all of the following:
 - A. A map and legal description of the proposed EIFD, which may include all or a portion of the EIFD designated by the legislative body in its resolution of intention;
 - B. A description of the public facilities and other forms of development or financial assistance that is proposed in the area of the EIFD, including those to be provided by the private sector, those to be provided by governmental entities without assistance, as specified, those public improvements and facilities to be financed with assistance from the proposed EIFD, and those to be provided jointly. The description shall include the proposed location, timing, and costs of the development and financial assistance;
 - C. If funding from affected taxing entities is incorporated in the financing plan, a finding that the development and financial assistance are of communitywide significance and provide significant benefits to an area larger than the area of the EIFD;
 - D. A financing section, which shall contain all of the following information:
 - (1) A specification of the maximum portion of the incremental tax revenue of the city or county and of each affected taxing entity proposed to be committed to the EIFD for each year during which the EIFD will receive incremental tax revenue. The portion need not be the same for all affected taxing entities. The portion may change over time;
 - (2) A projection of the amount of tax revenues expected to be received by the EIFD in each year during which the EIFD will receive tax revenues, including an estimate of the amount of tax revenues attributable to each affected taxing entity for each year;
 - (3) A plan for financing the public facilities to be assisted by the EIFD, including a detailed description of any intention to incur debt;
 - (4) A limit on the total number of dollars of taxes that may be allocated to the EIFD pursuant to the plan;
 - (5) A date on which the EIFD will cease to exist, by which time all tax allocation to the EIFD will end. The date shall not be more than 45 years from the date on which the issuance of bonds is approved, or the issuance of a loan is approved by the governing board of a local agency, as specified;
 - (6) An analysis of the costs to the city or county of providing facilities and services to the area of the EIFD while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city or county as a result of expected development in the area of the EIFD;
 - (7) An analysis of the projected fiscal impact of the EIFD and the associated development upon each affected taxing entity, and,
 - (8) A plan for financing any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of that EIFD and qualifies for the Transit Priority Project Program, including any permit and affordable housing expenses related to the project.
 - E. If any dwelling units occupied by persons or families are proposed to be removed or destroyed in the course of private development or public works construction within the

area of the EIFD, a plan providing for replacement of those units and relocation of those persons or families consistent with this bill's provisions; and,

F. The goals the EIFD proposed to achieve for each project financed pursuant to this bill's provisions.

17. Requires the infrastructure financing plan to be sent to each owner of land within the proposed EIFD and to each affected taxing entity together with any report required by the California Environmental Quality Act that pertains to the proposed public facilities or the proposed development project for which the public facilities are needed, and shall be made available for public inspection. This report shall also be sent to the planning commission and the legislative body.
18. Requires the designated official to consult with each affected taxing entity, and, at the request of any affected taxing entity, to meet with representatives of an affected taxing entity. Allows any affected taxing entity to suggest revisions to the plan.
19. Requires the legislative body to conduct a public hearing prior to adopting the proposed infrastructure financing plan. Requires the public hearing to be called no sooner than 60 days after the plan has been sent to each affected taxing entity. Requires, in addition to the notice given to landowners and affected taxing entities pursuant to the bill's provisions, that notice of the public hearing shall be given by publication not less than once a week for four successive weeks in a newspaper of general circulation published in the city or county in which the proposed EIFD is located. Requires the notice to state that the EIFD will be used to finance public facilities or development, briefly describe the public facilities or development, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the EIFD, and state the day, hour, and place when and where any persons having any objections to the proposed infrastructure financing plan, or the regularity of any of the prior proceedings, may appear before the legislative body and object to the adoption of the proposed plan by the legislative body.
20. Requires, at the hour set in the required notices, the legislative body to proceed to hear and pass upon all written and oral objections, and allows the hearing to be continued from time to time. Requires the legislative body to consider the recommendations, if any, of affected taxing entities, and all evidence and testimony for and against the adoption of the plan. Allows the legislative body to modify the plan by eliminating or reducing the size and cost of proposed facilities or development, by reducing the amount of proposed debt, or by reducing the portion, amount, or duration of incremental tax revenues to be committed to the EIFD.
21. Prohibits the legislative body from enacting a resolution proposing the formation of an EIFD and providing for the division of taxes of any affected taxing entity unless a resolution approving the plan has been adopted by the governing body of each affected taxing entity which is proposed to be subject to division of taxes, as specified, and has been filed with the legislative body at or prior to the time of the hearing.
22. States that nothing in this bill's provisions shall be construed to prevent the legislative body from amending its infrastructure financing plan and adopting a resolution proposing formation of the EIFD without allocation of the tax revenues of any affected taxing entity that has not approved the infrastructure financing plan by resolution of the governing body of the affected taxing entity.
23. Allows, at the conclusion of the hearing, the legislative body to adopt a resolution proposing adoption of the infrastructure financing plan, as modified, and formation of the EIFD in a manner consistent with the bill's provisions, or it may abandon the proceedings.

24. Provides that the infrastructure financing plan and the formation of the EIFD shall take effect upon the legislative body's adoption of the resolution. Requires the infrastructure financing plan to specify if the EIFD shall be funded solely through the EIFD's share of tax increment, governmental or private loans, grants, bonds, assessments, fees, or some combination thereof.
25. Provides that the public financing authority may not issue bonds or levy assessment or fees that may be included in the plan prior to one or more of the following:
 - A. An affirmative vote to issue bonds to finance the infrastructure financing plan;
 - B. Without compliance with the procedures required in the bill related to division of taxes, to levy assessments or fees to finance the infrastructure financing plan.
26. Allows the EIFD to expend up to 10% of any accrued tax increment in the first two years of the effective date of the EIFD on planning and dissemination of information to the residents within the EIFD's boundaries about the infrastructure financing plan and planned activities to be funded by the EIFD.
27. Specifies, except as otherwise provided in this bill, that the provisions of law regulating elections of the local agency that calls an election pursuant to this bill's provisions, insofar as they may be applicable, shall govern all elections conducted pursuant to this bill's provisions. Requires there to be prepared and included in the ballot material provided to each voter, an impartial analysis, as specified. Allows, if the vote is to be by the landowners of the proposed EIFD, the analysis and arguments to be waived with the unanimous consent of all the landowners and to be so stated in the order for the election. Provides, if an election is to be conducted by mail ballot, that the election official conducting the election shall provide ballots and election materials, as specified, together with all supplies and instructions necessary for the use and return of the ballot. Requires specified information to be contained on the identification envelope for return of mail ballots.
28. Allows the public financing authority to submit a proposition to establish or change the appropriations limit, as specified, of an EIFD to the qualified electors of a proposed or established EIFD. Requires the proposition establishing or changing the appropriations limit to become effective if approved by the qualified electors voting on the proposition and to be adjusted for changes in the costs of living and changes in populations, as defined, except that the change in population may be estimated by the legislative body in the absence of an estimate by DOF. Specifies for purposes of adjusting for changes in population, that the population of an EIFD shall be deemed to be at least one person during each calendar year. Specifies that any election held pursuant to this section may be combined with any election held pursuant to the provisions in the bill that require voter approval for the EIFD to issue bonds, in any convenient manner.
29. Allows any infrastructure financing plan to contain a provision that taxes, if any, levied upon taxable property in the area included within the EIFD each year by or for the benefit of the State of California, or any affected taxing entity after the effective date of the ordinance adopted pursuant to this bill's provisions to create the EIFD, shall be divided as follows.
 - A. That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of the affected taxing entities upon the total sum of the assessed value of the taxable property in the EIFD as shown upon the assessment roll used in connection with the taxation of the property by the affected taxing entity, last equalized prior to the effective date of the ordinance adopted to create the EIFD, to be allocated to, and when collected shall be paid to, the respective affected taxing entities as taxes by or for the affected taxing entities on all other property are paid; and,
 - B. That portion of the levied taxes each year specified in the adopted infrastructure financing plan for the city or county and each affected taxing entity that has agreed to

participate in excess of the amount, as specified, shall be allocated to, and when collected shall be paid into a special fund of, the EIFD for all lawful purposes of the EIFD. Unless and until the total assessed valuation of the taxable property in an EIFD exceeds the total assessed value of the taxable property in the EIFD as shown by the last equalized assessment roll referred to in a) above, all of the taxes levied and collected upon the taxable property in the EIFD shall be paid to the respective affected taxing entities. When the EIFD ceases to exist, all moneys thereafter received from taxes upon the taxable property in the EIFD shall be paid to the respective affected taxing entities as taxes on all other properties are paid.

30. Specifies, where any EIFD boundaries overlap with the boundaries of any former RDA project area, any debt or obligation of an EIFD shall be subordinate to any and all enforceable obligations of the former RDA, as approved by the Oversight Board and DOF, as specified. Specifies that the division of taxes allocated to the EIFD, as specified, shall not include any taxes required to be deposited by the county auditor-controller into the Redevelopment Property Tax Trust Fund.
31. Allows the legislative body of the city or county forming the EIFD to choose to dedicate any portion of its net available revenue to the EIFD through the infrastructure financing plan.
32. Requires, that portion of any ad valorem property tax revenue annually allocated to a city or county pursuant to existing law related to the Educational Revenue Augmentation Fund (ERAF) that is specified in the adopted infrastructure financing plan for the city or county that has agreed to participate in the division of taxes, and that corresponds in the assessed valuation of taxable property, to be allocated to, and when collected to be apportioned to a special fund of the EIFD for all lawful purposes of the EIFD.
33. Provides that when the EIFD ceases to exist pursuant to the adopted infrastructure financing plan, the revenues described in the division of taxes section of the bill shall be allocated to, and when collected, shall be apportioned to the respective city or county.
34. Provides that the bill's provisions shall not be construed to prevent an EIFD from utilizing revenues from any of the following sources to support its activities provided that the applicable voter approval has been obtained, and the infrastructure financing plan has been approved: the Improvement Act of 1911; the Municipal Improvement Act of 1913; the Improvement Bond Act of 1915; the Landscaping and Lighting Act of 1972; the Vehicle Parking District Law of 1943; the Parking District Law of 1951; the Park and Playground Act of 1909; the Mello-Roos Community Facilities Act of 1982; the Benefit Assessment Act of 1982; and, the so-called facilities benefit assessment levied by the charter city of San Diego or any substantially similar assessment levied for the same purpose by any other charter city pursuant to any ordinance or charter provision.
35. Provides that all costs incurred by a county in connection with the division of taxes for an EIFD shall be paid by that EIFD.
36. Allows the public financing authority to, by majority vote, initiate proceedings to issue bonds by adopting a resolution stating its intent to issue the bonds, and provides that the resolution shall contain all of the following information:
 - A. A description of the facilities or developments to be financed with the proceeds of the proposed bond issue;
 - B. The estimated costs of the facilities or developments, the estimated cost of preparing and issuing the bonds, and the principal amount of the proposed bond issuance;
 - C. The maximum interest rate and discount on the proposed bond issuance;
 - D. The date of the election on the proposed bond issuance and the manner of holding the election;

- E. A determination of the amount of tax revenue available or estimated to be available, for the payment of the principal of, and interest on, the bonds; and,
 - F. A finding that the amount necessary to pay the principal of, and interest on, the proposed bond issuance will be less than, or equal to, the amount determined pursuant to E) above.
37. Requires the clerk of the public financing authority to publish the resolution once a day for at least seven successive days in a newspaper published in the city or county at least six days a week, or at least once a week for two successive weeks in a newspaper published in the city or county less than six days a week. Requires, if there are no newspapers meeting these criteria, the resolution to be posted in three public places within the territory of the EIFD for two succeeding weeks.
 38. Requires the public financing authority to submit the proposal to issue the bonds to the voters who reside within the EIFD, as specified, and provides for procedures for the election.
 39. Allows bonds to be issued if 55% of the voters voting on the proposition vote in favor of issuing the bonds.
 40. Requires the public financing authority to proceed with the issuance of bonds, if the voters approve the issuance of bonds, by adopting a resolution that provides specified information.
 41. Prohibits, if any proposition submitted to the voters to issue bonds is defeated by the voters, the public financing authority from submitting, or cause to be submitted, a similar proposition to the voters for at least one year after the first election.
 42. Allows the public financing authority to, by majority vote, provide for the refunding of bonds, as specified.
 43. Prohibits the public financing authority or any person executing the bonds from being personally liable on the bonds by reason of their issuance, and provides that the bonds and other obligations of an EIFD are not a debt of the city, county, or state or any of its political subdivisions, other than the EIFD, and none of those entities, other than the EIFD, shall be liable on the bonds. Requires the bond obligations to be payable exclusively from funds or properties of the EIFD. Requires the bonds to contain a statement to this effect on their face. States that the bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation.
 44. Allows the bonds to be sold at a discount not to exceed 5% of par at public sale. Requires, at least five days prior to the sale, notice to be published, as specified, in a newspaper of general circulation and in a financial newspaper published in the City and County of San Francisco and in the City of Los Angeles. Prohibits bonds from being sold at not less than par to the federal government at a private sale without any public advertisement.
 45. Provides that if any member of the public financing authority whose signature appears on bonds ceases to be a member of the public financing authority before delivery of the bonds, his or her signature is as effective as if he or she had remained in office. Provides that bonds issued pursuant to this bill's provisions are fully negotiable.
 46. Allows, upon the approval of its governing board, a city, county, or special district that contains territory within the boundaries of an EIFD, to loan moneys to the EIFD to fund those activities described in the approved and adopted infrastructure financing plan. Requires moneys loaned to be repaid at an interest rate that does not exceed the Local Agency Investment Fund (LAIF) rate that is in effect on the date that the loan is approved by the governing board. Declares the intent of the Legislature that any loan issued to a public financing authority by a governmental entity

shall be repaid fully unless agreed to otherwise between the authority and the governmental entity.

47. Requires, every two years after the issuance of debt pursuant to the bill's provisions, that the EIFD contract for an independent financial and performance audit, and requires the audit to be conducted according to guidelines established by the Controller. Requires a copy of the audit to be provided to the Controller, the DOF, and to the Joint Legislative Budget Committee
48. Allows, upon request of the Governor or the Legislature, the Bureau of State Audits to be authorized to conduct financial and performance audits of EIFDs, and requires the results of the audits to be provided to the EIFD, the Controller, the DOF, and the Joint Legislative Budget Committee.