

2014 State Policy Priorities:

Department Priorities Agendas

State Legislation Committee

City & County of San Francisco

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I. City Attorney's Office

- A. Litigation. Monitor legislation that impacts litigation where the City and County is involved. Support or oppose as necessary.
 - 1. Liability. Monitor legislation that would affect the liability of the City.
 - 2. Expert Witness Fees. Monitor legislation related to the recovery of expert witness fees.
 - 3. Unfair Competition and Business Practice. Protect San Francisco's statutory authority under Section 17200. Support bills that strengthen provisions of section 17200 et seq.
 - 4. Attorney's Fees. Monitor legislation that affects the recovery of attorney's fees and costs. Support provisions that allow public entities that prosecute unfair competition lawsuits to recover costs of prosecution, including attorney's fees.
 - 5. Medical Recovery Fees. Monitor legislation related to parties to litigation recovering more than out of pocket costs for medical expenses.
- B. Code Enforcement. Monitor legislation that impacts code enforcement and nuisance abatement actions. Support or oppose as necessary changes to the Housing Code, Health and Welfare Code, and Business and Professions Code, Sec. 17200, relating to the enforcement of safe housing and nuisance abatement laws.
- C. Land Use. Monitor amendments to CEQA. Oppose or support as necessary. Monitor amendments that would establish time limits on the certification of an EIR and amendments that would require recertification of the environmental impact report before the public agency takes action on the project.
- D. Public Contracts. Monitor legislation relating to public works projects. Oppose or support as necessary.
 - 1. Burden of Proof. Monitor amendments to the Public Contracts Code that would place the burden of proof on a public entity under Section 1104.
 - 2. Strict Liability. Monitor provisions that would create strict liability for the public entity for any error or omission in the plans and specifications for a public work.

II. Department of Human Resources

A. Employee Relations.

1. Tentative Agreements. Support a bill to clarify the meaning of the term “tentative agreement” as used in the legislative language. Signed by the governor Oct. 13, 2013, Assembly Bill 537 (Bonta), made various changes to the Meyers-Millias-Brown Act (MMBA), including: a) requiring tentative agreements to be approved by the governing body within 30 days of presentation; and b) making contractual arbitration subject to the California Arbitration Act. Unfortunately, the term tentative agreement (TA) can mean more than one thing when used in the context of bargaining. First, any agreement reached on a specific topic or section of a contract during the bargaining process is called a TA. Second, once agreement has been reached on the language of all the sections of the document, but prior to the document being ratified by union membership and the employer’s governing board, the entire document is referred to as a TA. General consensus is that, in adopting AB 537, the legislature intended TA to be defined in the second way. DHR supports a cleanup bill that would codify this understanding of how TA is defined in this context.

III. Department of Public Health

- A. **Health Reform Implementation.** Support efforts to expand and protect health care coverage for all Californians. Support policies that assist in full implementation of the federal Affordable Care Act (ACA), including legislation that provides adequate funding for all ACA-related programs and efforts that strengthen the local safety-net infrastructure and maximize enrollment of individuals eligible for Medi-Cal and Covered California. Support full implementation of parity of coverage for mental health and substance abuse disorders. Ensure a seamless transition of Low Income Health Program (LIHP) enrollees and other eligible individuals as they transition into the Medi-Cal program.
- B. **Health Care Coverage.** Advocate for increased funding, federal financial participation, and provider rates for Medi-Cal, and oppose further reductions to Medi-Cal. Support legislation to ensure that seniors and persons with disabilities (SPDs) have access to Medi-Cal home and community based services and supports and that the dually eligible experience a smooth transition from fee-for-service Medi-Cal to Medi-Cal managed care. Support case management approaches for this population as well as for other populations with complex, ongoing medical needs, and support policies that efficiently address their health care needs in the least restrictive settings.
- C. **Realignment.** Monitor and adopt positions as appropriate on legislation that modifies the current Realignment funding system or realigns responsibility for additional programs to local government or realigns local programs to the State to ensure adequate, consistent, and flexible funding for indigent health, public health, behavioral health, and other realigned programs or services.
- D. **Hospitals.** Oppose efforts to reduce funding to public hospitals, including shifting Safety Net Care Pool (SNCP) funds away from public hospitals to other programs. Monitor and adopt positions as appropriate on legislation impacting hospital operations, including legislation related to staffing ratios or reporting of quality or performance indicators. Support legislation that would fund hospital infrastructure enhancements. Support legislation to enhance regional planning for compliance with hospital seismic safety standards and efforts to expedite Office of Statewide Health Planning and Development (OSHDP) reviews and approvals for facility development.
- E. **Behavioral Health Services.** Given the statewide movement to integrate mental health and substance abuse services into the health care delivery and financing system, support efforts to maintain leadership at the state for mental health and substance abuse specialty services. Support legislation that enhances mental health and substance abuse services to vulnerable individuals based on local needs, including full funding of Proposition 63, Realignment, treatment for non-violent drug possession, and Medi-Cal. Support an expansion of services covered under Drug Medi-Cal to achieve the ACA goal of behavioral health parity. Protect the voter-approved intent of Proposition 63.
- F. **Long-Term Care.** Support legislation that expands access to community-based services that would enable persons to receive appropriate levels of care in the community as an alternative to inpatient care, including funding to increase public health nursing home visitation and pilot programs to develop residential care facilities as an alternative to psychiatric hospital and long-term care.

- G. **Public Health & Prevention.** Support legislation to increase funding and program support for fully integrated core public health activities, including epidemiology, disease surveillance, communicable disease control & prevention, immunizations, public health laboratory services, environmental health, occupational health, tobacco control, healthy eating & active living, chronic disease prevention & management, violence & injury prevention, health industry workforce development, and prevention of healthcare-associated infections. Support legislation that would fund infrastructure enhancements for public health programs.
- H. **Communicable Disease Prevention & Control.** Support legislation to increase funding and policies to fully integrate and address communicable disease control and prevention, including efforts to reduce HIV and other sexually transmitted infections, viral hepatitis, tuberculosis, influenza, and food-borne diseases. Interventions may include research, syringe access, access to treatment and medication, immunization, and health insurance coverage of clinical preventive services, including Medi-Cal.
- I. **Emergency Medical Services.** Support legislation that enhances emergency medical and trauma services, and ensures hospitals are able to respond appropriately in the event of emergency or disaster.
- J. **Homeless/Housing.** Support legislation that enhances the Department of Public Health's ability to provide housing and integrated services for homeless and at-risk populations, including veterans, pregnant women, children, transitional-aged youth, and their families.
- K. **Incarcerated.** Support legislation that expands access to health care for the incarcerated and increases funding for jail health services. Support efforts to remove barriers and increase access to care, housing, and services for parolees.
- L. **Immigrant Access to Health Care/Multicultural Care.** Support legislation to ensure continued eligibility of undocumented residents for primary care, community mental health services, long-term care, California Children's Services, and other supportive services. Support legislation to ensure quality medical interpreter services through Medi-Cal. Oppose legislation that would attempt to limit health care services for undocumented residents or newly qualified immigrants.
- M. **Maternal, Child, and Adolescent Health.** Support legislation that maintains or improves the Department of Public Health's ability to address the health, oral health, behavioral health, and prevention needs of women, children, adolescents, and families, including legislation aimed at addressing childhood obesity, and sexual and reproductive health of women and adolescents. Restore state General Funding to the maternal, child, and adolescent health program, including funding for the California Children's Services program. Support legislation that decreases the health disparities of children in foster care, including ensuring coordinated health care services for children in out-of-home foster care or on probation in the juvenile justice system, particularly by adequately funding the Health Care Program for Children in Foster Care.

IV. Department of the Environment

A. Green Building/Energy.

1. **Public Goods Charge.** Support policies that allow regulatory agencies to assign administration of all or part of the Public Goods Charge funds to the California Energy Commission, local governments, or independent administrators to cover costs for local energy efficiency ordinances.
2. **Building & Appliances.** Support policies that provide expansion of Energy Star rated appliances, encourage adaptive reuse of existing structures, provide financial incentives for green building, energy efficiency and renewable energy projects in private sector development, and promote green building practices that reduce toxics and indoor air contaminants.

B. Clean Air/Climate Change.

1. **Carbon Accounting.** Support policies that create a carbon accounting standard and designate a tracking mechanism and an entity to regulate and manage carbon accounting at the statewide level.
2. **Renewable Energy.** Support policies that support and increase distributed renewable generation and energy storage, enable community solar legislation, or otherwise expand access to renewable energy, particularly for tenants, and increase renewable energy supply statewide, including an increase in the Renewable Portfolio Standard; and oppose policies that reduces net metering or implements charges that would deter on-site renewable energy generation.
3. **Transportation.** Support growth in the use of electric transportation, low carbon fuels and transit, biking and other alternatives to single-occupancy autos; and designate revenues generated from greenhouse gas-related fees or taxes to local or municipal government entities.

C. Zero Waste.

1. **Zero Waste.** Support policies promoting zero waste, and highest and best use of existing resources. This means advocating for source reduction, reuse, and recycling/composting (in that order), and buying products made out of recycled materials. Key actions we would support include setting lower disposal (or conversely higher diversion/recovery) goals, improving disposal measurement systems, and increasing producer and consumer responsibility. Mechanisms we would support include deposits, charges, fees, rebates, opt-ins, opt-outs, and bans on problem products and landfill disposal. In addition, the policies should reduce bureaucracy and increase payments to cities and counties to defray costs.
2. **Product Labeling.** Support policies that improve product labeling, with enhanced third party verification and state enforcement, for compostability, recyclability and recycled content. Oppose efforts to pre-empt local government action, or encourage landfill and high-temperature resource destruction such as giving diversion or carbon credits to any aspect of these technologies.

D. Toxics.

1. Data Collection. Support policies that promote collection of data on the health and environmental impacts of chemicals from manufacturers and strengthen biomonitoring to prioritize toxic chemicals for policy or outreach action.
2. Regulate & Reduce Harmful Exposure. In addition, legislation that uses available data to create policies that reduce toxic exposure to the public (especially of sensitive constituencies like pregnant women and children), prioritize the most toxic chemicals and restrict their use, and require labeling/disclosure requirements of products with toxic chemicals or mandate use of safer alternatives.
3. Safe Disposal. Support policies that require producers to manage products containing toxic chemicals at the end of their useful life, to reduce government burden of management.

E. Environmental Justice.

1. Food Access. Support policies that increase the ability of low-income communities to access locally grown, fresh, and organic produce;
2. Cap & Trade. Allow cap and trade allowances towards community funds or municipalities for the express purpose of mitigating negative environmental impacts (including but not limited to health and education) on low income communities. Support implementation of SB 535 such that 25 percent of cap and trade funds should be used to benefit disadvantaged communities and 10 percent of funds should be spent in geographically defined disadvantaged communities;
3. Climate Change. Support policies that provide financial and technical assistance to low-income residents and communities of color to prevent and reduce disproportionate impacts of climate change.

F. Urban Forestry & Gardens. Support policies that create property tax incentives that make it easier for community and commercial urban farms to access land and turn vacant and blighted urban lots into publically accessible green space and urban gardens. In addition, we would support policies that create defined and ongoing funding streams to manage urban forests and include urban forest management in bond funding more broadly across the state.

G. Energy Rebates. Oppose legislation that decreases the rebate provided to energy efficiency projects and pre-empts local government.

V. Department on the Status of Women

- A. Improve Enforcement of Anti-Human Trafficking Notice: California Civil Code § 52.6 (enacted by SB 1193) requires that certain businesses post a public notice regarding slavery and human trafficking. Through its staffing of the Mayor's Task Force on Anti-Human Trafficking and the San Francisco Collaborative Against Human Trafficking, the Department on the Status of Women has identified several ways in which this law can be improved:
1. Add check cashing establishments to the businesses which are required to post the human trafficking notice;
 2. Require businesses to post the notice in bathrooms or employee break rooms; (currently businesses must post the notice in clear view of the public, but this may not be an optimal location for employees to view it without drawing attention from management);
 3. Require local and state agencies that regulate the businesses affected by the law to create a mechanism for the businesses to certify that they are complying with the law. For example, the Department of Alcoholic Beverage Control licenses thousands of restaurants and bars that are covered by Civil Code § 52.6. Require the Department of Industrial Relations to include this notice in the required workplace postings that it tracks.
- B. Enact Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) at the state level: In 1998, San Francisco was the first city in the world to adopt a local ordinance reflecting the principles of the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). CEDAW is an international human rights treaty, which provides a universal definition of discrimination against women and brings attention to a whole range of issues concerning women's human rights. Countries that ratify CEDAW are mandated to condemn all forms of discrimination against women and girls and to ensure equality for women and girls in the civil, political, economic, social and cultural arenas. The United Nations General Assembly adopted CEDAW in 1979 and President Carter signed the treaty on behalf of the United States in 1980, but the United States Senate has not yet ratified CEDAW.

VI. Health Service Systems

The healthcare marketplace is in a period of rapid structural change driven by the implementation of the Affordable Care Act.

The goal of the Health Service System of the City & County of San Francisco (HSS) is to provide affordable quality benefits to the employees, retirees and dependents of the City and County, the SF Unified School District, the SF Community College and the Municipal Courts. Accomplishing this goal requires attention to many aspects of the health care system and increasingly the importance of transparency in establishing and maintaining a competitive healthcare marketplace has become essential particularly in the San Francisco Bay area where there are only a few choices of medical groups, hospitals and health systems which limits competition.

There are no short term solutions and if HSS is to provide sustainable, employer-sponsored health benefits for its member employees, retirees and their families over the long term and not further increase the GASB liability of the public employers covered by the Health Service System, then attention to cost, price and quality transparency must begin now.

The Health Service System will convene northern California Counties and other public employers along with national experts to identify a menu of activities. Some specific areas will include: Healthcare Cost and Quality Transparency reporting, Prevention of Anti-Competitive Practices in the Healthcare Industry and Fair inpatient and outpatient hospital pricing.

What all these priorities have in common is the idea that health care providers will be paid fairly for the quality and value they deliver. We are in the early stages of a promising change in the healthcare industry. Federal regulations are supporting incentives for doctors and hospitals, to reward the delivery of quality care. Cities and states across the country are aligning government, business, and community resources to create tangible improvements in the quality and value of their regional healthcare systems. San Francisco, and the state of California, can be leaders in this national trend. Transparency and competition alone will not bend the cost curve, the Health Service System believes creating and incentivizing smart food choices and safe walkable localities are also the responsibility of state and local government.

State Legislative Priorities

- A. Healthcare Cost and Quality Transparency
- B. Preventing Anti-Competitive Practices in the Healthcare Industry
- C. Fair Hospital Pricing
- D. Health and Wellness

VII. Human Services Agency

A. Health Care Reform

1. **Enrollment and Eligibility.** Monitor and engage on issues related to state implementation of the Medi-Cal expansion and systems required to support county eligibility and enrollment activities. Issues of particular interest include: timely completion of upgrades to the CalHEERS system; timely delivery of the CalHEERS/SAWS interface to support county-level eligibility determinations; seamless transition of LIHP clients into Medi-Cal in January 2014; and efforts to promote horizontal integration, including implementation of the CalFresh Express Lane waiver, which will allow for expedited enrollment of CalFresh clients into Medi-Cal.
2. **Seniors and Persons With Disabilities.** Ensure that Affordable Care Act implementation issues specific to seniors and persons with disabilities are identified, analyzed and appropriately addressed by the State. Support or co-sponsor legislation to restructure existing Medi-Cal specialty programs in light of the ACA. Effective January 2014, California's Medi-Cal expansion will provide no-cost coverage to adults age 19-64 whose income is at or below 138% of the Federal Poverty Level. People age 65 and over are not eligible for the Medi-Cal expansion, and must access traditional programs in order to maintain Medi-Cal. Specific legislative proposals may include raising the income eligibility threshold for the Medically Needy Medi-Cal program from 100% FPL to 138% FPL to align with the Medi-Cal expansion. This would eliminate the share of cost "cliff" faced by people who must transition from the Expansion to the less generous Medically Needy program upon turning 65. Many seniors will be unable to afford share of cost Medi-Cal, and will no longer be able to access long term services and supports. Another legislative proposal may involve modifying the no-cost Medi-Cal Aged and Disabled Program to allow for a gradual increase in the share of cost as a beneficiary's income rises, as opposed to the sudden and dramatic increases that occur under current program rules.
3. **Homeless and At-Risk Populations.** Advocate for timely issuance of guidance and implementation of sections of the Affordable Care Act that enhance capacity of programs serving homeless and at-risk populations, especially mental health and substance use treatment services now covered under the parity provisions of the law.

B. Aging & Adult Services and Long Term Care.

1. **In-Home Supportive Services.** Closely monitor implementation of the Coordinated Care Initiative demonstration, particularly as relates to the shift of IHSS into managed care, and engage in state-level discussions regarding expansion to additional counties. Educate and advocate with state policymakers as appropriate for a fix to the IHSS maintenance of effort (MOE) requirement that will potentially cost San Francisco \$40 million annually beginning as soon as 2016. Monitor and engage in the state's interpretation and implementation of the MOE requirement. Oppose proposals that restrict eligibility and service levels in the IHSS program.

2. **Adult Protective Services.** Support legislation and regulation intended to protect elders and dependent adults from all forms of neglect and abuse. Support efforts to increase funding outside of Realignment for training for county adult protective services workers. Advocate for the CA Department of Social Services to dedicate staff resources to APS and to take a leadership role in engaging with federal elder abuse initiatives and national APS data collection efforts. Support proposals to create or strengthen fraud abatement programs including mandated reporters.
3. **Long Term Care.** Support stable or increased funding for the entire spectrum of community-based long term care programs serving seniors and adults with disabilities. Expand access to community-based living options and services that allow seniors and people with disabilities to avoid institutionalization and receive appropriate levels of care and support in the community. Support legislative proposals that require comprehensive hospital discharge planning to ensure that individuals are discharged into appropriate settings where they will receive adequate care and support, and prevent exits to homelessness. Support proposals to strengthen and increase services for persons with Alzheimer's and other dementias, and strengthen and increase services for caregivers. Support legislation, budgetary proposals and regulatory changes that provide increased funding for Para-transit and funding of alternative transportation options for seniors and adults with disabilities. Support efforts to maintain
4. **Medi-Cal Rate Reduction Waiver.** Advocate for Community-Based Adult Services (CBAS) certified Adult Day Health Centers (ADHCs) in San Francisco to receive a Medi-Cal rate reduction waiver from the state Department of Social Services. There are 245 CBAS certified ADHCs in California. Two hundred of them are in Coordinated Care initiative (CCI) demonstration counties and therefore have the ability to negotiate higher Medi-Cal reimbursement rates. Of the remaining 45 centers outside of the CCI, 34 have received a state exemption from the 10% Medi-Cal rate reductions. Nine of the remaining eleven non-exempt sites are in San Francisco.
5. **Elder Self Sufficiency.** Support efforts to reinstate the annual cost-of-living adjustment for the State Supplemental Payment (SSP) program, which enhances the monthly grant paid to seniors and persons with disabilities who qualify for the federal Supplemental Security Income (SSI) program. Support use of the Elder Economic Index and the CPI-E as tools to promote the economic stability of seniors and adults with disabilities. Support proposals to increase food security for seniors. Support proposals to increase flexible job opportunities for seniors.
6. **Adult Education.** Oppose legislation (SB 173) to end funding for Non-Credit Adult Education Courses for older adults and others community college enrollees. In the 2013 Spring Semester, more than 20,000 San Franciscans were enrolled in "Older Adult" courses at City College. These courses provide the opportunity for older adults to learn sound principles for maintenance of health as they age, pursue new areas of personal development and mastery of new skills which are the keys to maintaining a healthy brain. They provide opportunities for community engagement and lead to new opportunities for income enhancement, enabling some to embark on a second career late in life. Statewide, 145,824 students over the age of 50 were

enrolled in CA Community Colleges in Spring 2013, according to the CA Community College Chancellor's Office (CCCCO). In a recent survey, the Public Policy Institute of California confirmed that the majority of older students participate in noncredit courses, and in San Francisco, the community college is the primary provider of free and low cost Non-Credit Adult Education. Additionally, there are unintended consequences to eliminating State funding for these classes. San Francisco gets some \$4 million annually through the Older Americans Act Title IIIc funding to provide meals to 14,400 (unduplicated) seniors and persons with disabilities through partnerships with providers. Nutritional education is required as part of the congregate meals program, and CCSF has provided these classes through their Older Adults curriculum, providing weekly classes in 26 congregate meal locations. If these classes were no longer eligible for funding, at a minimum, \$200,000, the equivalent of at least 36,364 meals, would potentially have to be diverted from providing meals that for many, are the only cooked meal of the day, and key for their nutritional maintenance.

7. Computer Literacy. Support proposals that provide funding for computer literacy training for seniors, adults with disabilities and caretakers to enable use of new technologies for online enrollment and other E-Government, and health supports.

C. Self Sufficiency.

1. CalWORKs. Co-sponsor legislation to expand the availability of CalWORKs homeless services to low-income families with housing instability. Monitor state implementation of SB 1041 and AB 74, which made significant changes to CalWORKs program policies. Support proposals designed to alleviate poverty and reduce income inequality. Support repeal of the Maximum Family Grant (MFG) Rule, which prohibits a family from receiving an increase to their CalWORKs monthly cash grant for a child who is conceived and born while the family is already on aid. As of September 2013, there were 746 MFG children associated with San Francisco's CalWORKs caseload. Support proposals to extend eligibility for CalWORKs to certain drug felons who are ineligible under current law.
2. Workforce Development. Support expansion of workforce development efforts that help move welfare-to-work participants, other low-income individuals and transition aged youth toward self-sufficiency. Support legislative and budget proposals that further San Francisco's efforts to build a coordinated and integrated system for the delivery of workforce services.
3. Housing and Homelessness. Support proposals that maintain and expand the supply of affordable housing in San Francisco. Support legislative and budget proposals that enhance San Francisco's ability to provide integrated, appropriate, and high quality housing and supportive services for the homeless and people at risk of homelessness. Support proposals that promote Universal Design in all new housing and proposals to expand supply of fully accessible housing for seniors and persons with disabilities.
4. CalFresh & Nutrition Services. Support state efforts to increase the CalFresh uptake rate, including support for horizontal integration of CalFresh with Medi-Cal

through the CalFresh Express Lane waiver and related efforts. Support efforts to maximize the use of utilize technology to make the CalFresh program more efficient, accessible, and customer friendly. Support efforts to increase food security among seniors through strategies such as increasing the state “cash out” for SSI/SSP recipients who are ineligible for CalFresh. Monitor and replicate the state’s pilot implementation of AB 402, which allows school districts and county social services agencies to share data to facilitate the enrollment of low-income students into CalFresh. Support proposals to extend eligibility for CalFresh to certain drug felons who are ineligible under current law.

D. Child Welfare.

1. Child welfare system. Support legislation that promotes child safety, reduces the number of children in long-term foster care, promotes adult connections and permanency, and helps foster children to sustain family ties. Support legislation that will result in timely permanence and stability for children. Support proposals that enhance foster and adoptive parent recruitment, retention and training. Support the expansion of educational opportunities and supports for current and former foster youth.
2. Katie A. Implementation. Monitor and engage with statewide implementation of the Katie A. v. Bonta settlement, which requires that intensive mental health services be made available to children who are in or at imminent risk of placement into foster care. State and local child welfare and mental health leaders are working to establish a sustainable framework to provide an array of coordinated, community-based services. The state is also working to clarify and provide guidance on state and federal laws related to Katie A. so that counties and providers can understand and consistently apply them.
3. Commercially Sexually Exploited Children (CSEC). Support passage of SB 738 (Yee), which would bring CSEC under the jurisdiction of child welfare. Ensure that county child welfare agencies are adequately supported with training, support services funding and other resources needed to serve this population, whose needs differ somewhat from those of children currently served by the child welfare system.

E. Early Care and Education.

1. Reimbursement Rates. Based on lessons learned from the San Francisco child care pilot, advocate for changes to the state’s framework for regulating and financing subsidized child care programs. Specifically, push for an update to child care provider reimbursement rates, which have been frozen since 2004, and to implement a regional approach to market rate setting in Title 5 centers, similar to what is in place for the Alternative Payments/voucher system. Because rates have not kept up with the market cost of providing care, families with vouchers have a difficult time accessing the market, City investments in quality have eroded to basic operating support, and licensed capacity is being lost. Support proposals that maintain or increase funding for child care and expand access to subsidized child care for working families and families on welfare.

2. **Quality Care.** Support state effort to seek a TANF waiver for limiting parental choice to quality options under certain circumstances. Support proposals that promote high-quality child care programs through investments in the early education workforce, facilities, Quality Rating and Improvement Systems (QRIS) and other quality improvement activities.
 3. **System Improvements.** Support legislation and regulatory changes that address technology and workload efficiencies, such as electronic sign-in and out, investment in the workforce registry with CCDBG quality dollars, and modifying regulation to reduce demand on families and Alternative Payment agencies for onerous dynamic and ongoing eligibility redetermination. Support legislation and regulatory changes that improve continuity in eligibility for child care subsidy programs, thereby reducing disruptions in care.
- F. **Realignment.** Monitor and adopt positions as appropriate on legislation that modifies the current Realignment funding system or realigns responsibility for additional programs to local government or realigns local programs to the State to ensure adequate, consistent, and flexible funding for social services programs.

VIII. Mayor's Office of Housing & Community Development

A. Funding for Affordable Housing

1. **Affordable Housing Trust Fund.** Support legislation that provides a permanent source of financial support for affordable housing for low and moderate-income residents, such as a California Affordable Housing Trust Fund.
2. **Build on Successes.** Continue funding for successful State programs including the Calhome Program, the Infill Infrastructure Grant Program, and the Multifamily Housing Program. These important programs were supported by State bond funds that either have been fully expended or will soon be fully expended. Either a new bond issuance or another source of permanent financing is needed.
3. **Tax Increment Financing.** Ensure that any proposal to replace redevelopment tax increment, such as modification of the State Infrastructure Financing District (IFD) legislation, allows tax increment to be used for affordable housing.

City priorities for modification to IFDs are:

- Remove voter requirement to establish an IFD;
 - Allow IFD use in former RDA areas;
 - Allow affordable housing as a permissible use;
 - Allow infrastructure operations and maintenance as a permissible use;
 - Process to establish an IFD is not overly burdensome;
 - Extend the IFD period to at least 45 years; and
 - Begin IFD term upon issuance of first bond (or accumulation of a certain amount of increment).
4. **SB375, Cap & Trade, Transit Oriented Development.** SB375 mandates infill development near transit and has enormous infrastructure and affordable housing cost implications. However, there are no resources identified to meet this need. Currently, ABAG is considering new funding mechanisms to provide support for housing and infrastructure in the Bay Area. Legislation could come in the form of funding for affordable housing related to SB375, funding associated with fulfilling Regional Housing Needs Assessment (RHNA) obligations, or Cap & Trade revenue allocations. It could also come in the form of legislation that would ease the process of raising revenue at the Bay Area Regional level.

B. Successor Agency Effectiveness

1. **Protect Financial Health.** Ensure that clean-up of legislation governing the dissolution of Redevelopment Agencies is aligned with City priorities and does not harm successor agencies or further restrict the use of funds remaining with successor agencies.
2. **Institute Bonding Authority.** Advocate for bonding authority to enable redevelopment successor agencies to issue bonds to pay for enforceable obligations (where the California Department of Finance has made a final and conclusive determination that the enforceable obligation is valid). In some instances, there is no other financial mechanism for completing these projects.

C. Regulatory Improvements.

1. **Inclusionary Housing.** Support local discretion to implement inclusionary housing policies suited to local conditions. Local discretion should include the ability to require onsite below market rate units as a condition of the zoning code, and to have inclusionary requirements absent special density allowances.
2. **HCD Loan Programs.** Support changes to state law that would allow the California Department of Housing and Community Development (HCD) to adjust their loan interest rates when necessary to facilitate affordable housing development and preservation. For instance, AB 523 would allow HCD to reduce their loan interest rate to 0% when necessary for financing or refinancing and affordable development.
3. **Green Affordable Housing.** Support legislation that increases access by affordable housing managers, owners, and low income tenants to state energy efficiency programs and resources that reduce residential energy use and utility expenses. Such legislation could include On Bill Repayment on tenant meters, and changes in eligibility requirements for Energy Saving Assistance Program (ESAP) to not count housing subsidies as income. Legislation could also bolster rebate programs for energy systems replacement like heaters and boilers or provide greater rebate incentives for owners of multifamily properties to include renewable energy features like solar, photovoltaic, and wind energy generation.

IX. Office of Community Investment & Infrastructure

- A. AB 26 & AB 1484 clean-up bills. Ensure that any clean-up bills regarding redevelopment dissolution help or augment the City's ability to deliver critical infrastructure, parks and housing (both market-rate and affordable), and job-generating uses within the Major Approved Development Projects (Mission Bay, Transbay and Hunters Point Shipyard/Candlestick Point).
- B. Infrastructure Financing Districts. Support legislation enabling the use of IFDs in former redevelopment areas and military bases, remove voter requirement to establish an IFD.
- C. Tax Exempt Status of Municipal Bonds. Oppose legislation that eliminates, or places a cap on, tax-exempt municipal bonds.
- D. Sustainable Development. Support legislation that provides financial and technical support to local government in implementing sustainable development practices such as transit-friendly development, green building, consideration of existing and future development impacted by sea level rise, plant-based methods for managing stormwater, distributed generation and microgrid strategies, and other sustainable practices.
- E. SB375 funding mechanisms for Infill Development. Support enhanced state and regional resources to meet SB375 goals including tying state housing and infrastructure funding to RHNA obligations and allocating cap and trade revenue to fund infrastructure that reduces reliance on automobile travel
- F. Infill Development. The OCII "major approved projects"—Mission Bay, Transbay and Hunters Point Shipyard/Candlestick Point—are national models for smart growth and urban infill. Robust developer agreements enable the city to develop abandoned and underutilized lands that leverage existing urban infrastructure and fulfill regional and state goals for jobs-housing balance. While these projects require private developers to construct public infrastructure, State funds can significantly impact implementation by accelerating extension of city services such as roadways, transit, bike facilities, and underground utilities. Early funding of these priorities advances economic benefits to the City and improves the City's ability to fulfill policy goals such as transit-first, advanced stormwater management, high-quality parks, and community facilities. Strategies for supporting San Francisco's major approved development projects include:
 - 1. Support measures that promote economic incentives for business creation, attraction, and retention in high poverty and unemployment areas and infill locations near transit.
 - 2. Support proposals which would stimulate the local economy by accelerating or increasing spending on infrastructure projects in urban infill locations.

3. Support legislation and expansion of existing grant programs that distribute State housing and infrastructure funds to local jurisdictions based upon population and poverty levels.
4. Oppose legislation that substitute Proposition 1C (Housing and Emergency Shelter Trust Fund Act of 2006) bond funding for existing housing and infrastructure resources.

X. Office of Economic & Workforce Development

- A. California State Film & TV Tax Credit Program. Support for an extension and expansion of the California State Film & TV Tax Credit Program. The California Film & Television Tax Credit Program has been effective in keeping production in California. The Program was enacted in 2009 as part of a targeted economic stimulus package to increase production spending, jobs and tax revenues in California. Now in its fourth fiscal year, the Program has allocated \$500 million in tax credits to over 200 eligible film and TV productions. In the aggregate, these productions are estimated to spend \$3.9 billion in California of which \$1.3 billion is attributed to wages for an estimated 28,000 crew and an estimated 15,000 cast members. While the Program has enabled California to keep many film and TV projects in state, resulting in more jobs for film production workers and increased spending at thousands of small support businesses, the limited annual funding has resulted in a continuing loss of film and TV productions seeking tax credits that are readily available in other states. Extending and enhancing the Program to include other types of productions will help California remain competitive and prevent many film and television projects from leaving the state.

XI. Planning Department

A. Smart Growth & General Plan Requirements.

1. Limit the creation of new hurdles to the certification of Housing Elements. A recent court case has imposed a 90-day appeal window where there had been an unlimited window. Last year, there were efforts by state legislators to lengthen this appeal window. San Francisco has an obligation to ensure that housing can and will be built; increasing the appeal window for the Housing Element jeopardizes our ability to meet such obligations.
2. Support the maintenance of local discretion in land use regulation. Recent bills have sought to impose additional regulations that may remove the City's discretion. San Francisco is active in reviewing existing land use controls and imposing new controls when appropriate, additional controls should not be mandated by the state, unless there is a compelling regional or statewide need.
3. Support meaningful, coordinated regional planning. Support legislation that increases regional coordination and that strengthens rewards for municipalities that meet regional housing and transportation goals. Currently, regional planning has little influence in most land use decisions and yet the uncoordinated actions of municipalities can amplify with significant implications at the regional level.

B. Affordable Housing

1. Support legislation that returns housing stock regulatory authority to local governments. The Ellis Act (1985) precludes the City from restricting the removal of rental housing from the housing stock. Costa-Hawkins Rental Housing Act (1995) prevents the City from placing rent control on new construction, condos, Tenancies in Common (TICs), or single family homes. The *Palmer* decision (2009) expanded the applicability of Costa Hawkins to apply to rents on new affordable units. Taken together, Costa Hawkins and the *Palmer* decision present a significant challenge to San Francisco's ability to create new affordable housing; while the Ellis Act and the unlimited conversion of apartments to TICs facilitate the removal of existing affordable housing. Changes at the State may facilitate San Francisco's ability to regulate the City's housing supply at the local level, especially during a significant upturn in the real estate market.
2. Support legislation that provides financial support and incentives for programs that provide affordable housing for low and moderate-income residents.
3. Support efforts to create tax or other financial incentives for innovative affordable housing ownership models and for low and moderate income housing.
4. Watch/oppose additional restrictions or requirements for successor agencies.

C. Transportation and Livable Street Design

1. **Bicycle and Pedestrian Safety.** Sponsor, support and monitor legislation that will improve advancement of General Plan goals for a multimodal transportation system. Initiatives will include review of current law and recommendations regarding the bike program, bike facilities design, complete streets improvements and traffic calming. Advance recommendations with the California Department of Transportation for flexibility in design standards for bike plans and project as included in NACTO Urban Street Design Guide and Bikeway Design Guide.
2. Support changes to the California Vehicle Code, Fire Code and other code changes to support pedestrian-oriented street design and recognize pedestrian-oriented street typologies, including shared streets (woonerf) and pedestrian plazas. San Francisco has been working to more fully use the street right-of-way for open space and community building. For instance, the state vehicle code mandates that all ROW must be designed for minimum speeds of 25 miles per hour. Changes to the state code should be allowed to facilitate the development of safe, shared streets. Components of the state's fire and accessibility codes impose specific design standards that are more attuned to suburban context and do not recognize urban conditions (e.g. minimum 20' clear drive aisles on all streets), or impose specific design treatments that do not reflect best practice nationally or internationally (e.g. yellow truncated domes). Ideally, the State would adopt the NACTO (National Association of City Transportation Officials) "Urban Street Design Guide" as recognized manual for street design for cities in California. Proposals under this category may include:
 - Adopt NACTO Urban Street Design Guide
 - Revise Fire Code 20' minimum width requirement
 - Revise applicable state codes to change yellow dome and related shared street issues
 - Changes Vehicle Code to recognize shared streets and similar ped-oriented typologies
3. Support changes to the State Public Utilities Code to grant municipalities discretion over the location and urban design of Surface Mounted Facilities (SMF) in public ROWs. Current state law is overly vague or deferential in granting utilities too much latitude to force cities to accept unsightly and improperly sited SMFs in very large quantities (hundreds or thousands per city) on sidewalks with little explicit ability for the municipality to require appropriate urban design treatments (e.g. landscaping, art/painting, seating, other amenities) and sidewalk treatments (e.g. sidewalk extensions/bulb-outs) to make the SMFs consistent with adopted local streetscape, design and pedestrian movement standards, and in some cases to require underground installation if certain criteria are met. The pertinent Code provision is CPUC Sections 5885 and 7901.1. It should be noted that the League of California Cities opposed the adoption of these provisions when they were adopted by the legislature in 2006.
4. Support changes to the State Public Utilities Code to require utilities to replace streetscape materials and design in-kind when they do construction or repair work on their facilities in the ROW (typically sub-grade). At present utilities are only required to replace sidewalks and roadways with minimally cheap materials

(asphalt, plain concrete). In an increasing number of sidewalks and public plazas, special pavement and landscape treatments are being installed. Utilities can unilaterally tear up these improvements and replace their disrupted areas with materials that do not match the level of improvements in the area. The current practice is unsightly, degrades investment made by the City, and is disrespectful of the efforts of the community.

5. **Parking Policy Changes And The California Vehicle Code:** Support legislative efforts that advance the General Plan policy objectives related to parking management including SFMTA's accessible parking policy reform. These efforts will be undertaken to advance the recommendations of the Accessible Parking Policy Advisory Committee, as summarized in the report issued in August 2013. These recommendations, some of which will require state law change, were developed to address on-going issues associated with accessible parking and disabled placard use. In general, the SFMTA will coordinate parking advocacy efforts with public parking interests including the California Public Parking Association and local government interests throughout the state.

D. Equitable Growth & Infrastructure Investment.

1. **Maintain existing capacity for taxes and impact fees.** Oppose legislation that eliminates or restricts the taxing authority of cities over development; weakens existing Government Code section 66000 fee authority; or redefines any development tax, condition or other monetary change as development fees.
2. **Support Future Funding/Future State Bonds for Transportation.** The City should consider options to increase overall funding for transportation, including a possible statewide ballot measure that would be placed before voters in 2014. The City (through SFMTA) should join transportation interests in supporting efforts to lower the voter threshold for local transportation revenue measures from two thirds to 55 percent.
3. **State Bond Funding: Proposition 1B Infrastructure Bonds.** In 2014, the SFMTA will support the full, final appropriation authority of the remaining \$800M annual allocation for the Prop. 1B program designated for transit projects and work with regional and state transportation interests to coordinate with the Department of Transportation, Department of Finance and other entities as necessary to ensure that the annual allocations are being made to the Prop. 1B program. The Central Subway has received some funds to date, with \$65M remaining for the final Prop. 1B program appropriation.
4. **Transportation Funding and FY2014-15 State Budget:** Advocate for protection of existing state transportation funds including Public Transportation Account/State Transit Assistance (STA) funds from being used for non-transportation purposes. The City (through SFMTA) should work with other transportation interests to ensure that all state transportation funding sources are protected in State Budget. The SFMTA received approximately \$37M in STA funds last year; these funds are eligible for both capital and operating purposes and are the only remaining state funds that support transit operations.

5. Support changes to state legislation that restricts creation of Infrastructure Financing Districts (IFDs) in former redevelopment areas. San Francisco is covered by many former redevelopment areas, including some that were active and extinguished by the demise of redevelopment. The ban on using IFDs in these areas means that community-supported development and infrastructure projects may not be financially feasible and will sit in a state of blight, underserved by infrastructure, or otherwise underdeveloped due to financing constraints.

E. Sustainability & Resiliency

1. Cap and Trade. The cap and trade program, which is part of the State's effort to reduce greenhouse gas emissions to 1990 levels by 2020, per the Global Warming Solutions Act of 2006, sets a limit on the total greenhouse gas (GHG) emissions that can be emitted by specific sources in California. Emitters that will produce higher emissions than those allowed under the law must purchase more allowances through the cap and trade, market-based auction system that started in November 2012. The Planning Department supports SFMTA and CCSF efforts to ensure that these funds go to transit and GHG reducing transportation. Further, the FY 2013-14 budget included a \$500 million loan to the General Fund from revenues collected from Cap and Trade. The Planning Department supports advancement of a framework for these funds in the State's 2014-15 budget.
2. Support regional coordination and increased funding for responding to climate change and sea level rise. The Golden Gate tidal gauge has recorded an 8 inch rise in sea level in the Bay over the past one hundred years. The draft 2013 State Coastal Commission Sea Level Rise Policy Document recommends planning for up to an additional 9 inches by 2030, 19 inches by 2050, and 56 inches by 2100. Even if aggressive action to mitigate climate change begins immediately, significant levels of sea level rise will occur all along the California coast and San Francisco Bay. Ensuring vital assets are protected requires increased coordination and investment.

- #### F. California Environmental Quality Act (CEQA) Reform. Support legislative efforts to simplify and modernize the CEQA review process in relation to transit-oriented development, infill development, affordable housing the TEP and other projects and plans that are consistent with the goals and objectives of an adopted sustainable communities strategy. Support efforts to include the addition of public transit, bicycle, pedestrian, and transit-oriented development (TOD) projects as appropriate. Oppose measures that would impose new requirements beyond CEQA which would expand those requirements to additionally require organizations conducting an EIR to evaluate the impacts of environmental factors on a proposed project and on people who might be attracted to the new development. All efforts will be made to negotiate any proposed changes to CEQA with local parties.

1. Modify the "fair argument" standard of review for Negative Declarations (Neg Decs). The court-created standard of review for Neg Decs considers only whether project opponents have raised a "fair argument" that the project may have significant impacts. But this standard dates from a time when Neg Decs were often little more than "bare checklists" with limited evidentiary support. Today, most Neg Decs have grown into substantial documents with extensive supporting technical reports, which courts should be required to take into account in determining

whether or not there is substantial evidence of potentially significant impacts.

2. Eliminate “data dumping.” Under current law, project opponents can challenge an EIR on any grounds that were raised prior to the final hearing to adopt a project. This allows them to hold their fire during the comment period and then “dump” thousands of pages of comments on the lead agency at the last minute. The agency must either postpone project adoption in order to respond, or risk litigation without the support of responses in the record to the late comments. Last year’s SB 292 included a data-dumping prohibition, but only for the Farmers Field football stadium project. This prohibition should be extended to all projects. Taking it a step further, another option would be to define the statutory comment periods as the only times in which comments will be accepted for consideration, which would improve the lead agency’s ability to respond to comments in the preparation of CEQA documents.
3. Eliminate recirculation based on revisions in response to comments. Under current law, if EIRs and Negative Declarations are substantially changed in response to public comments, the lead agency may be required to recirculate them for additional comment. This leads to repeated recirculation cycles and also provides an unintended incentive for agencies to reject useful public comments, simply to avoid delay. Precluding recirculation when an EIR or Neg Dec is revised in accordance with comments would remove this incentive, improving the final document and enabling projects to remain on schedule. Specifically, giving more opportunity to adjust or add alternatives without recirculation would enhance the ability of lead agencies to respond to input received during the DEIR comment period.
4. Advocate for a specific CEQA exemption for General Plan elements or City policy documents that do not in and of themselves result in physical changes. San Francisco has been subjected to repeated and unsuccessful lawsuits with each attempt to update our Housing Element—updates which are required by state law. Even though the appellants have not been successful, the city must spend vast resources in defense of these lawsuits for non-physical policy plans. Because the non-physical policy documents cannot have physical changes and any physical project would result in subsequent CEQA review, the state should offer a specific exemption for these policy plans.
5. Add a statutory exemption for minor changes to transit service. Under current law, even minor changes to transit service must undergo environmental review because they are acted on by an appointed board (i.e., discretionary action). The only transit service changes that are statutorily exempt are in response to transit agency revenue shortfalls (CEQA Guidelines Section 15285). However, transit service providers need flexibility to make minor adjustments to transit service in response to changes in passenger demand and on-street congestion. Examples of minor transit service changes include, but are not limited to, moving transit stops, modifying a route between stops, increasing/decreasing frequency and hours of operation, changing vehicle types (from trolley to an articulated bus), etc. Minor transit service changes are defined in the SFMTA Title VI document and this exemption could adopt this definition.

6. Modify the Class 32 infill exemption to make it applicable in limited circumstances for projects that do not comply with the existing zoning on the site. Such circumstances could include one or more of the following: when the project is determined consistent with the General Plan; when the project involves reuse of an existing structure and does not add substantial square feet of space; when the project is consistent with the use allowed in the applicable zoning district (but may be denser or taller than the zoning allows).
- G. Strong and Effective State Regulation of Medical Cannabis. On 8/29/13 the US Department of Justice issued a memorandum that updated their guidance to federal prosecutors concerning marijuana enforcement under the Controlled Substance Act. The federal government stated it would not prosecute individuals involved in the sale or possession of marijuana in states that have legalized it for recreational or medical use, if the State has implemented a strong and effective regulatory and enforcement system, and if the activity of those individuals does not interfere with the eight enforcement priorities outlined in the memo. California does not currently have a strong and effective regulatory and enforcement system to deal with medical cannabis. The State should provide guidance to the City to facilitate regulation and permitting in local MCDs.

XII. Port of San Francisco

- A. Amendments to SB 815 and AB 2259. Seek a district bill providing for technical amendments to SB 815 (Senator Migden; 2007) and AB 2259 (Assemblymember Ammiano; 2012). SB 815 declared Port seawall lots south of Market Street free of trust use restrictions, and authorized nontrust leasing of these lots for periods of up to 75 years with funds realized from this leasing dedicated to capital improvements to the Port's finger piers. The proposed SB 815 technical amendments include:

1. Terminating the trust on parcel P20 adjacent to Seawall Lot 337 in Mission Bay;
2. Authorizing nontrust leasing on 75 year leases beyond 2094;
3. Replacing the current provision that requires demolition of nontrust structures with a provision allowing State Lands, in consultation with the Port, to determine how best to utilize the seawall lots and the buildings on them to further the purposes of the trust; and
4. Authorizing expenditure of a portion of leasing revenues to fund required infrastructure to enable development pending repayment by IFD proceeds.

AB 2259 authorized affordable housing development of Seawall Lot 322-I, and a procedure to obtain affordable housing fee credits at Pier 70. The proposed AB 2259 technical amendments would allow the affordable housing development on Seawall Lot 322-I to include ground floor retail and parking. The technical amendments to SB 815 and AB 2259 can be accomplished in a single bill

- B. Support regulatory or legislative changes to CARB shoreside power regulations. Support changes to existing regulations that would allow for temporary decommissioning of shoreside power facilities for repair to those facilities, or for special events. Changes would exempt Ports and cruise operators from connection requirements and any associated fines during the period of decommission.

XIII. San Francisco International Airport

- A. High Speed Rail. Support High Speed Rail (HSR) as a necessary reality in California and effect a reduction in air traffic between southern and northern California. San Francisco International Airport (SFO) is an active advocate for HSR and is working with Bay Area business organizations, including the San Francisco Chamber of Commerce and the Bay Area Council, to promote HSR in California. SFO staff will work with the Metropolitan Transportation Commission to explore potentially extending the AirTrain system to the United Maintenance Operations Center (MOC) and long-term parking facility to provide transit linkage from BART and a future HSR terminal.

- B. Sea Level Rise.

XIV. San Francisco Municipal Transportation Agency

A. Transportation Funding.

1. FY2014-15 State Budget. The SFMTA will continue to advocate to protect existing state transportation funds including Public Transportation Account/State Transit Assistance (STA) funds from being used for non-transportation purposes. SFMTA will work with other transportation interests to ensure that all state transportation funding sources are protected in FY2014-15 State Budget. The SFMTA received approximately \$37M in STA funds last year; these funds are eligible for both capital and operating purposes and are the only remaining state funds that support transit operations.
2. Proposition 1B Infrastructure Bonds/STIP Funding. In 2014, the SFMTA will support the full, final appropriation authority of the remaining \$800M annual allocation for the Prop. 1B program designated for transit projects and work with regional and state transportation interests to coordinate with the Department of Transportation, Department of Finance and other entities as necessary to ensure that the annual allocations are being made to the Prop. 1B program. The Central Subway has received \$156M in Prop. 1B funds to date, with \$68M remaining for the final Prop. 1B program appropriation. The SFMTA will also work to advance the \$88M in State Transportation Improvement Program (STIP) funding designated for the Central Subway project, including exploration of advance funding options with funding partners the Central Subway project, including exploration of advance funding options with funding partners, including the San Francisco County Transportation Authority (SFCTA), the Metropolitan Transportation Commission (MTC) and the California Transportation Commission (CTC).
3. Future Transportation Funding. The SFMTA will monitor and engage in discussions underway with transportation coalition interests to consider options to increase overall statewide funding for transportation, including a possible statewide ballot measure that would be placed before voters in 2014. These efforts will be coordinated with potential local transportation funding initiatives also being considering for the November 2014 ballot. The SFMTA will also join transportation interests in supporting efforts to lower the voter threshold for local transportation revenue measures from 2/3rds to 55 percent. A number of bills were introduced during the first year of the current two-year session and prospects are that one or a combination of these will move in the coming year. The SFMTA will also support efforts to allow the purchase of rolling stock to be eligible for local general obligation bond funding.

B. Cap and Trade

1. Revenue Investment. The SFMTA will continue to participate in City and statewide coalition efforts to ensure that a proportion of the funds generated from cap and trade auctions go to transportation and transit. SFMTA has joined with the California Transit Association as part of a coalition on this issue that includes the California Alliance for Jobs, League of California Cities, California State Association of Counties, Self-Help Counties Coalition and the California Association of Councils of Government. In addition, the SFMTA will support efforts that seek to direct the

entirety of the fuels-related revenues for transit and greenhouse gas-reducing transportation investments. SFMTA will also support the implementation of SB-535, including the provision that 25 percent of cap and trade funds should be used to benefit disadvantaged communities and 10 percent of funds should be spent in geographically defined disadvantaged communities.

2. **Secure Funding in State Budget.** The FY 2013-14 budget included a \$500 million loan to the General Fund from revenues collected from Cap and Trade. The loan of these revenues in the 2013-14 budget reflected the Legislature's and Administration's need for more time to establish a long-term framework for investing the revenues. The SFMTA will support efforts to advance a framework for these funds in the State's 2014-15 Budget.

C. Parking Policy

1. **Accessible Parking Policy.** Support/Sponsor legislative efforts that advance the SFMTA's policy objectives related to parking management including accessible parking policy reform. Specifically, the SFMTA will work with stakeholders and advocates to advance the recommendations of San Francisco's Accessible Parking Policy Advisory Committee as summarized in the report issued in August 2013. These recommendations, some of which will require state law change, were developed to address on-going issues associated with accessible parking and disabled placard use. The package of recommendations includes: a) increase blue zones; b) improve enforcement of placard misuse; c) increase oversight of placard approvals by the California Department of Motor Vehicles; d) allow communities to remove meter payment exemption; e) direct revenue to accessibility improvements; and f) allow communities to establish reasonable time limits. The SFMTA Board of Directors also directed staff to develop a discount program for low income drivers with a disabled placard, contingent on state law changes regarding meter payment exemption.
2. **Parking Policies and Initiatives.** The SFMTA will continue to coordinate parking advocacy efforts with public parking interests including the California Public Parking Association and local government interests throughout the state.

D. Complete Streets

1. **Bicycle-Pedestrian Safety and Street Design.** Support and monitor legislation, policies and funding opportunities that will improve advancement of SFMTA's bicycle and pedestrian strategic plan objectives. Initiatives will include review of current law and recommendations regarding the bike program, bike facilities design, complete streets improvements and traffic calming.
2. **Flexible Design Standards.** Advance recommendations with the California State Transportation Agency and California Department of Transportation, which have been endorsed by the Federal Highway Administration (FHWA), to allow for flexibility in design standards for bike plans and projects as included in National Association of City Transportation Officials (NACTO) Urban Street Design Guide and Bikeway Design Guide.

3. Pedestrian Safety and Traffic Enforcement. Continue to support efforts across city departments to analyze and develop a comprehensive pedestrian safety program including opportunities to utilize speed enforcement cameras in school zones or as a pilot program. Also, support efforts to enhance street management and reduce gridlock through utilization of appropriate technology and traffic enforcement.

E. California Environmental Quality Act (CEQA)

1. Office of Planning and Research CEQA Guidelines. In collaboration with City Planning along with various statewide and Bay Area organizations, participate in the development of new guidelines by the Governor's Office of Planning & Research for analysis of transportation impacts under CEQA pursuant to SB 743 (Steinberg, 2013). Advocate for guidelines that make CEQA analysis simpler for transit-oriented development.
2. On-Going CEQA Reform. Support on-going legislative efforts to simplify and modernize the CEQA review process in relation to transit-oriented development, the Transit Effectiveness Project (TEP) and other projects and plans that are consistent with the goals and objectives of an adopted sustainable communities strategy. Support efforts to include the addition of public transit, bicycle, pedestrian, and transit-oriented development (TOD) projects as appropriate.

F. Taxi Legislation and Policy. Support and monitor as appropriate state legislation and regulations related to taxi industry issues governed by the California Vehicle Code, California Government Code and California Public Utilities Code. Coordinate with city and statewide taxi interests on legislative efforts relating to taxi regulations and policy including policy initiatives associated with Transportation Networking Companies (TNCs).

G. Support Shared Policy Priorities of City Departments. Support as appropriate the policy priorities of other City departments including Planning, Department of the Environment, Public Health and the Office of Economic and Workforce Development that advance mutual policy objectives including transportation and livable street design, pedestrian safety, transit-oriented development, CEQA reform policy and infrastructure investment.

XV. San Francisco Police Department

- A. Prison Overcrowding. Support the efforts of the California Department of Corrections and Rehabilitation (CDCR) to reduce the population of prisons without releasing prisoners. The US Supreme Court denied the state's appeal in the prison overcrowding case. Currently, CDCR is contracting with the GEO Group to move prisoners to these facilities and would be left with approximately 4,414 inmates above 137.5 percent of design capacity. CDCR has also entered into a contract with the Corrections Corporation of America providing 2,304 beds in the California City Correctional Center (CAC) giving CDCR a flexible solution to help comply with the order to reduce prison overcrowding. Any proposed legislation should include the recommendations set forth in the recent Stanford study on Realignment, in particular the following:
1. Create a statewide tracking database for offenders under probation supervision in the counties. The change from state-based to county-based supervision of offenders leaving prisons has created an information void for law enforcement officials. There is no statewide or cross-county database of offenders on PRCS, mandatory supervision or probation. Without this tool, officers lack adequate information indicating whether those they encounter on the street are
 - Entitled to the full range of Fourth Amendment search and seizure protections because they are not under criminal justice supervision, or
 - a potentially dangerous offender who is under supervision.
 2. Allow an offender's criminal history to be considered when determining whether the county or state will supervise a parolee. Complete adult and juvenile criminal conviction records should be considered when determining if the state or county will supervise an offender leaving prison. Those offenders with extensive prior serious or violent convictions in California or elsewhere should be ineligible for county supervision and required to report to parole. Under Realignment, only the current conviction offense is considered when determining whether inmates leaving prison will be placed on PRCS or parole. As a result, offenders with serious and violent prior convictions— including moderate-risk sex offenders—are reporting to county probation officers. Already shouldering expanded caseloads, these officers are ill equipped to manage such sophisticated offenders. Some counties are so concerned that they are arming their probation officers. While this reaction is logical, it raises potential conflicts with the rehabilitative role probation plays in the criminal justice system.
 3. Cap county jail sentences at three years. County jails were built to house inmates for a maximum stay of one year, but under Realignment sentences are extending well beyond that. Serving a five, seven, or ten-year sentence in a county jail will likely deprive an inmate of adequate mental and medical healthcare, addiction treatment, sufficient recreational time and space, regular visitation, and other benefits, services and rights that are maintained in state prisons. To meet these needs, county jails would need to overhaul, at a minimum, the medical and mental health provision protocols and facilities they offer. This would require funding that no doubt exceeds what sheriffs' have received under Realignment. Instead, lawmakers should amend AB 109 to cap jail time at three years and send those with longer terms to prison.

4. Impose a prison sentence for certain repeated technical violations. Pre-Realignment, technical violations of a parolee's terms of supervision could result in a return to prison for up to one year. Now violators are sent only to county jail, and only for a maximum of six months. In counties where the jails are crowded and sheriffs are releasing some inmates early, technical violators may be one of the first groups freed to create room for more serious offenders. This cycle of supervision, violation, brief punishment, and release gives an offender little incentive to comply with supervision rules. Sex offenders, for example, have begun to cut off their electronic monitors and abscond from supervision knowing that the only consequence will be a brief stint in jail. To encourage compliance with supervision conditions, certain repeated serious violations should bring prison time.
- B. Improve Enforcement of Anti-Human Trafficking Notice: California Civil Code § 52.6 (enacted by SB 1193) requires that certain businesses post a public notice regarding slavery and human trafficking. The Department has identified several ways in which this law can be improved:
- a. Add check cashing establishments to the businesses which are required to post the human trafficking notice;
 - b. Require businesses to post the notice in bathrooms or employee break rooms; (currently businesses must post the notice in clear view of the public, but this may not be an optimal location for employees to view it without drawing attention from management);
 - c. Require local and state agencies that regulate the businesses affected by the law to create a mechanism for the businesses to certify that they are complying with the law. For example, the Department of Alcoholic Beverage Control licenses thousands of restaurants and bars that are covered by Civil Code § 52.6. Require the Department of Industrial Relations to include this notice in the required workplace postings that it tracks.
- C. Use of SmartJustice. Support efforts to enhance the Department of Justice's SmartJustice project, which is the data sharing solution which addresses, in part, the need for data to support AB109 compliance and supervision. A mobile device capability for access to state data is also being developed and will begin to become available by the end of the year.
- D. State Sentencing Laws. Oppose efforts to enact legislation that would create a Sentencing Commission. As contemplated, all sentencing laws would be determined by this non-elected sentencing commission whose recommendations could only be overridden by the action of both houses of the Legislature. This was last proposed in 2009 (and had the support of then Governor Arnold Schwarzenegger) but was defeated due largely to the opposition of State police chiefs.

XVI. San Francisco Public Utilities Commission

- A. **Water Rights.** There are a number of state initiatives currently underway that could impact the water supply, cost, and reliability for the 2.6 million people in the San Francisco Bay Area who rely on the SFPUC for water. These include the Bay Delta Conservation Plan, the San Joaquin river flow proposals, the state water bond, and more. In all these areas, the SFPUC will work to ensure that San Francisco's water rights remain protected, that our water supply remains safe and sufficient, and that ratepayer affordability is preserved.
- B. **Ocean Beach.** Erosion at Ocean Beach resulting from climate change and sea level rise has forced the closure of a section of the Great Highway along the City's Pacific coast and threatens critical wastewater infrastructure, including the 14-foot diameter Lake Merced Tunnel and the Oceanside Treatment Plant. The SFPUC will seek approval from the California Coastal Commission for short-term solutions to prevent further erosion and long-term solutions developed through the Ocean Beach Master Plan. The SFPUC will also monitor all related state legislation and work with relevant state commissions in order to shape legislation affecting Ocean Beach.
- C. **Cap and Trade Implementation.** As the Governor and Legislature determine the distribution mechanism and eligible uses for cap and trade auction revenue, the SFPUC will work to shape these policy decisions in a manner that create funding opportunities for the Power, Wastewater, and Water Enterprises to undertake projects that result in greenhouse gas reductions. Specifically, we will seek funding for Wastewater and Power projects in the Bayview Hunters Point which is a disadvantaged community under SB 535. We will also pursue funding opportunities for green stormwater projects, water conservation, energy efficiency, renewable energy projects, and biogas projects.
- D. **Water Reuse, Conservation, and Recycling.** The SFPUC supports the expanded use of nonpotable water (recycled water, harvested rainwater, graywater, and seepage water) through state legislation and regulatory action. The SFPUC will work to ensure that appropriate indoor use is permitted, local authority to advance nonpotable water use is protected, and that San Francisco's existing nonpotable water programs are not negatively impacted by cumbersome state regulation.
- E. **Renewable Portfolio Standards.** The SFPUC will work to ensure that legislation or regulation that implements the State Renewables Portfolio Standard for electric utilities takes account of the SFPUC's low-emission electricity supplies and permits the use of appropriate renewable energy resources and renewable energy credits.
- F. **Community Renewables.** As SB 43 is implemented over the course of 2014, the SFPUC will monitor the implementation of the community renewables program and ensure that the interests of all ratepayers are protected.

XVII. Recreation & Parks Department

- A. Oppose legislation that has a negative impact on local or regional parks and recreation agencies including the sale of parks and open space.
- B. Support the enactment of federal policies that encourage or incentivize local and regional sustainability efforts.
- C. Support access for all Californians to physical activity and nutrition through parks & open space, active transportation (bicycles and pedestrians, trails, complete streets, use of easements), access to healthy foods, and joint use of schools.
- D. Support Local government: special taxes: voter approval (SCA-11). The California Constitution conditions the imposition of a special tax by a local government upon the approval of 2/3 of the voters of the local government voting on that tax, and prohibits a local government from imposing an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property. This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes.
- E. Support and Sponsor the California Clean Water, Safe Urban Parks, and Environmental Health Investment Act of 2014 (SB 783). Existing law enacts various programs pertaining to clean water and the establishment of public parks. This bill would make specific findings and declarations and would declare the intent of the Legislature to enact legislation that would improve the economy, the natural environment, and increase and improve access opportunities to physical fitness thus reducing the incidence of obesity and childhood diabetes, by enacting the California Clean Water, Safe Urban Parks, and Environmental Health Investment Act of 2014.