



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: 11/12/14

REPORT NO: 14-070

ATTENTION: Economic Development and Intergovernmental Relations Committee

SUBJECT: Proposed 2015 State and Federal Legislative Platform

REQUESTED ACTION: Authorize 2015 Legislative Platform.

STAFF RECOMMENDATION: Adopt the Resolution.

OVERVIEW:

The 2015 Legislative Platform defines the City of San Diego's policy guidelines and provides a means to advance and protect the City's interests on priority issues at the federal and state levels. The Guiding Principles and Policy Priorities allow for flexibility so that Government Affairs, City officials and our legislative advocates can proactively act on and respond within the boundaries of the program without precluding the ability to address additional legislative, regulatory, administrative and budget issues that arise during the year.

GUIDING PRINCIPLES:

In pursuing the Policy Priorities reflected below under the categories of Jobs & the Economy, Infrastructure, Water Reliability & the Environment, Homeless & Housing Affordability, Open Government & Transparency, City Funding, Public Safety & Veterans Affairs, and Education & Youth Opportunities, three overarching principles of good government apply:

PRESERVE LOCAL CONTROL

Preserve and protect the City's charter powers, duties and prerogatives to enact legislation and policy direction concerning local affairs, and oppose legislation that preempts local authority. Local agencies should preserve and enhance authority for revenues raised and services provided.

PROMOTE FISCAL STABILITY

Support measures that promote fiscal stability, predictability, and financial independence. Support measures that preserve the City's revenue base and local control over local government budgeting, recognizing that economic cost is a determinate in considering the merits and/or impacts of any proposed legislation or regulation. Oppose measures that make the City more dependent on the County, State or Federal Governments for financial stability, such as unfunded mandates or shifting of local funds to other levels of government with no guarantee of local

reimbursement or offsetting benefits.

SUPPORT FUNDING OPPORTUNITIES

Support opportunities that allow the City to compete and succeed in obtaining regional, state and federal funding, and that maintain funding streams. Opportunities may include competitive grants, or dedicated funding streams at the regional, state, and federal levels that allow the City to maximize local revenues, offset and leverage capital expenditures. Support funding that the City does not receive directly, but enables public and non-profit partner organizations or businesses to address City policy priorities in service delivery or economic growth.

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POLICY PRIORITIES:

1. JOBS & THE ECONOMY

FOCUS 1.1: Innovation Economy

State

1. Support the growth of San Diego's key innovation industry clusters, including but not limited to biotechnology, life sciences, high tech, advanced manufacturing, sports and active lifestyle, digital economy, clean tech, blue tech, and cyber security.
2. Support legislation to provide direct incentives and/or ease barriers to private funding for companies and other entities engaged in research, development and commercialization of key innovation industry clusters.
3. Support legislation that encourages, increases and eases technology transfer from institutes of higher learning to the marketplace.
4. Support San Diego's start-up community through legislation aimed at developing funding for emerging local entrepreneurs and companies.
5. Support legislation that facilitates and funds incubators, accelerators, makers, and co-working space.
6. Support legislation to boost San Diego's prominent craft beer, brew tech, industry.
7. Oppose legislative and regulatory mandates imposed on San Diego's innovation economy.

Federal

1. Support and proactively pursue participation in new federal agency initiatives relevant to growing San Diego's industry clusters, such as biotechnology, life sciences, high tech, advanced manufacturing, sports and active lifestyle, digital economy, federal "big data", clean technology, and cyber security.
2. Support legislation to provide direct incentives and/or ease barriers to private funding for companies and other entities engaged in research, development and commercialization of key innovation industry clusters.
3. Support legislation to encourage domestic reinvestment of foreign profits generated by U.S. companies into emerging technology research and commercialization as well as job creation.
4. Support efforts to address "patent trolling" in which companies that do not invent or manufacture products buy or license patents from others, primarily for the purpose of obtaining licensing fees or filing infringement lawsuits.
5. Support the repeal or reform of the Medical Device Excise Tax to help our local life science industry.
6. Support federal research and development funding and incentives critical to San Diego clusters, research institutes, and local universities, from such sources such as the National Institute of Health (NIH), National Science Foundation (NSF), U.S. Department of Defense, U.S. Department of Energy, and Small Business Innovation/Technology Transfer programs.

FOCUS 1.2: Economic Development

State

1. Support legislation that strengthens the city's three key traded industries: defense, tourism, and innovation.

2. Support legislation that preserves and expands community and economic development tools and funding options for city services, including the IBank's programs which finance public infrastructure and private development.
3. Support local businesses in successfully competing for California Competes funding, including the prioritization of former enterprise zone businesses.
4. Support state reform of the minimum franchise tax and other taxes/fees to avoid charging businesses prior to their bringing in revenue and when the business is inactive or operates at a loss.
5. Support redevelopment reform legislation and policies that clarify the wind down process.

Federal

1. Seek federal legislation or guidelines that would allow intellectual property to be used as collateral for Small Business Administration loans.
2. Support the extension of tax extender provisions, such as New Market Tax Credit and Research & Development credit.
3. Support legislation that strengthens small business loans provided through the U.S. Small Business Administration and efforts to allocate revenues to small businesses incentive programs that will encourage innovation and business opportunities, stimulate investment in neighborhoods, as well as create new, real jobs and train workers.

FOCUS 1.3: Exports, Foreign Direct Investment & Bi-National

State

1. Support foreign direct investment (FDI) initiatives which increase economic opportunities locally.
2. Support export opportunities including efforts to reinstate the establishment of a California Export Finance Office to help firms, especially small businesses, overcome hurdles to entering new export markets.
3. Support additional California Trade Offices (CTOs) in Europe and Asia.
4. Support legislation that would expand economic relations with Mexico and leverage cross-border ties to maximize trade potential of the CaliBaja Bi-National Mega Region.

Federal

1. Support federal funding to execute tailored regional export and FDI strategies like those being pioneered in San Diego, such as prioritizing existing grants and creating the proposed Regional Export Accelerator Challenge (REACH) program.
2. Advocate for policies and resources that facilitate international trade opportunities benefiting San Diego companies, such as border infrastructure investment, regulatory and process reforms that reduce transaction costs to businesses, completion of free trade agreements that open foreign markets, and better access to Commercial Service staff in high-priority countries.
3. Support long-term reauthorization of the Export-Import Bank
4. Advocate for both the preservation and increase of federal research and development in key San Diego traded sectors, including life sciences, technology, energy, and manufacturing activities.
5. Support efforts to facilitate customs processing at the Port of San Diego.

FOCUS 1.4: Homeland Security, Defense Industry and Military

State

1. Support investment incentive programs and other funding for local and regional defense industry.
2. Support legislation that facilitates technological innovations in the defense industry including shipbuilding, aerospace, and cyber security fields.

Federal

1. Preserve and enhance funding allocations as an Urban Area Security Initiative (USAI) grant recipient, including ensuring accurate risk assessment criteria.
2. Support the continuation of the federal Urban Areas Security Initiative (UASI) and the State Homeland Security Program (SHSP) as separate and independent grants, and pursue grant funding through these programs.
3. Advocate for protection and enhancement of defense funding priorities in an annual appropriations/sequestration negotiations, including SPAWAR, SPAWAR Systems Center Pacific (SSCPAC) and Integrated Industries Including Cyber Security and Unmanned Systems (UAS) and other specific assets that are unique to SD and critical to the broader regional economy.
4. Support critical infrastructure upgrades needed to homeport a greater number of navy ships and the homeporting of a third carrier in San Diego.
5. Protect and enhance shipbuilding and ship repair operations in San Diego.
6. Protect Fleet Readiness Center Southwest (FRCSW).
7. Protect Marine Corps Recruit Depot (MCRD) and United States Marine Corps (USMC) West recruiting in San Diego.

FOCUS 1.5: Tourism and City Promotional Activities

State

1. Support initiatives that promote tourism including cultural tourism through arts and culture.
2. Seek a Resolution recognizing the Balboa Park Centennial Celebration.
3. Support measures that support and promote the entertainment industry including opportunities for local film and TV industry workers.

Federal

1. Support initiatives that promote tourism including cultural tourism through arts and culture.
2. Seek a Resolution recognizing the Balboa Park Centennial Celebration.

2. INFRASTRUCTURE, WATER RELIABILITY & THE ENVIRONMENT

FOCUS 2.1: Transportation Infrastructure

State

1. Support existing and expanded funding for local and regional transportation infrastructure, including Transit Oriented Development projects.

2. Support legislation and opportunities to increase funding and flexibility to improve mass transit and alternative transportation including local and regional bicycle and pedestrian mobility projects, safety, and infrastructure improvements.
3. Support efforts to increase funding and remove legislative and regulatory barriers for infrastructure improvements that improve connections to and facilities around public transit, buses, streetcars, and trolley lines.
4. Pursue reform of the Caltrans Bridge Program High Cost Policy.
5. Oppose legislative and regulatory mandates imposed on Transportation Network Companies.

Federal

1. Support reauthorization of surface transportation programs, including long-term funding certainty, innovative financing tools, strengthening national freight transportation policy along key goods movement corridors, including cross-border entries.
2. Support existing and expanded funding targeted for allocation to local and regional transportation infrastructure.
3. Support legislation and administrative action which increases funding and flexibility in both operation and capital funding for mass transit and alternative transportation.
4. Support legislative and regulatory efforts to ensure that projects from San Diego are eligible for federal funding of Transit Oriented Development projects (TOD).
5. Support future rounds of the Transportation Investment Generating Economic Recovery or "TIGER Discretionary Grants."
6. Support the Transportation Infrastructure Finance and Innovation Act (TIFIA) program.
7. Continue to support New Starts Program funding for the Mid-Coast Corridor Transit project.

FOCUS 2.2: Border Infrastructure

State

1. Support funding for border infrastructure and economic development to enhance international trade and cross-border relations through better trade facilitation and port of entry infrastructure.
2. Support efforts to continue to decrease border wait times, including the creation of an enhanced drivers' license (EDL), to reduce lost economic output.

Federal

1. Support funding for border infrastructure and economic development to enhance international trade and cross-border relations through better trade facilitation, clearance processes, security staffing, and port of entry infrastructure.
2. Continue to support General Services Administration's (GSA) completion of the San Ysidro Port of Entry reconfiguration project, specifically funding for Phase 2.
3. Seek funding for the Otay Mesa Port of Entry modernization.
4. Seek funding for ports of entry and cross-border projects, including the San Diego-Arizona railway line.
5. Seek improved customs inspection capabilities at the Port of San Diego.
6. Support funding for more POE staff, including Customs and Border Protection Officers.
7. Advocate for freight provisions in upcoming surface transportation reauthorization legislation that increase federal investment and intermodal goods movement corridors of national significance, including border mobility, which will enhance competitiveness of San Diego and reduce the disproportionate financial burden the region bears for the benefit of the nation.

FOCUS 2.3: Water Sustainability and Reliability

State

1. Seek support for our applications to obtain the City's fair share of \$7.5 billion water bond.
2. Support legislation that maintains the City's authority and increases certainty and streamlining of the regulatory process, as well as seeking funding, for both indirect and direct potable reuse to ensure this sustainable source of clean drinking water and favorable resolution of the current Point Loma Wastewater Treatment Plant Discharge Permit renewal process.
3. Support legislation and take the necessary administrative action to access low-cost loans for the planning, design and construction of various water infrastructure as well as for the replacement of aging water and sewer systems and to meet new regulatory requirements (i.e. State Revolving Loan Fund, Water Infrastructure Financing Innovations Authority, etc.)
4. Work with partners to seek legislation to improve the state's Integrated Regional Water Management (IRWM) Program.
5. Support legislative options to provide rate assistance to low income customers.
6. Seek funding for economic incentive programs for residential and commercial water conservation and reuse.
7. Support funding and grants for improving technology for regional desalination projects.

Federal

1. Pursue Environmental Agency approval or alternative Point Loma Wastewater Treatment Plant processes that will meet Clean Water Act discharge requirements for environmental impact and provide long-term certainty of conformity without modified permits, thus enabling commitment of greater infrastructure investment to the San Diego Pure Water program.
2. Maximize funding opportunities for San Diego Pure Water program through the Water Infrastructure Finance Innovation Act (WIFIA) by engaging in EPA regulatory processes to implement the program and ensure alignment with San Diego's programmatic structure and priorities.
3. Support Title XVI (Water Reclamation and Reuse Program) to help fund recycled water efforts and offset demands for imported water.
4. Seek funding for economic incentive programs for residential and commercial water conservation and reuse.
5. Support funding for desalination projects and improving relevant technology, and reforms to streamline the regulatory process for desalination projects.

FOCUS 2.4: Environment and Energy

State

1. Support legislation that would help the City meet the greenhouse gas (GHG) reduction goals in the Draft Climate Action Plan (CAP).
2. Support the equitable distribution of Cap-and-Trade revenues to support the GHG reduction goals of AB 32, SB 375, and the CAP.
3. Support legislation and policy that provide incentives, reduce barriers, and lower costs for energy efficiency, renewable energy, fuel-efficient vehicles, and electric vehicles.

4. Support efforts to increase the Renewable Portfolio Standard for investor-owned utilities, electric service providers, and community choice aggregators provided excessive costs are not mandated on consumers.
5. Support CEQA reform to streamline the environmental review process, expedite litigation, and reduce compliance costs.
6. Support legislation and funding for the identification and maintenance of parks and open space areas.
7. Support expediting the Coastal Commission process to expedite approvals.

Federal

1. Support legislative or administrative changes to the Federal Housing Finance Authority interpretations that impede local Property Assessed Clean Energy (PACE) programs from use for single family residential homes, and other measures that enable expansion of both commercial and residential PACE.
2. Support legislation and policy that provide incentives, reduce barriers, and lower costs for energy efficiency, renewable energy, fuel-efficient vehicles, and electric vehicles, including extension of federal tax credits for new and existing home energy improvements, alternative fuel refueling property, biofuels and biodiesel production, and similar activities.

FOCUS 2.5: Storm Water Regulatory Relief and Water Management

State

1. Support funding, legislative and regulatory opportunities to improve the city's storm water management programs.

Federal

1. Advocate to address the flood risk management and sediment removal responsibilities in the Tijuana River Valley, in particular the adoption of an IBWC Treaty Minute that will enable U.S. federal agencies to undertake measures to address flooding and excess sediment and trash transported in the Tijuana River across the international border from sources within Mexico
2. Support funding opportunities to improve the city's storm water management programs.
3. Advocate for the EPA modify its draft policy to exclude municipal storm drain systems from its definition of Waters of the US (WOTUS).

3. HOMELESS & HOUSING AFFORDABILITY

FOCUS 3.1: Affordable Housing and Neighborhood Revitalization

State

1. Support legislation and grants to provide funding and incentives for programs which provide adequate affordable and accessible housing for all economic segments of the community including the homeless, elderly, handicapped, veterans, and low-income persons.
2. Seek streamlining of affordable housing regulations to bring them more in line with market rate housing.
3. Support efforts to reform the point system used by the California Tax Credit Allocation Committee in overseeing affordable housing programs.

4. Support legislation that promotes neighborhood revitalization through mixed income housing, and that could be used in the creation of 'economic opportunity zones' to incentivize revitalization of low-to-moderate income communities.
5. Support legislation which enhances funding for public library programs and facilities.

Federal

1. Oppose funding cuts to the US Department of Housing and Urban Development (HUD) and specifically, prevent reductions to the Community Development Block Grant (CDBG), HOME and Section 8 Housing programs.
2. Seek to alter the McKinney-Vento Homeless Assistance Grants program for Homeless Services so that funding for homeless services is allocated based on need.
3. Support extension of the Moving to Work (MTW) Program, expansion of the Sector 8 Voucher Program, and seek an increase in funding for Veteran Assisted Supportive Housing (VASH) and Homeless Programs.
4. Seek streamlining of affordable housing regulations to bring them more in line with market rate housing.

4. OPEN GOVERNMENT & TRANSPARENCY

FOCUS 4.1: City Funding

State

1. Support legislation that strengthens, protects and expands ongoing revenue for the City.
2. Support legislation and grants to fund e-government initiatives.
3. Oppose measures which restrict the ability of local governments and charter cities to issue various long term obligations for local infrastructure under existing State statutory authority.
4. Oppose legislation that undermines and preempts local authority over taxes and fees.
5. Continue to support legislation to improve and expand use of Infrastructure Financing District (IFD) funds, including enhanced IFDs.
6. Oppose any and all state efforts to start taxing interest income from investing in municipal bonds.
7. Support greater transparency in all levels of government institutions.
8. Support legislation that provides funding and resources for retrofitting municipal buildings and public infrastructure to increase energy and water efficiency, conservation, and reuse.

Federal

1. Protect the ability of cities to effectively utilize municipal tax-exempt bonds by opposing efforts to eliminate or cap the allowance or impose additional regulatory burdens on issuers.
2. Support any legislative regulatory change that would maintain municipal bonds as high quality liquid assets (HQLA).
3. Support greater flexibility in the Federal restrictions to allow the City to utilize Public, Educational, and Government Access Channel fees for all capital and administrative costs.

5. PUBLIC SAFETY & VETERANS AFFAIRS

FOCUS 5.1: Public Safety

State

1. Support public safety related legislation and funding for activities, infrastructure and equipment needs of police, fire, lifeguard, and gang prevention, intervention and diversion programs, including replacement or new construction of public safety facilities.
2. Support regulatory or other measures that will assist with police recruitment and retention.
3. Support legislation and regulatory acts that allow jurisdictions with Exclusive Operating Areas (EOAs) for EMS services to procure and administer their own EMS contracts.
4. Support reform of state regulations related to residential rehabilitation facilities in residential neighborhoods.
5. Support legislation that will increase state funding for the care of veterans.
6. Support and enhance state policies and resources that help local authorities prevent devastating wildfires.

Federal

1. Protect funding for the Urban Area Security Initiative (UASI), separation of UASI from other homeland security grants, application of accurate risk evaluation criteria, and preservation of the City's status in order to assist our public safety professionals in addressing the terrorism preparedness needs.
2. Support legislation that will increase federal funding for the care of injured and disabled veterans of all ages.
3. Support programs that provide funding for veterans housing homeless services.
4. Preserve funding for law enforcement activities, including public safety equipment, staffing, gang diversion, and similar initiatives, through formula and competitive programs, such as the COPS, Byrne, and Juvenile Justice grants.
5. Support funding for fire service safety equipment and apparatus.
6. Seek federal legislation and funding to address wildfire prevention and preparedness under the Cohesive Strategy and Fire Adapted Communities programs.
7. Support legislation at the federal level seeking clarity on e-cigarettes and vaping.

6. EDUCATION & YOUTH OPPORTUNITY

FOCUS 6.1: Workforce Preparation and Development

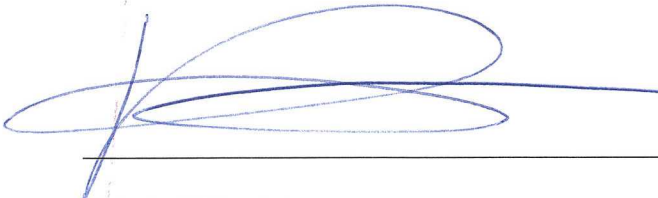
State

1. Support initiatives of local universities, colleges and technical trade education facilities to continue funding and developing career technical education, and technology-based career centers, including the Career Pathways program and STEAM education, to close the 'skills gap' and embrace industry opportunities.
2. Support efforts to attract and retain green collar jobs and provide workforce training in renewable energy, energy efficiency, green building, and other related fields.
3. Support initiatives to facilitate youth, at-risk youth, veteran, and ex-offender educational and employment opportunities.
4. Seek a Resolution supporting a FIRST Robotics Competition (FRC).

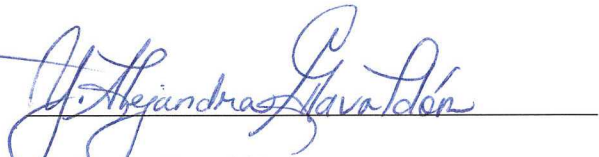
Federal

1. Engage in implementation of the Workforce Innovation and Opportunity Act of 2014 through U.S. Department of Labor regulatory processes, to ensure alignment with San Diego structures and priorities.

2. Support funding and initiatives for local universities, colleges and technical trade education facilities to strengthen and expand career technical education, and technology-based career centers, including the Career Pathways program, that address worker skill gaps and industry opportunities.
3. Support efforts to attract and retain green collar jobs and provide workforce training in renewable energy, energy efficiency, green building, and other related fields.
4. Support initiatives to facilitate youth, at-risk youth, veteran, and ex-offender educational and employment opportunities.
5. Support increased funding for higher education through NIH/NSF Grants and the reauthorization of the Elementary and Secondary Education Act (ESEA).
6. Support reauthorization of the Higher Education Act of 1965 and support the Federal Student Loan Refinancing Act.
7. Capitalize on federal mandates that require commercial lending institutions to provide valuable financial literacy education to prepare San Diego youths for the future.
8. Support federal comprehensive immigration reform and services to immigrants, refugees and foreign students, to strengthen the regional workforce, attract talent, and ensure successful integration into the economy and society.



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