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Proposed Multi-Year Advocacy Strategies to Expand and Protect Local Control Recommendations of the Task Force on League Strategic Initiatives

Proposition 30's approval November 6 may have reduced the fiscal stress on state government, but since its new revenues were already committed, it did not eliminate it. As a consequence, city revenues and local control will continue to be at risk. No one needs to tell that to city officials whose budgets were already strained by revenue losses from the Great Recession when state government eliminated redevelopment tax increment and diverted vehicle license fee funding needed to spur economic growth and deliver public safety and other city services.

In the face of this reality, the League board of directors recently appointed a special task force of city officials, representing the League's 16 regional divisions, city managers' department, and city attorneys' department. Its purpose is to carefully evaluate the advocacy strategies the League should employ over the next few years to expand and protect local control (or home rule) and funding for cities and the vital services they provide. The Task Force is chaired by First Vice President José Cisneros, San Francisco Treasurer. The vice Chair is Second Vice President Tony Ferrara, Arroyo Grande Mayor.

Recognizing that state and local governments have important and complementary roles to play in our governmental system, the Task Force has examined a range of possible strategies the League can and should consider to collaborate more closely with the Legislature, Governor, counties, schools and special districts to meet the important service needs of Californians.

While collaboration with the state and other local agencies is a desirable goal for the League and cities, it is a strategy that can't be pursued at the expense of consistency with the League's mission "to expand and protect local control for cities..." The Task Force believes that as the collective voice for the common interests of California's cities, the League should always be aggressive and creative in implementing advocacy strategies that accomplish this core mission.

The Task Force has identified the following multi-year advocacy options that have been approved by the League board of directors for distribution to the League membership for review and comment. The Task Force will then meet and will carefully consider any member feedback before submitting its final recommendations to the League board early next year.

The Task Force believes the League and cities will have an even greater advocacy impact by effectively engaging city officials, collaborating when possible with legislators and the Governor, using litigation when necessary to advance hard-fought League victories at the ballot box, and partnering with counties, schools and special districts to expand local authority and funding options. The Task Force also believes and recommends that the League must always be prepared, if required, to go to the voters through the initiative process to prevent unreasonable state intrusion into local affairs and to advance city home rule and local control.

City officials' comments on these recommendations are sincerely sought and welcome in the next few months. You may send them to your League Regional Public Affairs Manager (for information on how to contact your Manager see www.cacities.org/regionalmanagers) or email your comments to Mimi Sharpe in our Sacramento office at msharpe@cacities.org. Thank you very much.

League Multi-Year Advocacy Recommendations 2013 – 2016 and Beyond

2013

- **Outreach to Legislature and Governor**
 - Early January:
 - *Meet With Governor and Leadership.* League leaders meet with Governor and Legislative Leaders to explore common ground for joint agendas.
 - *Proactive Legislation.* Secure and assist legislative authors for legislation concerning economic development, affordable housing, infrastructure finance, and community development.
 - *New Revenue Options for Cities.* Develop and support legislation that will expand fiscal options for cities; begin discussions with other stakeholders about possible legislation and/or legislative-sponsored constitutional amendment, if necessary, to provide additional revenue-raising options for cities.
 - Before March 1 and Continuing
 - League regional divisions host receptions for brand new legislators and schedule group face-to-face meetings with all legislators to discuss common interests and support strategies. Follow up with face-to-face meetings in Sacramento (at Legislative Action Days) and district (June and August) to stress importance of League priorities. (League regional staff will organize).
 - Telling the City Story
 - *City Services Profiles.* Use profiles from more than 150 cities in the **Strong Cities/Strong State** program to profile the innovative ways cities are serving the public and building a stronger state in times of resource shortages. Prepare reports by legislative district and to support various legislative initiatives.
 - *Charter City Tool-Kit.* Publish a practical guide providing the pros and cons of charter cityhood, public information strategies for explaining the advantages of charter city status, and sample city charters and procedures.
- **Litigation.** Continue to vigorously defend local authority and constitutional revenue protections in Propositions 1A and 22, when necessary, in the courts.
- **Legislative Scorecard.** Continue to produce comprehensive legislative voting report.
- **Encourage Talented Local Officials to Run for Legislature in 2014.** Invite talented local officials who are potential legislative candidates to participate in League-sponsored California Civic Leadership Institute (CCLI).
- **Research and Draft Home Rule Legislation or Ballot Measure.** The City Attorneys Department will research and draft potential statutory or constitutional amendments for securing greater home rule authority for all cities and limiting state pre-emption of local authority as appropriate. Reach out to other local government groups to determine potential for collaboration on possible home rule proposals. Solicit feedback from city officials on options after evaluating the political feasibility of such amendments through a statewide voter opinion survey. The League board will determine by July 1 whether to ask League General Assembly for approval to file possible ballot initiative measure by October 1 (for November 2014 election) or pursue a legislative strategy in 2014.
- **Fundraising.** Continue fundraising for League ballot measure to build financial reserves to better position the League to (1) support either a legislative constitutional amendment in 2014 that would provide more revenue and funding options to fund city services and infrastructure needs; (2) fund a city home rule ballot initiative; (3) defend cities against any ballot measure that would undermine local authority and revenue; or (4) augment costs associated with litigation in defense of existing constitutional protections as needed.

*Our mission is to expand and protect local control for cities
through education and advocacy to enhance the quality of life for all Californians*

2014

- **Continue Outreach on Legislation and New Revenue Options, Litigation, Legislative Scorecard, Fundraising Strategies.**
- **Telling the City Story**
 - *California Cities Annual Report.* Publish new report profiling the fiscal and service delivery challenges and successes of cities and how city services are vital in the lives of Californians. Distribute to media, Legislature and other stakeholders.
- **Division and Diversity Caucus-Sponsored Legislative Candidate Forums**
 - Encourage and assist League divisions and diversity caucuses in sponsoring early legislative forums by legislative district before the primaries to introduce legislative candidates to city officials who might be approached about endorsing them. Provide information on the prior legislative scorecard ratings of incumbents and the results of questionnaires to all candidates about their positions on League priority issues.
- **Home Rule Legislation or Ballot Measure.** If a home rule initiative ballot measure is not filed in 2013 or 2014, consider pursuing legislative enactment of home rule legislation or constitutional amendment (for 2016 ballot). Solicit feedback from city officials on proposed home rule ballot initiative measure after evaluating the political feasibility through a statewide voter opinion survey. The League board will determine by July 1 whether to ask League General Assembly for approval to file possible home rule ballot initiative measure for November 2016 election or continue to pursue a legislative strategy in 2015.

2015

- **Continue Outreach on Legislation and New Revenue Options, Litigation, Legislative Scorecard, Fundraising and California Cities Annual Report Strategies.**
- **Encourage Talented Local Officials to Run for Legislature in 2016.** Invite talented local officials who are potential legislative candidates to participate in League-sponsored CCLI.
- **Home Rule Legislation or Ballot Measure.** If a home rule initiative ballot measure is not filed in 2014, consider pursuing legislative enactment of home rule legislation or constitutional amendment. Solicit feedback from city officials on filing home rule ballot initiative after evaluating the political feasibility through a statewide voter opinion survey. The League board will determine by July 1 whether to ask League General Assembly for approval to file possible home rule ballot initiative measure for November 2016 election or continue to pursue a legislative strategy in 2016.

2016 and Beyond

- **Continue Outreach on Legislation and New Revenue Options, Litigation, Legislative Scorecard, and Telling the California Cities Annual Report Strategies.**
- **Division and Diversity Caucus-Sponsored Legislative Candidate Forums**
 - Encourage and assist League divisions and diversity caucuses in sponsoring early legislative forums before the primaries to introduce legislative candidates to city officials who might be approached about endorsing them. Provide information on the prior legislative scorecard ratings of incumbents and the results of questionnaires to all candidates about their positions on League priority issues.
- **Home Rule Ballot Measure.** If a home rule initiative ballot measure is not filed in 2015, consider pursuing legislative enactment of home rule legislation or constitutional amendment. Solicit feedback from city officials on filing home rule ballot initiative after evaluating the political feasibility through a statewide voter opinion survey. The League board will determine by July 1 whether to ask League General Assembly for approval to file possible home rule ballot initiative measure for November 2018 election or continue to pursue a legislative strategy in 2017.

Frequently Asked Questions and Answers About Proposed League Multi-Year Advocacy Strategies to Expand and Protect Local Control

1. **What type of proactive legislation might the League help sponsor or support next session?** The League was an active sponsor or supporter last session and in earlier years of legislation designed to remove obstacles to the use of Infrastructure Financing Districts, lower the vote requirements for special taxes and general obligation bonds to 55%, and expand access to the VLF and other sources of revenue. Next year similar bills are expected to be introduced, along with others to provide funding for affordable housing, infrastructure and other purposes that will likely merit League support.
2. **What are the roles of the League Divisions in this multi-year advocacy strategy?** League Regional Divisions will play a key role in partnership with the League diversity groups, hosting receptions for new legislators and scheduling group in person meetings with all legislators to discuss common interests and support strategies. Divisions will also follow up with in person meetings in Sacramento (during Legislative Action Days) and the districts (in June and August) to stress the importance of League priorities. Additionally, members of each Division will be asked to assist their Regional Public Affairs Manager to identify and recruit talented local officials who are potential legislative candidates to participate in the League-sponsored California Civic Leadership Institute (CCLI).
3. **Who can participate in the proposed meetings throughout the legislative session with our local legislators?** Mayors, council members, city managers, city clerks, city attorneys, etc. The purpose of these meetings is to develop, maintain and deepen relations with legislators at the local level and explore opportunities to work together. Legislators can benefit from the opportunity to better understand the issues and concerns of their cities, along with League priorities. City officials can also get to know their legislators better and identify areas of common interests.
4. **How can I learn out more about the *Strong Cities/Strong State* program? How can my city participate?** Go to www.StrongCitiesStrongState.com for information about how more than 150 cities are serving the public and building a stronger state even in the midst of resource shortages. Contact your League Regional Public Affairs manager for more information (www.cacities.org/regionalmanagers).
5. **Why is it necessary for the League to file litigation?** The League and city officials have invested tremendous human and financial resources over the past decade to secure meaningful constitutional protection of city revenue sources. Propositions 1A (2004) and 22 (2010) represent the will of the voters and significant victories for local control. However, it is now clear that defending and enforcing these protections will require vigilance and even litigation, possibly on a repeated basis, until the protections are generally understood and respected, especially by the Legislature and Administration.
6. **What League lawsuits are pending right now?** The League currently has two lawsuits pending in the courts challenging state actions that the League believes violate Prop. 1A and Prop. 22. In *League of California Cities v. Chiang*, the League is challenging the state's shifting VLF from cities and directing this revenue to priorities the state has unilaterally deemed to be more important. In a second case, *League of California Cities v. Matasantos*, the League is challenging the unconstitutional "clawback" penalties in AB 1484, the 2012 redevelopment

budget trailer bill that puts city sales and property tax revenues at risk. Every city in the state has an interest in the outcome of these lawsuits.

7. **What is the League’s Legislative Scorecard and how can I get the latest version?** The report details the votes of every legislator on key municipal bills. It is available online at www.cacities.org/2012voterecord.
8. **What is the California Civic Leadership Institute (CCLI)?** The CCLI is a League program created in 2005 in response to the increased turnover and loss of institutional knowledge due to term limits in the Legislature. It is designed to provide local leaders with a broad, in-depth understanding of critical issues affecting the state, including the skills needed to succeed if they are elected to the Legislature. It also provides a forum where lasting bonds can be created among California’s rising political leaders. A number of CCLI alumni were recently elected to the Legislature (see www.cacities.org/Top/Partners/California-Civic-Leadership-Institute). City officials interested in participating in the CCLI should let their League regional public affairs manager know of their interest.
9. **What is “home rule”?** The doctrine of “home rule” describes the authority of a city to govern without state interference. In California, the “home rule” doctrine applies to both general law cities and charter cities. For general law cities, “home rule” means that the city may make laws that respond to the values and needs of their communities unless those laws conflict with the laws enacted by the legislature. In the event of a conflict, state law automatically prevails. For charter cities, “home rule” means that with regard to “municipal affairs,” state law does not automatically prevail; rather, it only prevails if a court determines that the subject is a “matter of statewide concern.” There are two “home rule” provisions of the California Constitution:
 - Article XI, section 7 (police power): General law and charter cities may make all local, police, sanitary and other laws not in conflict with the general laws.
 - Article XI, section 5 (municipal affairs): Charter cities may make all laws with respect to municipal affairs.
10. **What are some examples of “municipal affairs” for charter cities?** It is up to the courts to determine what is and what is not a “municipal affair” and the process for making that determination has not always been straightforward. The California Constitution does not define “municipal affair.” It does, however, say that a charter city can legislate in a nonexclusive list of four “core” areas. These areas are 1) regulation of the “city police force”; 2) “subgovernment in all or part of a city”; 3) “conduct of city elections”; and 4) “the manner in which . . . municipal officers [are] elected.” Even within this list, it is up to the courts to determine what is and is not a municipal affair. The concept of “municipal affairs” is fluid and has changed over time. Issues that are municipal affairs today could become areas of statewide concern in the future. Although, historically the courts were willing to consistently identify certain areas as “municipal affairs,” more recently, the courts have considered whether an area is a “municipal affair” on a case-by-case basis. Nonetheless, there are some areas that courts have consistently classified as municipal affairs. These include: municipal election matters; how a city spends its tax dollars; contracting for municipal services; competitive bidding of public works’ projects; and most, recently, the payment of prevailing wages with city funds.
11. **What are some examples of matters of “statewide concern” for charter cities?** There are some areas that courts have consistently classified as areas of “statewide concern,” including: the Subdivision Map Act; state laws relating to the provision of affordable

housing; vehicle code regulation of city streets; the environmental quality laws; and tort claims against a governmental entity.

12. Why would home rule legislation or a home ballot measure be needed? Home rule legislation or a home rule constitutional amendment may be necessary to clarify, in light of recent court decisions, that general law cities do not require a specific grant of legislative authority in order to act in the interest of its community and that Article XI, section 7 does not mean that any state legislative enactment in a subject area (e.g. contracting out for services) creates a conflict with a local general law city enactment. For charter cities an amendment may be needed to provide a new test for charter cities of what constitutes a “municipal affair” or issue of “statewide concern.” Other possible home rule amendments—such as those enacted in other states—could restrict the power of the legislature to intrude into local affairs for all cities. The Task Force believes the City Attorneys’ Department should study these issues carefully in 2013 and develop proposed legislation or a constitutional amendment, as necessary, to address the issues that can then be discussed with League members. A ballot measure could be put on the statewide ballot by either the Legislature or by voter initiative.

13. Why would the League consider pursuing another ballot measure at this time? The proposed multi-year League advocacy strategy is designed to protect and expand home rule and local control. This can be done legislatively, in the courts, and at the ballot box. While pursuing a new ballot measure is not the Task Force’s first recommendation, it is an extremely valuable advocacy strategy that must always be on the table should future actions by the legislature or courts diminish local control or further divert funds needed for vital city services. This would not be pursued without extensive consultation with League members and extensive statewide public opinion research.

Further Questions? Feel free to contact you Regional Public Affairs Manager. See: www.cacities.org/regionalmanagers.