



Your League and How to Use It

LEAGUE OF CALIFORNIA CITIES

2019 ANNUAL REPORT





FROM THE EXECUTIVE DIRECTOR

The League of California Cities dedicated the last 12 months to supporting California's 482 cities and towns in their efforts to develop local solutions to local challenges facing their communities – just as the League has done every year for the past 121 years.

We did this by building new relationships, strengthening existing partnerships, launching new programs, securing new funding, providing valuable information, and delivering high quality training, education, and peer-to-peer sharing opportunities to benefit our cities and the quality of life for residents throughout the state.

In 2019, the League worked side by side with local officials to make a real difference at the state policy making level. Our joint efforts resulted in securing more than \$2.5 billion in the state budget to help cities address housing and homelessness, and more than \$300 million for disaster preparedness, emergency response, disaster-related planning, improving communications, purchasing additional equipment, and pre-positioning first responder resources. We formed important new relationships with the Newsom Administration and key legislators and served as a resource and information channel to cities as they dealt with a multitude of disasters and emergencies throughout the year. We increased the accessibility of our educational and advocacy-based resources, and continued to facilitate best-in-class conferences, seminars, academies, forums and institutes statewide to meet the training and educational needs of thousands of city officials.

None of these accomplishments would have been possible without the 71 talented and dedicated League staff who come to work each day committed to the League's mission to expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians. I would like to take this opportunity to thank our employees for their dedication and commitment to supporting California cities. Together, with our members and partners, we are driving state and federal policy that reflects the needs of California cities and the residents who call our cities home.

I would also like to thank the 2018-19 League officers and board members for their leadership and our League Partners for their generous support of the organization. We are stronger when we work together, and working together with a unified voice will be incredibly important as we enter a new decade. It is an honor to join forces with our outstanding partners around the state, and to all of you, I extend my deepest thanks.

With that, I proudly present to you the League's 2019 Annual Report, which captures our collective achievements in support of California cities over the past year. I look forward to all we will accomplish together in 2020.

A handwritten signature in black ink that reads "Carolyn M. Coleman". The signature is fluid and cursive, written in a professional style.

Carolyn M. Coleman
Executive Director
League of California Cities

The League launched its three-year Strategic Growth Plan over a year ago, and it has been an invaluable blueprint to guide our growth and development over the past year as we strive to fulfill the League's mission and vision. The plan includes six key actionable goals that are designed to ensure the League is strategically positioned to help California cities lead the way in building resilient communities that are able to adapt and innovate, delivering high quality services to residents, and serving as effective and dedicated city governments. Many of the strategies to achieve the goals were implemented in the first year. This annual report is structured to highlight the League's progress on each of these goals in 2019.

1. Strengthen California cities through proactive advocacy on common priority issues.
2. Increase the capacity of city officials and staff in California to provide the highest level of service to their communities.
3. Maintain high relevance and facilitate meaningful member engagement.
4. Raise the League's visibility as the preeminent voice for cities in California.
5. Enhance the League's governance to achieve even higher levels of engagement and effectiveness.
6. Expand the League's organizational capacity to fulfill its mission and implement its strategic priorities.

1. Strengthen Cities through Proactive Advocacy

The State Capitol experienced a significant amount of change in 2019, as it ushered in a new Administration as well as the beginning of a two-year legislative session. During this transition, the focus of the League's advocacy efforts were centered on building new relationships with Gov. Gavin Newsom and his Administration and leveraging existing partnerships to advance the League's priorities.

This included a meeting between board officers and leaders in the Governor's Administration within the first few weeks of 2019 and followed with the Governor attending the League Board of Directors meeting in Grass Valley in February, where they discussed priority issues for California cities, including housing, homelessness, disaster preparedness, and pensions. Conversations and progress on these issues continued in meetings with the Newsom Administration throughout the year, including a phone call between the Governor and board officers in October regarding support for cities following the utility-initiated power shutoffs.

Throughout the year, the League continued to build new relationships and strengthen existing ones in the Legislature, Administration, and with key partners, which led to multiple League-sponsored or hosted events that yielded value for

League members and helped advance the League's advocacy efforts:

- An educational webinar in partnership with the California Department of Housing and Community Development (HCD), Governor's Office of Planning and Research, Senate President pro Tempore Toni Atkins, the Institute for Local Government, and Placeworks to educate cities on new funding opportunities from the passage of SB 2 (2017). This bill gives cities greater access to funding to streamline housing project approvals, update land use plans, and zone or rezone to meet the housing needs in their communities — **April 17, 2019**



- An educational webinar on Renewing State Investment in Tax Increment Financing with the League, Sen. Jim Beall, Sen. Mike McGuire, and Assembly Member David Chiu — **April 22, 2019**
- Gov. Gavin Newsom’s California for All: Emergency Management and Preparedness Summit — **June 3, 2019**
- Avoiding Total Disaster: The Law and Emergencies — Disaster Preparedness Training for Local Government Legal Advisors with the League, the California Governor’s Office of Emergency Services (Cal OES), and County Counsels’ Association of California — **June 24, 2019**
- A webinar in partnership with the California Department of General Services and HCD to unveil state-owned parcels in cities across the state that may be viable for housing development and the process by which such development would occur — **Oct. 23, 2019**
- Homelessness Policy Workshop by the League and California State Association of Counties — **Nov. 4, 2019**

In an effort to provide local leaders with a greater understanding of critical issues affecting the state and help strengthen our future network of legisla-

tive partners, the League hosted 17 city leaders for a state office boot camp designed for local officials interested in or exploring running for the state Legislature. The California Civic Leadership Institute sessions helped leaders build knowledge of major state policy issues, gain insights into what it takes to be an effective state legislator, and cultivate a network of peers and supporters.

The League also recognized state legislators with its Distinguished Legislative Leadership Award for their role as key partners to local governments, introducing and supporting legislation throughout the year that would help strengthen cities. The League honored Assembly Member Cecilia Aguilar-Curry, Sen. Jim Beall, Sen. Mike McGuire, and Sen. Anthony Portantino.

Powered by a strong grassroots network of city officials, the League scored notable victories for cities on the four member-driven and board-approved 2019 strategic advocacy priorities.

- **Provide cities additional funding and tools and preserve local authority to address housing production, affordability, and homelessness challenges.**

After more than seven months of negotiation and compromises, the League helped to secure \$2.5 billion in funding to address California’s housing and homelessness crisis in





the FY 2019-20 State Budget. The final budget established incentives to encourage cities and counties to increase housing production, and secured new safeguards to protect cities in their efforts to comply with the housing element law. The details of this budget reflect the collaboration between the League, the Governor, the Legislature, and stakeholders.

The League worked for over a decade building the case for increased transportation funding to address declining local street and road conditions, which culminated in the passage of SB 1 (Beall) in 2017 and, in 2018, the defeat of Proposition 6, which sought to repeal it. Consequently, the League was determined to fight proposals that would undermine this funding stream. With the support of a broad coalition of transportation stakeholders the League helped organize, efforts by the Governor and legislators to shift local streets and roads money from cities on the basis of housing production were rejected.

The League also worked collaboratively with the Legislature and key stakeholders to develop measures that equipped local governments with the tools needed to help boost affordable housing production in their communities. With the support of a robust and diverse coalition of cities, labor, business, housing, and other ad-

vocates, the Legislature passed SB 5 (Beall, McGuire, Portantino), a measure that would authorize a state partnership with cities and counties to provide an ongoing and accountable source of funding to build affordable housing and infrastructure.

The Governor vetoed the bill, stating that legislation with such significant fiscal impact needs to be part of budget deliberations, and the League stands ready to continue to work with him and SB 5 supporters in 2020 to advance a version of the bill next year.

- **Improve disaster preparedness, recovery and climate resiliency.**

Cities across the state were forced to address disasters and emergencies in their communities in 2019. On the legislative front, the League supported a number of proposals that were signed into law that provide resources, assistance, and planning to cities, to help them better prepare for and respond to disasters and emergencies in their communities. The League secured \$300 million for disaster preparedness, emergency response, disaster-related planning, improving communications, purchasing additional equipment, and pre-positioning first responder resources in the FY 2019-20 State Budget. The League supported the Administration and



Legislature's allocation of emergency cash assistance to the Town of Paradise to help maintain operations and jumpstart recovery following the 2018 Camp Fire.

The League also sprang into action when utilities announced they would shutoff electrical power to millions of Californians in an effort to prevent wildfires starting from their own equipment. The League collaborated with the Governor's Office and Cal OES to ensure the most up-to-date information on community resource centers and safety guidelines reached cities and residents impacted by the shut-downs. To amplify these efforts, the League created a page on its website to serve as clearinghouse for key resources for cities, which increased access and awareness to emergency management training seminars and a \$10 million grant program for cities.

- **Promote sustainability of public pension and retirement health benefits.**

Despite our state's strong economy, pension costs for cities are approaching unsustainable levels. With costs outstripping revenue

growth, cities are facing difficult choices that will be compounded in an economic downturn. Because this is of increasing concern to city leaders, the League continued to work closely through 2019 with the California Public Employees Retirement System (CalPERS) on meaningful options for cities to address increasing pension liabilities.

The League also protected city interests in the Legislature on pension-related bills. In response to fierce opposition from the League, SB 266 (Leyva), which proposed that cities pay out of their general funds to retirees for compensation that CalPERS determined was not allowed, was withdrawn before it reached the Governor's desk and sent back to the Senate floor for further consideration.

- **Address public safety concerns of California cities.**

AB 1356 (Ting) was the most contentious cannabis proposal considered this year. It would require local agencies to issue a minimum ratio of cannabis licenses to existing liquor licenses. The bill stalled after the League strongly opposed the measure due to its clear violation of key provisions in Proposition 64, which promised local decision-making when voters passed the measure.

The League supported (once amended) SB 438 (Hertzberg), which provided a benefit to cities by ensuring that residents and local businesses — whose tax dollars already pay for available public emergency medical service agencies — can rely on local public agencies to respond during times of need. The bill, which the Governor signed into law, prohibits a public agency from privately contracting for 9-1-1 emergency call processing or notification duties. The measure also restricts counties from dictating when city fire department or fire district units are dispatched to respond to a 9-1-1 call in their own jurisdictions.

Legal Advocacy

The League also continued its advocacy for cities in the courts because laws affecting cities are made in the courts, as well as in the Legislature.

This year, the League filed 36 friend-of-the-court briefs and letters in the California and federal appellate courts and with the state Attorney General on cases that affect city authority and local decision making.

Appellate courts at both the state and federal level issued decisions favorable to cities in several of these cases. A few highlights include:

- In *Cal Fire Local 2881 v. CalPERS*, the California Supreme Court upheld the Legislature’s elimination of the option to purchase up to five years of service credit (commonly known as “airtime”) as part of the Public Employees’ Pension Reform Act (PEPRA). As urged by the League in its friend-of-the-court brief, the Court concluded the airtime benefit was not a “vested” pension benefit.
- In *Homeaway.com v. City of Santa Monica*, the federal Court of Appeals for the Ninth Circuit agreed with the League’s position and rejected claims that Santa Monica’s short-term rental ordinance violated the First Amendment and the Communications Decency Act, a federal law that immunizes “publishers” of third party web content from liability. The court found there was no “significant expressive element” of processing a short-term rental booking for purposes of the First Amendment and that the Communications Decency Act did not apply because the ordinance simply prohibited the online platforms from proceeding with unlicensed bookings; it did not seek to impose any liability on the platforms for the contents of the listings.
- In *City of Oroville v. Superior Court*, the California Supreme Court again reached a conclusion consistent with the League’s amicus brief when it found that the city was not liable in inverse condemnation for property damage caused by a sewer backup where the property owner failed to install a legally required backwater valve.

2. Increase the Capacity of City Officials

In 2019, the League developed and hosted conferences, seminars, academies, forums, and institutes

throughout the state strengthening the leadership skills of city officials and offering best practices for city leaders to bring back to their communities to improve the lives of their residents. More than 5,500 city officials attended these events. More than 2,000 registered to attend League-hosted webinars, with each registration often representing multiple individuals participating.

Attendance was at an all-time high for some of the League’s cornerstone events with the highest number of city officials in a decade participating in Legislative Action Day, and the most Annual Conference & Expo attendees since the Great Recession. The League also hosted for the first time the annual New Mayors and Council Members Academy in both Southern and Northern California to make it more accessible and convenient for our members to attend. In response, more than 650 city officials participated.



3. Maintain High Relevance and Facilitate Meaningful Member Engagement

The League also made progress on efforts to maintain high relevance and facilitate meaningful engagement with our members.

Over the course of the year, the League's regional public affairs managers hosted multiple meetings in the League's 16 regional divisions, which featured educational and networking sessions for division members. The 2018-19 League President Jan Arbuckle, council member, Grass Valley, traveled miles to attend events throughout the state with each regional division, in an effort to not only learn from the state's most unique and remote cities, but to hear firsthand from local leaders about the issues affecting them.

In response to member feedback, in April, the board approved the creation of the Rural City Information Exchange to create targeted educational resources that focus on the issues that uniquely affect rural communities. The League has already increased the number of webinars targeted to rural city officials, who may be located in more remote areas of the state, to take advantage of League education and training opportunities.

The League also produced a fifth edition of the Municipal Revenue Sources Handbook as a resource for cities and policymakers, providing the history and tools for revenue streams available to local governments in California.



4. Raise the League's Visibility

The quality of the League's communications is critical to achieving our mission and vision. In 2019, the League developed and began implementing a strategic communications plan that aligns the communications functions with the organization's 2018-21 Strategic Growth Plan.

The results of these efforts included participating in statewide press events and coordinating with major media outlets throughout the state, including the *Los Angeles Times*, *San Francisco Chronicle*, *San Diego Union Tribune*, *Sacramento Bee*, and *CalMatters* to feature stories about the League and important city issues. In addition, the League secured a live interview in November on *CNN International* for League President and Town of Yountville Mayor John F. Dunbar regarding city efforts to provide resources and effective leadership to residents during the October wildfires and utility-initiated power shut-offs affecting millions of Californians in both Northern and Southern California.



The League's executive director and officers attended high profile events that featured speaking opportunities about California's cities before key stakeholders and audiences, including the California Foundation on the Environment and Economy Housing Conference, Yosemite Policymakers Conference, California School Board Association Roundtable Discussion, National Association of Realtors Urban Roundtable on Housing Affordability and Supply, and the Sacramento Bee Priorities Summit.

More digital content is also under development to better engage with members and external stakeholders. During the League's 2019 Annual Conference & Expo, the League created video testimonials from city members that showcased city projects, League value, and innovative ideas, among other topics. The League increased social media engagement and consolidated member outreach tools to better target and serve members who receive the content. To increase the availability and accessibility of League information and stories, content is now being elevated and amplified on additional platforms to maximize the number of people reached and the impact of the content.

5. Enhance the League's Governance

As a result of the League's efforts to add even greater value to cities and raise the visibility of those achievements, the League retained existing members and welcomed back the cities of Guadalupe, Loyalton, and Fullerton as members of the League. This means that 478 out of 482 of California's cities are League members, representing more than 33 million California residents.

To continue and further strengthen the League's solid governance, leadership training and orientation was made available to new board members before their first board meeting. The orientation was expanded to include regional division leaders to ensure that all of the League's leaders are well prepared and positioned to lead in 2020.

In order to expand the League's organizational capacity to fulfill our mission and implement our strategic priorities, the League invested in a number of areas to protect the assets of the organization including enhanced network access for regional staff, improved teleconferencing quality and functionality, and tightened building security to protect staff, tenants, visitors, and property.

6. Expand the Organizational Capacity

The League created a more structured onboarding process for new employees, helping them understand the League and adapt to their responsibilities more quickly. The League also aligned communications and marketing resources under a single portfolio to enhance cross department efficiencies, services, and strategies.

The League participated in the development of the Institute for Local Government's strategic plan, which will increase the value and strengthen the relationship between the organizations. These changes ensure the League will enhance its value to our members in our efforts to strengthen California cities through advocacy and education.



Looking Ahead to 2020

California's city leaders work hard every day to improve the quality of life for their residents. To help ensure the League's advocacy efforts are focused on solutions to cities' most pressing issues, more than 100 League leaders met in Napa in December to review the progress towards our 2019 strategic advocacy priorities and to develop our 2020 priorities. To help inform the priority-setting process, the League also conducted a membership survey of priority issues. At the conclusion of the meeting and based on the recommendations and input of the League leaders, the League's Board of Directors adopted the following strategic advocacy priorities to guide our state policy efforts in 2020:

- 1. Improve the supply and affordability of housing.** Provide cities with financial tools to increase construction of housing, particularly for vulnerable populations, reform state regulatory barriers, and ensure cities retain flexibility based on the size, geography, demographics, impact mitigation, and land use needs of each community.
- 2. Advocate for increased funding and resources to prevent homelessness and assist individuals experiencing homelessness.** Secure additional resources and flexibility to provide navigation assistance, emergency shelters and permanent supportive housing, and strengthen partnerships with stakeholders to ensure mental health, substance abuse treatment, and wraparound services are available for adults and youth at risk of — or already experiencing — homelessness in our communities.

- 3. Address fiscal sustainability.** Raise awareness among stakeholders about the fiscal challenges cities face and work collaboratively to secure new revenue tools and flexible prudent policies to ensure cities are able to provide essential services to their residents while maintaining their ability to meet pension obligations.

- 4. Strengthen community and disaster preparedness, public safety, and resiliency.** Improve community resiliency to disasters and environmental threats, and strengthen infrastructure stability and control, through expanding partnerships, including state and federal agencies, and securing additional resources and support for climate change adaptation, planning, preparedness, response, recovery, and sustainability in our cities.

- 5. Address public safety concerns of California cities.**

- Reform recently enacted criminal justice laws — enacted by both statute and initiative — that have eroded public safety protections of California residents through the passage of the California Police Chiefs/California Grocers Association-sponsored criminal justice reform measure eligible for the November 2020 state ballot, or by equivalent reforms achieved through legislative action.
- Protect public safety by reducing access to firearms by the mentally ill.
- Support additional tools and resources to address critical community challenges such as homelessness, mental health, domestic violence, drug rehabilitation, human trafficking, and workforce development for ex-offender reentry.

In 2020, the League will be laser focused on these strategic advocacy priorities and continue the progress toward our strategic plan goals. To that end, we stand ready and are excited to work collaboratively with our members, the Governor, the Legislature, and other stakeholders to ensure our communities remain vibrant places to live, work, and play.





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 Mayor, Chico
 Mayor, Artesia
 Council Member, Burbank
 Mayor, Pleasanton
 Council Member, Lakeport
 Council Member, Long Beach
 Council Member, Ontario
 Mayor, Hughson

2019 BY THE NUMBERS

478

MEMBER
Cities

50+

LEAGUE
Board Members

16

REGIONAL
Divisions

10

PROFESSIONAL
Departments

5

DIVERSITY
Caucuses

Residents represented by the
LEAGUE'S MEMBER CITIES **33 MILLION**

ADVOCACY

Monitored, tracked and engaged on

2,104 **BILLS**
70% of all bills introduced



442 members
served on **POLICY
COMMITTEES**



36 Friend-of-the-court
briefs/letters filed

24 **ACTION ALERTS** sent
on high-priority legislation

EDUCATION

5,500 Conference and training
attendees



18 **WEBINARS** with
2,160 sites registered



331 Conference and
exhibitor **sponsors**

RECOGNITIONS



3 Cities honored with
**LOCAL STREETS
AND ROADS AWARDS**

12 **HELEN PUTNAM**
award-winning cities
from 168 submissions

The Institute for Local Government
11 **full Beacon Awards** 33 **Beacon Spotlight Awards**

FINANCIAL SOLUTIONS

CSCDA

\$1.5 billion in issuance of
tax-exempt bonds and tax credits for
cities, communities and nonprofits

www.cscda.org

CalTRUST

\$2.7 billion in
pooled investment of public
funds at attractive rates

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24,700

visitors to www.ca-ilg.org
with **2,340** ILG resources downloaded

CONNECTIONS

155,707

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www.cacities.org



48 issues of **CA Cities
Advocate** with a
total of **12,116** subscribers

15 **LISTSERVS** with
9,007 subscribers

3,525 **MEDIA**
mentions 10,114 **Twitter**
followers
3,867 **Facebook**
likes

159 reporter inquiries

12 issues of **Western City**
magazine with a total
of **432** pages of content



14,271
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