



MEMORANDUM

To: **City of Hayward**
Mayor Halliday and Council Members
Kelly McAdoo, City Manager

From: **Townsend Public Affairs**
Christopher Townsend, President
Eric Thronson, Deputy Director

Date: June 3, 2022

Subject: 2021-22 Annual Report

Townsend Public Affairs, Inc. (TPA) has had a long and successful tenure serving the City of Hayward, securing over \$54 million in state and federal funding for the City and notching numerous legislative wins in Sacramento. We look forward to continuing to serve the City of Hayward and pursue solutions that help the City achieve its goals and vision.

Following recent meetings in May with City leadership, TPA staff has prepared this report for the City as a summary of the 2021-22 Legislative year and a look ahead to 2022-23.

The State Legislature is currently in transition, with policy bills being sent to their second house and leadership negotiating budget details with the Governor ahead of the June 15th budget deadline. TPA continues to engage in policy conversations with the City's Legislative Liaisons and Representatives to pursue the City's legislative and funding priorities moving forward.

Over the past year, TPA staff have worked diligently to assist the City with issues in Sacramento, as well as tracked funding opportunities and submitted grant proposals on the City's behalf. Specifically, TPA has engaged in:

- Staying on top of the state budget process, specifically urging our Legislators to secure critical funding requests, including Assembly Member Quirk's advocacy to fund the City's scattered site affordable housing project;
- Advocating with state departments on issues and programs directly impacting the City's efforts to address homelessness;
- Assisting in the development of legislation and advocating on behalf of the City on legislative issues of critical importance to the City such as enforcing loud vehicle noise ordinances;
- Writing and submitting proposals for both state and federal grant programs; and

- Keeping City staff up to date on critical information coming from the state administration and Legislature, such as COVID relief, homelessness programs, and open meeting requirements amidst the recent state of emergency.

STATE LEGISLATIVE ADVOCACY

As part of its 2020 Strategic Roadmap, the City Council adopted six general guiding priorities:

1. Preserve, Protect, and Produce Housing
2. Grow the Economy
3. Combat Climate Change
4. Improve Infrastructure
5. Support Quality of Life
6. Improve Organizational Health

These priorities serve as the foundation for all actions the City will take, including advocacy for policies that promote those same guiding priorities.

Public policy encompasses a variety of subject and topic areas. However, as these policies intersect at the local level, they have the ability to impact municipal revenues and/or administrative discretion and control. In addition to the aforementioned Council Priorities, the City will support policies that either preserve revenue sources, maintain home rule authority, or both. If a given policy does not meet these criteria, the City will oppose, support with amendments, or in some cases take no stance on that policy or legislation.

With support from TPA staff, the City developed and approved its 2021-22 Legislative Program Policy Priorities which include the following General Legislative Principles:

Enhancing Revenue Sources

- Support the protection or expansion of Federal, State, and local funding sources that provide revenue to the City.
- Oppose any Federal or State legislation, policies, programs, referenda, unfunded mandates and budgets that would have an adverse impact on the City's ability to provide adequate programs, projects and services.

Maintaining Home Rule Authority

- Support any legislation, policies, referenda, and budgets that maintain or improve local regulatory control and authority.
- Oppose any legislation, policies, referenda, and budgets that undermine or circumvent the City Charter.

During the 2021-22 legislative session, the City of Hayward has taken positions and TPA has advocated on its behalf on a number of measures, including:

- **AB 71 (Rivas, Luz)** – Included a taxpayer's global intangible low-taxed income in their gross income for tax purposes and then dedicated the new revenues to addressing homelessness. **This measure did not pass out of the Assembly.**

- **AB 550 (Chiu)** – Authorized the Cities of Los Angeles, Oakland, San Jose, one city in southern California, and the City and County of San Francisco to establish the Speed Safety System Pilot Program for speed limit enforcement in certain areas, if the system meets specified requirements. **This measure was held in Assembly Appropriations.**
- **AB 1944 (Lee)** – Authorizes a member of a local governing body to be exempt from identifying the address of the member's teleconference location in the notice and agenda or having the location be accessible to the public, if the member elects to teleconference from a location that is not a public place, as long as at least a quorum of members of the legislative body participates from a single physical location that is clearly identified on the agenda, open to the public, and situated within the boundaries of the territory over which the local agency has jurisdiction. **This measure is currently in the Senate awaiting committee assignment.**
- **AB 2336 (Friedman)** – Authorized, until January 1, 2028, the Cities of Los Angeles, Oakland, San Jose, Glendale, and Palm Springs, and the City and County of San Francisco, to establish a Speed Safety System Pilot Program if the system meets specified requirements. **This measure was held in Assembly Appropriations.**
- **AB 2496 (Petrie-Norris)** – Requires a court to notify the Department of Motor Vehicles (DMV) to place a registration hold on a vehicle found to have a noncompliant modified muffler of muffler installed with a whistle tip until the court has been presented with a certificate of compliance from a referee authorized to test the decibel levels of a vehicle. **This measure is currently in the Senate awaiting committee assignment.**
- **SB 323 (Caballero)** – Requires a water or sewer agency mailing a written notice to the record owner of a parcel affected by a proposed fee or charge to include a statement that there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge. **This measure was signed into law.**
- **SB 612 (Portantino)** – Required electric investor-owned utilities (IOUs) to offer an allocation of certain electrical resources to other load-serving entities, specifically, community choice aggregators and electric service providers, that serve departing load customers who bear cost responsibility for those resources. **This measure did not pass out of the Senate.**
- **SB 1079 (Portantino)** – Authorizes pilot programs in six cities to evaluate the use of sound-activated devices to enforce vehicle noise limit laws. **This measure is currently in the Assembly awaiting committee assignment.**

In addition to the legislation upon which the City has taken positions, TPA follows hundreds of bills with potential impacts to the City and provides regular updates to City staff.

STATE ADMINISTRATIVE ADVOCACY

TPA not only advocates on behalf of the City with the state Legislature. TPA is constantly poised to provide support to City staff on all things pertaining to priority legislative issues. Through our expansive network within the state administration, TPA is able to provide support for and answers to a variety of issues when they arise for the City. In 2022, TPA has worked alongside City staff

to resolve concerns within the California Department of Housing and Community Development (HCD) related to requirements within the Surplus Lands Act and its interrelation with a Local Alternative Transportation Improvement Plan (LATIP) in the State Route 238 corridor. Without arriving at a solution with HCD, the City could have ended up out of compliance with state law, risking significant affordable housing development, and owing the state significant sums in penalties.

In addition, TPA has been engaged with HCD on behalf of the City in advocating for more lenience within the Project Homekey program to allow the City's innovative "scattered sites" proposal to compete for funding despite certain administrative requirements that didn't envision the dynamic model using single-family homes as affordable housing for unhoused neighbors. TPA staff continues to pursue this effort along with the City and its partners and strongly believes that a solution is imminent.

STATE FUNDING ADVOCACY

Since being selected to represent Hayward in 2009, TPA has delivered to the City more than **\$54 million** in state and federal funding. See the attached chart for more information.

Most recently, TPA has helped the City secure significant funding through the recent surplus revenue in the state budget. Last year, working closely with Assembly Member Quirk, TPA was able to secure funding for both of the City's requests in the budget bill, including:

- **\$1 million** for The Stack Center
- **\$662,000** for the Hayward Navigation Center

This year, Assembly Member Quirk has submitted to the budget committee the City's request for **\$5.4 million** to fund its scattered site affordable housing project. At the time of this report, the state budget was not finalized and therefore it is not yet known if Assembly Member Quirk will be able to secure this funding for the City. TPA is always looking out for more funding opportunities to assist the City in its efforts.

GRANT FUNDING EFFORTS

In 2021, on behalf of the City, TPA submitted to the US Department of Transportation (USDOT) a grant application for the highly competitive federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program. A RAISE grant application takes a significant amount of time and effort, with TPA undergoing the following tasks necessary for the submittal:

- Drafting the 50-page narrative as well as creating the necessary graphics and visuals,
- Compiling the required analyses and supporting documentation,
- Securing letters of support for the proposed project, and
- Registering with the federal grants website and completing all the steps necessary to submit the application for review.

The application sought \$6.9 million to complete the Mission Blvd Phase 3 project. USDOT received more than 750 applications from across the country and ultimately chose 90 for funding. Unfortunately, the City's application was not one of the three applications funded in California.

However, in 2022, TPA once again drafted the narrative, compiled the necessary documentation, and submitted a RAISE application to USDOT for the City's Mission Blvd Phase 3 project. The awards will be announced later this summer, and with the increased funding from the federal Infrastructure bill we are hopeful that the City's application can this time be successful.

LOOKING AHEAD

First up, TPA will stay on top of the budget negotiations in June 2022, keep City staff abreast on all the developments, and work doggedly to ensure Assembly Member Quirk's budget request is included so the City can secure the appropriation for the scattered sites housing project.

Moving from Summer 2022 and into 2023, TPA will continue to advocate with the Legislature on behalf of the City until the end of Session on August 31st to ensure the measures we support are successful and we avoid to the extent possible any negative legislative outcomes.

As always, TPA staff will provide weekly updates on Sacramento news and detailed monthly reports of state information and potential funding opportunities. TPA will also be engaged with City staff to explore and potentially draft and submit applications for grant opportunities that may serve the City's needs in the coming year. We never stop working for you.

Attachment

TPA FUNDING SUCCESS SCHEDULE

Project Description	Amount	Year	Level	Source
State Budget Earmark: Hayward Navigation Center	\$662,000	2021	State	Department of Finance
State Budget Earmark: South Hayward Youth Family Center Project	\$1,000,000	2021	State	Department of Finance
City of Hayward: Building Equity and Growth in Neighborhoods Program Grant	\$460,000	2016	State	Department of Housing & Community Development
City of Hayward: Caltrans Highway Safety Improvement Grant	\$396,000	2013	State	Department of Transportation
City of Hayward: Statewide or Urban Transit Planning Studies Grant	\$177,060	2013	State	Department of Transportation
City of Hayward: Caltrans Transportation Planning Grant	\$132,795	2014	State	Department of Transportation
City of Hayward: Assistance to Firefighters Grant	\$417,660	2011	Federal	Federal Emergency Management Agency
City of Hayward: Community Oriented Policing Services Grant	\$3,602,644	2012	Federal	Department of Justice
City of Hayward: Community Oriented Policing Services Grant	\$250,000	2013	Federal	Department of Justice
City of Hayward: Proposition 1C: Infill Infrastructure Grant	\$30,000,000	2009	State	Department of Housing & Community Development
City of Hayward: Proposition 1C: Transit-Oriented Development	\$17,000,000	2009	State	Department of Housing & Community Development
State Funding Total	\$49,827,855			
Federal Funding Total	\$ 4,270,304			
GRAND TOTAL	\$54,098,159			