



Council Meeting: September 30, 2008

SUBJECT: Positions on State and Local Ballot Measures for the November 2008 Election

REPORT IN BRIEF

This report provides an opportunity for the Sunnyvale City Council to take positions on state and local measures on the November 4, 2008 Ballot. This report summarizes the measures which are considered City business, provides the City's adopted policy on the issues (if any), and a staff recommendation. **Consistent with other ballot measures, no public funds have been or will be used to campaign for or against these measures.**

Staff recommends the following positions on the ballot measures discussed in this report:

State Ballot Measures:

Proposition 1A – Safe, Reliable High-Speed Passenger Train Bond Act: **NEUTRAL**

Proposition 2 – Treatment of Farm Animals: **SUPPORT**

Proposition 3 – Children's Hospital Bond Act. Grant Program: **SUPPORT**

Proposition 5 – Nonviolent Offenders. Sentencing, Parole and Rehabilitation: **OPPOSE**

Proposition 6 – Criminal Penalties and Laws. Public Safety Funding: **NEUTRAL**

Local Ballot Measures:

A – Hospital Seismic Safety and Medical Facilities: **SUPPORT**

B – Bart to South Bay: **NEUTRAL**

C – Adoption of the Valley Transportation Plan 2035: **SUPPORT**

Other measures, deemed to be not City business are identified in the Discussion portion of this report.

BACKGROUND

Staff is providing this report to afford the Sunnyvale City Council an opportunity to take a public stand on state and local measures on the November 4, 2008 ballot. Staff's recommendations are generally based on existing City policies from documents such as the General Plan and the

Legislative Advocacy Positions, and impact on City operations. Past positions of the Council also guide staff recommendations. New positions taken by the Council will become official policies of the City.

EXISTING POLICY

Goal 7.3C: Participate in intergovernmental activities, including national, state and regional groups, as a means to represent the City's interests, influence policy and legislation, and enhance awareness.

7.3C.1: Represent City policy in intergovernmental activities in accordance with adopted policy guidelines.

Council Policy 7.3.2 Legislative Advocacy Positions defines "City business" as all matters directly related to service delivery, or otherwise contributing to the City's operational success.

DISCUSSION

A brief analysis of each measure affecting City business follows, including a measure summary, staff analysis by the appropriate department regarding impact on City operations, fiscal impact, relevant City policy and staff recommendation.

Some of the measures on the November ballot are bond measures – a type of long-term borrowing that the state uses to raise money for various purposes. The state obtains this money by selling bonds to investors. In exchange, it agrees to repay this money, with interest, according to a specified schedule.

According to the independent State Legislative Analyst's Office, as of June 1, 2008, the state had about \$53 billion of infrastructure-related General Fund bond debt outstanding on which it is making principal and interest payments. This consists of about \$45 billion of general obligation bonds and \$8 billion of lease-revenue bonds. In addition, the state has not yet sold about \$68 billion of authorized general obligation and lease-revenue infrastructure bonds.

When analyzing and making recommendations regarding bond measures staff has considered the State's bonded indebtedness and any potential impact this long-term indebtedness may have on the City.

State Ballot Measures:

Proposition 1A – Safe, Reliable High-Speed Passenger Train Bond Act:

Staff Recommendation: **NEUTRAL**

Measure Summary: This act would provide long-distance commuters with a safe, convenient, affordable, and reliable alternative to driving and high gas

prices. The measure would reduce traffic congestion on the state's highways, at the state's airports, and would reduce California's dependence on foreign oil. It would reduce air pollution and global warming greenhouse gases as well as establish a clean, efficient 220 mph transportation system. The Act would improve existing passenger rail lines serving the state's major population centers, provide for California's growing population, and for a bond issue of \$9.95 billion to establish high-speed train service linking Southern California counties, the Sacramento/San Joaquin Valley, and the San Francisco Bay Area. The measure would require that at least 90% of these bond funds shall be spent for specific construction projects, with federal and private sector matching funds required and require that use of all bond funds be subject to independent audits. The measure would also appropriate money from the General Fund to pay bond principal and interest.

Recently, the Legislature passed and Governor signed a new state law which required that Proposition 1 be removed from the ballot and be replaced by this Proposition 1A. The Proposition 1 language was developed in 2002 and lacked fiscal controls; the language would also make it tough to spend bond money on routes that weren't part of the first phase of the rail project, planned to run from San Francisco to Los Angeles through the southern San Joaquin Valley.

Summary of California Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact: State costs of about \$29.4 billion, assuming 30 years to pay off both principal (\$9.95 billion) and interest (\$9.5 billion) costs of the bonds; payments of about \$647 million per year. When constructed, additional unknown costs, probably in excess of \$1 billion a year, to operate and maintain a high-speed train system. The costs would be at least partially, and potentially fully, offset by passenger fare revenues, depending on ridership.

Existing City Policy:

LAP 1.1 (A14): Monitor the implementation of the California High Speed Rail Plan and advocate for a financially self-sustaining system using proven cost effective technology and based on the conservative ridership assumptions, that does not require significantly increasing the State's bonded indebtedness. The City should actively participate in planning and design to minimize the impact of high-speed rail operations in Sunnyvale. The City supports a southern route without identifying a specific route at this time, but one that does not impact the Henry Coe State Park or the Orestimba wilderness.

Land Use and Transportation Element R1.8: Support statewide, regional and sub-regional efforts that provide for an effective transportation system.

Land Use and Transportation Element R1.9: Support flexible and appropriate alternative transportation modes and transportation system

management measures that reduce reliance on the automobile and serve changing regional and City-wide land use and transportation needs.

Energy Sub-Element 3.5.1: It is the policy of the City of Sunnyvale that the City will:

- Minimize energy consumption in City operations
- Promote the development of alternative energy resources and support the enhancement of existing technologies
- Provide for efficient vehicular movement on City streets
- Promote alternative modes of transportation to the single-occupant gasoline powered automobile such as mass transit, carpooling, bicycling and walking
- Use energy efficient street light and traffic signal systems
- Reduce energy consumption through Land Use and Community Design Policies
- Utilize alternative energy sources at the Sunnyvale Water Pollution Control Plant
- Support installation of cost-effective energy efficiency measures in municipally owned buildings and facilities
- Support Federal, State, and other Local agency energy-related legislation when consistent with this policy
- Support efforts to provide affordable, reliable, diverse, safe, and environmentally acceptable power to the citizens and businesses of Sunnyvale

Air Quality Sub-Element 3.7B.1a: Promote extension of transit systems, and locate higher density development/redevelopment along transit corridors.

City of Sunnyvale Staff Analysis: Staff is recommending a neutral position because City policies support both the provision of clean, effective mass transit services that reduce reliance on the automobile, but also call for fiscal responsibility specifically for the high speed rail project and support an alignment that directly serves the South Bay.

Currently, California does not have a high-speed intercity passenger train system that provides service at sustained speeds of 200 miles per hour or greater. In 1996, the state created the California High-Speed Rail Authority (Authority) to develop an intercity train system that can operate at speeds of 200 miles per hour or faster to connect the major metropolitan areas of California, and provide services between northern and southern California. The proposed system would use electric trains and connect the major metropolitan areas of San Francisco, Sacramento, through the Central Valley, into Los Angeles, Orange County, the Inland Empire, and San Diego.

The High Speed Rail Authority estimates that the system will attract 117 million riders by the year 2030. Project proponents foresee decreasing air pollutants statewide and in all air basins analyzed by reducing pollution generated by automobile internal combustion engines from passengers diverted from automobiles. The Rail Authority states that electrically-powered high-speed trains reduce pollutant and greenhouse gas emissions and reliance on fossil fuels. The total predicted emissions savings of the California high-speed train system is up to 12 billion pounds of CO₂ per year by 2030 and would grow with higher ridership.

Over the past 12 years, the Authority has spent about \$60 million for pre-construction activities, such as environmental studies and planning, related to the development of a high-speed train system. The Authority estimated in 2006 that the total cost to develop and construct the entire high-speed train system would be about \$45 billion. While the Authority plans to fund the construction of the proposed system with a combination of federal, private, local and state monies, no funding has yet been provided. According to the Authority's website, the bond will also infuse local transportation agencies with nearly \$1 billion for improvements to local and regional passenger rail projects that complement and connect with the high-speed train system.

The City has developed specific formal policy on several aspects of a potential high speed rail system between northern and southern California, including a preferred alignment. City policy gives emphasis to a route providing direct service to Santa Clara County. The City has previously advocated in support of the selection of a route south from San Jose to southern California instead of an Altamont Pass route as the preferred alignment for this rail system. The California High Speed Rail Authority has adopted the Pacheco Pass route as the preferred route for Phase 1 of the project. However, in order to allow flexibility in the expenditure of bond funds, a number of other corridors are identified as eligible for expenditure of Proposition 1A bond funds, including a San Francisco to Merced alignment via Altamont Pass. This could potentially become the main route between Northern California and Southern California. The City did not support an Altamont Pass alignment because it would require that high speed rail serve the South Bay via a spur line or other means. The California High Speed Rail Authority has formally acted to adopt the Pacheco Pass alignment and will likely pursue this alignment versus an Altamont Pass route, but the measure language creates the possibility that funds could be spent on an alignment that would not directly serve the South Bay.

Impact to City Services: None.

Fiscal Impact: No significant impact.

Proposition 2 – Treatment of Farm Animals

Staff Recommendation: SUPPORT

Measure Summary: Requires that an enclosure or tether confining specified farm animals allow the animals for the majority of every day to fully extend their limbs or wings, lie down, stand up, and turn around. Specified animals include calves raised for veal, egg-laying hens, and pregnant pigs. Exceptions made for transportation, rodeos, fairs, 4-H programs, lawful slaughter, research and veterinary purposes. Provides misdemeanor penalties, including a fine not to exceed \$1,000 and/or imprisonment in jail for up to 180 days. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Probably minor local and state enforcement and prosecution costs, partly offset by increased fine revenue.

Summary of California Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact: Potential unknown decrease in state and local tax revenues from farm businesses, possibly in the range of several million dollars annually. Potential minor local and state enforcement and prosecution costs, partly offset by increased fine revenue.

Existing City Policy: Municipal Code **6.20 Animal Establishments:**

6.20.030. Regulations. Every person within the city who owns, conducts, manages or operates any animal establishments for which a permit is required by this title shall comply with each of the following conditions:

- (a) No animal establishment shall be operated or maintained in violation of any of the provisions of Title 19 of this code;
- (b) Housing facilities for all animals shall be structurally sound and shall be maintained in good repair to protect animals from injury and restrict entrance of other animals;
- (c) All animals and all animal buildings or enclosures shall be maintained in a clean and sanitary condition;
- (d) All animals shall be supplied with sufficient good and wholesome food and water as often as the feeding habits of the respective animals require;
- (e) Animal buildings and enclosures shall be so constructed and maintained as to prevent the escape of animals;
- (f) All reasonable precautions shall be taken to protect the public from the animals and the animals from the public;
- (g) Every building or enclosure wherein animals are maintained shall be properly ventilated to prevent drafts and to remove odors. Heating and cooling shall be provided as required according to the physical needs of the animals;
- (h) All animal rooms, cages and runs shall be of sufficient size to provide adequate and proper housing for animals kept therein;

- (i) All animal runs shall be of concrete and provided with adequate drainage into an approved sewer or individual sewer disposal installation;
- (j) All animals shall be taken to a licensed veterinarian for examination and treatment if so ordered by the administrator;
- (k) Every violation of an applicable regulation shall be corrected within a reasonable time to be specified by the administrator.

City of Sunnyvale Staff Analysis: Staff is recommending a support position because this measure is in line with the City's existing position on the issue of maintaining animals within the City limits and ensuring the safety of the animal and the public.

Impact to City Services: If passed, this measure may require modification to Chapter 6 of the City's Municipal Code. Also, some additional training on the scope of the new law would be required for officers whose duties include animal control and enforcement; any additional training costs would be absorbed into ongoing training costs.

Fiscal Impact: No significant impact.

Proposition 3 – Children's Hospital Bond Act. Grant Program

Staff Recommendation: **SUPPORT**

Measure Summary: This measure would authorize \$980 million in bonds, to be repaid from state's General Fund, to fund the construction, expansion, remodeling, renovation, furnishing and equipping of children's hospitals. It would designate that 80 percent of bond proceeds go to hospitals that focus on children with illnesses such as leukemia, cancer, heart defects, diabetes, sickle cell anemia and cystic fibrosis. The measure would also require that qualifying children's hospitals provide comprehensive services to a high volume of children eligible for governmental programs and meet other requirements. Proposition 3 would also designate that 20 percent of bond proceeds go to University of California general acute care hospitals.

Summary of California Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact: State cost of about \$2 billion over 30 years to pay off both the principal (\$980 million) and the interest (\$933 million) costs of the bonds; Payments per year would be approximately \$64 million.

Existing City Policy: LAP 5.0 (2) Support legislation that improves the quality of life for children and families through increased access to educational support, health care, housing, emancipation transition services for foster youth, and vocational training programs.

City of Sunnyvale Staff Analysis: City staff is recommending a support position because if passed, this measure will designate 80% of funding or \$98 million each for non-profit children's hospitals in California, including Lucile Packard Children's Hospital, the closest non-profit children's hospital to Sunnyvale.

Impact to City Services: Sunnyvale is well within the service area of Lucile Packard Children's Hospital and provides children's medical services and specialties to address the needs of children with medical needs.

Fiscal Impact: No direct impact to the City.

Proposition 5 – Nonviolent Offenders. Sentencing, Parole and Rehabilitation
Staff Recommendation: **OPPOSE**

Measure Summary: This measure would require the State to expand and increase funding and oversight for individualized treatment and rehabilitation programs for nonviolent drug offenders and parolees. It would reduce criminal consequences of nonviolent drug offenses by mandating three-tiered probation with treatment and by providing for case dismissal and/or sealing of records after probation. Proposition 5 would limit the court's authority to incarcerate offenders who violate probation or parole and would shorten parole for most drug offenses, including sales, and for nonviolent property crimes. The measure would also create numerous divisions, boards, commissions, and reporting requirements regarding drug treatment and rehabilitation and would change certain marijuana misdemeanors to infractions.

Summary of California Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact: Increased state costs over time potentially exceeding \$1 billion annually primarily for expanding drug treatment and rehabilitation programs for offenders in state prisons, on parole, and in the community. State savings over time potentially exceeding \$1 billion annually due primarily to reduced prison and parole operating costs. Net one-time state savings on capital outlay costs for prison facilities that eventually could exceed \$2.5 billion. Unknown net fiscal effect on county operations and capital outlay.

Existing City Policy: LAP 4.1(4) Oppose the legalization and or decriminalization of all controlled substances, as defined by Title 21 of the US Code.

LAP 4.1 (A4) Support adequate financing of jails and criminal justice facilities but address the need to devote equal time and energy to develop effective alternatives to incarceration, including early intervention of at-risk youth and counseling and rehabilitation programs. Oppose eliminating the option of incarceration for first time drug offenses.

City of Sunnyvale Staff Analysis: Staff is recommending that Council oppose this initiative because it is in direct conflict with existing City policy. The measure has three primary components – treatment diversion for adults, reforms to the prison and parole system and youth programs. Although some of the elements of these components do fall in line with existing City policy, such as developing and implementing alternatives-to-incarceration for drug offenses, there are other elements which wholly conflict with the intent and purpose of policy, such as eliminating the option of incarceration completely for first-time drug offenders, and decriminalizing controlled substances like marijuana.

Specifically, the treatment diversion programs for adults/Youth Programs component is in-line with LAP 4.1(A4), which supports the development of effective alternatives to incarceration, including early intervention of at-risk youth and counseling and rehabilitation programs. The LAP also, however, opposes eliminating the option of incarceration for first time drug offenses. While the language of Proposition 5 doesn't explicitly prohibit incarceration, it does mandate that the judge “shall” order treatment, therefore expressly prohibiting the incarceration option. Also, LAP 4.1(4) opposes the legalization and or decriminalization of all controlled substances, such as marijuana, which as defined by Title 21 of the US Code is a controlled substance. Proposition 5 proposes to reduce the possession of marijuana to an infraction with fines.

Impact to City Services: Direct impact to workload of DPS with reduction of criminal consequences for non-violent drug offenders and the tiered probation system that leaves the offenders within the community or sends them back early.

Fiscal Impact: No fiscal impact.

Proposition 6 – Criminal Penalties and Laws. Public Safety Funding
Staff Recommendation: **NEUTRAL**

Measure Summary: This measure would require new state spending on various programs to combat crime and gangs, and to operate prison and parole systems. It would increase penalties for several crimes, including violating gang injunctions, using or possessing to sell methamphetamine, or carrying loaded or concealed firearms by certain felons. It would also eliminate bail for illegal immigrants charged with violent or gang-related felonies, establish a crime for removing or disabling a monitoring device affixed as part of a criminal sentence, and change evidence rules to allow the use of certain hearsay statements as evidence when witnesses are unavailable.

Summary of California Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact: Net increase in state costs that are likely within a

few years to exceed \$500 million annually, primarily due to increasing state spending for various criminal justice programs to at least \$965 million, as well as for increased costs for prison and parole operations. These costs would increase by tens of millions of dollars annually in subsequent years. Potential one-time state capital outlay costs for prison facilities that could exceed \$500 million due to increases in the prison population.

Existing City Policy: LAP 4.1 (A31) Support efforts to provide for equal treatment and due process for all immigrants.

General Plan Sub Element: Policy 4.1A.2 Control conduct recognized as threatening to life and property.

LAP 4.1 (A24) Oppose the Criminal Alien Removal Act of 2003. Oppose legislation requiring local police to be responsible for the enforcement of federal immigration laws. If the federal government requires that local law enforcement work as immigration officers, the federal government must pay all associated expenses.

City of Sunnyvale Staff Analysis: Due to the very complex nature and multiple funding obligations embedded within the Proposition, there is great likelihood that the funding stream will be inconsistent over time and therefore City staff is recommending a neutral position on this measure. Traditionally when monies of this nature are allocated out to the local level, programs are implemented that are dependant on these funds. Considering the lack of focused priorities within the Proposition language, staff is concerned that when levied against other competing priorities during budget negotiations the funding will be altered resulting in elimination of programs that directly support our Public Safety operations. The proposal creates new state-funded criminal justice programs. The measure also requires that funding for certain existing programs be at least continued at their 2007–08 levels. In total, the measure requires state spending of at least \$965 million for specified criminal justice programs beginning in 2009–10. This amount reflects an increase in funding of \$365 million compared to the amount provided in the *2007–08 Budget Act*. Most of the new state spending required by this measure would be for local law enforcement activities, directed primarily to police, sheriffs, district attorneys, jails, and probation offices. The remaining new state spending would be provided for local juvenile programs, offender rehabilitation, crime victim assistance, and other state criminal justice programs. Specifically, the measure requires new state spending for such purposes as:

- Increased supervision of adult probationers by counties (\$65 million);
- Juvenile facility repair and renovation and the operation of county probation programs for youth (\$50 million);
- City law enforcement efforts to target various crimes, including violent, gang, and gun crimes (\$30 million);

- Prosecution of violent, gang, and vehicle theft crimes (\$25 million);
- The construction and operation of county jails (\$25 million);
- Assisting county sheriff and mid-size city police agencies to participate in county, regional, and statewide enforcement activities and programs (\$20 million);
- Programs to assist parolees in their reentry into communities (\$20 million).

The measure prohibits state or local governments from using the new funding to replace funds now used for the same purposes. In addition, the measure requires that future funding for most of these new and existing programs be adjusted annually for inflation.

Impact to City Services: No direct impacts to local enforcement operations.

Fiscal Impact: No fiscal impact.

Local Ballot Measures:

Measure A – Hospital Seismic Safety and Medical Facilities

Staff Recommendation: **SUPPORT**

Measure Summary: To prevent state mandated shutdown of one-half of Santa Clara Valley Medical Center's (SCVMC) beds; closure of SCVMC's trauma, burn center; and, loss of disaster response, by rebuilding, and improving earthquake safety of the hospital, meeting state seismic laws, and help replace closed medical facilities in downtown San Jose, shall the County of Santa Clara issue \$840 million in general obligation bonds with independent citizens' oversight committee, annual audits, and no money for administrators' salaries?

Existing City Policy: General Plan Sub-element Policy 5.1H.10 Encourage adequate provision of health care services to Sunnyvale residents.

City of Sunnyvale Staff Analysis: City staff is recommending a support position for this measure because as the county's public hospital, SCVMC receives and serves many Sunnyvale's residents, who are under-insured or uninsured, for their medical needs, especially specialized medical services.

SCVMC also operates highly specialized medical services (Level 1 Trauma Center & Burn Center), the only hospital that does in the county and beyond.

Impact to City Services: As an example, MayView Clinic at Columbia Neighborhood Center (CNC) provides basic health care services to Sunnyvale residents but makes all referrals for specialists (i.e. surgery, cardiology, gastrointestinal, etc.) to SCVMC. Without SCVMC as a referral resource, many

patients will have nowhere to turn for much needed medical services in specialized areas.

Fiscal Impact: None to City directly. Santa Clara County property owners will be assessed approximately \$14.00 per \$100,000 assessed home value annually.

Measure B – BART to South Bay
Staff Recommendation: **NEUTRAL**

Measure Summary: To reduce dependence on foreign oil, help relieve soaring gas prices and combat climate change, shall the Santa Clara Valley Transportation Authority enact a 1/8 cent sales tax limited to thirty years for BART to operate/ maintain/ improve the 16.1 mile Santa Clara County BART extension, with stations in Milpitas, San Jose, and Santa Clara, connecting with Caltrain from Gilroy to San Francisco and an Airport People Mover, to be collected only if sufficient state/federal funds are secured to match local construction dollars?

Existing City Policy: General Plan Sub-element Policy 1.1R1.2 Support coordinated regional transportation system planning and improvements.

LAP 1.1 (A9) Support identification and pursuit of limited term revenue sources for transit capital and operating purposes only after stabilization of revenue and service levels sustainable to meet the needs of transit dependent populations.

LAP 1.1 (3) Support efforts to create and maintain regional funding sources for critical transportation needs.

City of Sunnyvale Staff Analysis: City staff is recommending a neutral position because this measure would establish a new limited term revenue source for transit operations at such time that the Valley Transportation Authority has not yet developed a stable revenue outlook for its base operations. This is contrary to the City's Legislative Advocacy Position. This measure is sponsored by the Valley Transportation Authority and would raise the sales tax in Santa Clara County by one-eighth of a cent. The increase would remain in effect for 30 years, but it would not be collected until the Federal Transit Administration agrees to contribute \$750 million to help build the \$6 billion, 16.1-mile BART extension.

The VTA has taken some steps to stabilize service levels in areas with large transit dependent populations, and to improve its farebox recovery and overall financial stability. However, it does not appear to be in a financially sustainable position over the long term. This measure does not provide

financial sustainability for its stated purpose, nor does it provide sufficient funds to achieve its stated purpose. There is also some question as to whether the BART service will serve transit dependent populations in Santa Clara County as well as other measures that the VTA could take to expand its service. To be consistent with City policy calling for VTA not to expand its system until it achieves financial sustainability to serve transit dependent populations, a neutral position is recommended, however Council may wish to consider taking an oppose position.

Impact to City Services: None.

Fiscal Impact: Unknown, measure will likely result in an increase in sales tax revenue.

Measure C – Adoption of the Valley Transportation Plan 2035

Staff Recommendation: **SUPPORT**

Measure Summary: Shall the Santa Clara Valley Transportation Authority continue to plan, design, construct and provide transit services as described in the draft Valley Transportation Plan 2035 (VTP 2035) to be adopted by December 2008? Voting for this measure does not increase taxes.

Existing City Policy:

General Plan Sub-element Policy 1.1R1.9 Support flexible and appropriate alternative transportation modes and transportation system management measures that reduce reliance on the automobile and serve changing regional and City-wide land use and transportation needs.

City of Sunnyvale Staff Analysis: City staff is recommending a support position because Sunnyvale citizens benefit from the transportation services provided by the VTA. This measure is calling for an advisory vote on the VTA's comprehensive transit program. An advisory vote is not legally binding but provides the VTA with important information about the voters' preferences. In 1976, the voters passed a law, subsequently amended in 1990, that requires the VTA to submit its comprehensive transit program to County voters for an advisory vote every six years. "Transit" primarily means buses, light rail and trains. Since it has been six years since the last vote, the VTA's transit program is due this year for another advisory vote. The VTA transit program that is the subject of this vote is the draft Valley Transportation Plan 2035 (VTP 2035) to be adopted by the VTA Board in December 2008.

VTP 2035 calls for the VTA to continue planning, designing, constructing and providing transit services, and to the extent financial resources allow, VTP 2035 proposes augmenting services by improving bus and light rail vehicles

and equipment; completing and enhancing light rail lines; planning for future rapid transit projects; participating in the continuing operation and improvements of Caltrain service, Altamont Commuter Express Services and Capitol Corridor Commuter Rail Services; promoting transit oriented development near major transit facilities; and continuing the development of the Downtown East Valley and the BART To Milpitas, San Jose and Santa Clara projects.

Impact to City Services: None.

Fiscal Impact: None.

Measures Deemed Not City Business

Council Policy defines “City business” as all matters directly related to service delivery, or otherwise contributing to the City’s operational success. Based on that definition, City staff have determined that the following ballot measures are not City business and, consistent with previous Council direction, staff have not conducted research/analysis on these measures, and are not recommending City positions. Making the determination of City business versus not City business is complex for some measures. A brief rationale for those complex measures is also noted:

State Ballot Measures:

Proposition 4 – Waiting Period and Parental Notification Before Termination of Minor’s Pregnancy: Not City business.

Proposition 7 – Renewable Energy: Not City business. While the City does have policy supporting the development of alternative energy resources, this measure focuses on increasing the current requirement of electricity providers to obtain electricity from renewable resources (such as wind or solar power), and the permitting of electricity generating facilities and transmission lines. There is no local publicly owned utility and therefore, this measure is not considered City business.

State law currently shifts from local government to the Energy Commission the responsibility for permitting large power plants. This measure clarifies that this state pre-emption also applies to renewable energy facilities of 30 megawatts and larger. According to the State Legislative Analyst, the overall net impact on local government administrative costs statewide as a result of this change is likely to be minor.

While this measure may preempt local control and permitting authority in certain circumstances, the scarcity of large land parcels means that it is not likely, however, that a single renewable energy facility of this size would ever be

located in the City limits. Staff is unaware of the number of businesses in Sunnyvale, if any, which may be affected by the measure.

Another potential impact on the City is that changes in electricity rates would affect government costs since state and local governments are large consumers of electricity. It is unknown, however, how the measure will affect electricity rates, both in the short term and in the longer term. This is because it is difficult to predict the relative prices of renewable resources and those of conventional electricity sources, such as natural gas. The measure could result in higher or lower electricity rates from what they would otherwise be. To the extent that this measure raised or lowered electricity costs for local energy consumers, the City would see increased or decreased utility tax revenues.

Proposition 8 – Limit on Marriage: Not City business.

Proposition 9 – Criminal Justice System. Victims’ Rights. Parole: Not City business.

Proposition 10 – Bonds. Alternative Fuel Vehicles and Renewable Energy: Not City business. This measure allows the state to sell \$5 billion in government obligation bonds for various renewable energy, alternative fuel, energy efficiency, and air emissions reduction purposes. The bond money, would provide \$3.4 billion for financial incentives to reduce the cost to purchase or lease high fuel economy vehicles and dedicated clean alternative fuel vehicles (primarily rebates for trucks and other medium- and heavy-duty vehicles), and would provide \$1.6 billion to fund research, design, development, and deployment of renewable electricity generating technology. The measure defines Clean Alternative Fuel as natural gas or any fuel that achieves at least a 10-percent reduction in carbon emissions when compared to conventional petroleum-based fuels; defines Clean Alternative Fuel Vehicle as, generally, a vehicle powered by a clean alternative fuel; and finally, defines Dedicated Clean Alternative Fuel Vehicle as a vehicle powered exclusively by specified clean alternative fuels, including bio-methane, electricity, hydrogen, natural gas, propane, or any combination thereof.

Although the measure is in-line with the City’s position on purchasing and maintaining a fleet consisting of a variety of alternative fuel vehicles (currently, the fleet includes vehicles powered by compressed natural gas, solar, flex-fuel, propane, electricity, and hybrid), the measure was considered by staff to not be City business because it would not directly impact service delivery, or otherwise contribute to the City’s operational success. Proposition 10 includes three components that staff researched to determine a nexus for City business: Grants to local governments, increased sales tax and Vehicle License Fee (VLF) revenues, and rebates for alternative refueling systems (for homes) and clean vehicles. With regard to local grants, the Proposition specifies several bigger

cities by name; Sunnyvale would not have the opportunity to apply for funding. With regard to rebates, these will only be offered to individuals and businesses, not government entities. With regard to increased sales tax and VLF revenues, the Legislative Analyst's Office is projecting potentially "tens of millions" over a 10-year period on a statewide basis, which would be negligible to the City.

Proposition 11 – Redistricting: Not City business.

Proposition 12 – Veterans' Bond Act of 2008: Not City business.

Local Ballot Measures:

D – Amending VTA Measure B of 1976: Not City business. While the VTA controls funding appropriations, this measure wouldn't affect funding appropriations to the City; those would continue in some form or fashion if this measure did not pass. Measure B was adopted by the people of the Santa Clara Valley Transportation Authority on March 2, 1976 and amended by the voters at the November 6, 1990 election. Measure D proposes to amend it further to read as follows: "It shall be the policy of the Santa Clara Valley Transportation Authority to submit to the 2000 Measure A Citizen's Watchdog Committee every 6 years a comprehensive transit program for review and comment."

FISCAL IMPACT

There is no fiscal impact to this report.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

ALTERNATIVES

1. Adopt the following positions on the ballot measures:

State Ballot Measures:

Proposition 1A – Safe, Reliable High-Speed Passenger Train Bond Act:
NEUTRAL

Proposition 2 – Treatment of Farm Animals: **SUPPORT**

Proposition 3 – Children's Hospital Bond Act. Grant Program: **SUPPORT**

Proposition 5 – Nonviolent Offenders. Sentencing, Parole and Rehabilitation: **OPPOSE**

Proposition 6 – Criminal Penalties and Laws. Public Safety Funding:
NEUTRAL

Local Ballot Measures:

A – Hospital Seismic Safety and Medical Facilities: **SUPPORT**

B – BART to South Bay: **NEUTRAL**

C – Adoption of the Valley Transportation Plan 2035: **SUPPORT**

2. Adopt alternative positions on the ballot measures.
3. Take no action at this time.
4. Other action as directed by Council.

RECOMMENDATION

For the reasons stated in the staff analysis section of this report, staff recommends Alternative 1:

Alternative 1 – Adopt the following positions on the ballot measures:

State Ballot Measures:

Proposition 1A – Safe, Reliable High-Speed Passenger Train Bond Act:
NEUTRAL

Proposition 2 – Treatment of Farm Animals: **SUPPORT**

Proposition 3 – Children’s Hospital Bond Act. Grant Program: **SUPPORT**

Proposition 5 – Nonviolent Offenders. Sentencing, Parole and
Rehabilitation: **OPPOSE**

Proposition 6 – Criminal Penalties and Laws. Public Safety Funding:
NEUTRAL

Local Ballot Measures:

A – Hospital Seismic Safety and Medical Facilities: **SUPPORT**

B – Bart to South Bay: **NEUTRAL**

C – Adoption of the Valley Transportation Plan 2035: **SUPPORT**

Reviewed by:

Robert Walker, Assistant City Manager

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Approved by:

Amy Chan
City Manager