



# INTERGOVERNMENTAL RELATIONS

- **2021 Annual Report +**
- **2022 Legislative Program and the Top Legislative Priorities**

San José City Council 11.30.21  
Items 3.4 and 3.5

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## Presenters:

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# 2021 Annual Report

## Federal Highlights

- COVID-19 Relief Update
- Infrastructure
- Congressional earmarks

## State Highlights

- State Budget
- City-sponsored bills

# Federal Highlights COVID-19 Relief Update

- **Monitoring Legislative/Emergency Declaration Changes**
- **Monitoring allocation & implementation of key funding streams**
- **Submitted comments on State & Local Fiscal Recovery Fund Interim Final Rules**
  - Final Guidance expected late 2021 or early 2022

## Policy Highlights

### Legislative Policy

- **President's Path Out of the Pandemic Action Plan**
  - Vaccine mandate for all employers with 100+ employees (*Suspended pending litigation*)
  - Vaccination or testing for all federal workers and contractors
  - Booster shots
  - School requirements
  - Increase testing & require masking
  - Strengthen COVID Economic Injury Disaster Loan Program
  - Streamline Paycheck Protection Program Loan Forgiveness Process

### Funding

- Approximately \$315.6 million in direct American Rescue Plan Act funding to the City of San José

# Federal Highlights Infrastructure

- **Bipartisan Infrastructure Investment and Jobs Act (H.R. 3684) signed November 15**
  - \$550 billion in new spending over five years
- **Build Back Better Budget Reconciliation bill passed the House on November 19; sent to Senate**
  - Climate
  - Medicare benefits
  - Universal pre-K
  - Child and earned income tax credits
  - Child care funding
  - Pell grants
  - Elder care
  - Affordable Care Act subsidies
  - Housing
  - Equity and other investments (rural funding, supply chain, maternal health)

## Bipartisan Infrastructure Investment and Jobs Act California Allocation

**Highways & Bridges: \$25.3 billion** for federal-aid highway programs and **\$4.2 billion** for bridge replacement and repairs over five years

**Public Transportation: \$9.45 billion** over five years to improve public transportation options across the state

**Airports: \$1.5 billion** for infrastructure development for airports over five years

**Electric Vehicles (EV): \$384 million** over five years for EV charging network expansion and an additional **\$2.5 billion** in competitive grant funding for EV charging

**Broadband: A minimum of \$100 million** to expand broadband coverage across the state

**Wildfires: \$84 million** over five years to protect against wildfires

**Cybersecurity: \$40 million** over five years to protect against cyberattacks

**Water Infrastructure: \$3.5 billion** over five years to improve water infrastructure across the state

# Federal Highlights Infrastructure Local Impact

## ■ Formula Funding Highlights

- Energy Efficiency and Conservation Block Grant (EECBG) Program
- Airport Infrastructure Grants

## ■ New Competitive Grant Programs

- Congestion Relief Program
- Safe Streets and Roads for All Grant Program
- Reconnecting Communities Grant Program
- Healthy Streets Program
- Cyber Response and Recovery Fund
- Digital Equity Competitive Grant Program

# Federal Highlights Congressional Earmarks

- House and Senate Democrats reinstated earmarks in early 2021
- Projects in House Appropriations Package
  - ✓ San José Public Library Digital Inclusion, Virtual Learning, and Caregiver Support Program (Representative Eshoo & Representative Khanna) - **\$1.5M**
- Appropriations Timeline: Continuing Resolution likely in December, final vote most likely in early 2022

# State Highlights State Budget

- **Fiscal Year 2021-2022 California State Budget signed July 12, 2021; included historical levels of investment for local jurisdictions to combat homelessness, including \$2 billion over 2 years**
  - Additional budget negotiations continued beyond the signage
- **Additional trailer bills passed late in the session**
- **Key budget decisions deferred until 2022**
  - Transportation Package
  - Energy Package
- **Budget Surplus Expected for 2022**
  - **The Legislative Analyst's Office (LAO) estimates the state will have a \$31 billion surplus to allocate in 2022-23**

# State Highlights Late-session Budget Trailer Bills

Key funding related to City priorities, policies, & programs	Grant or Formula Funds	Funding amount to San José (if applicable)
Wildfire and Forest Resilience	Grant or Loan Funds	\$1.5 billion to support Wildfire and Forest Resilience, which represents the largest investment in state history for these activities.
Water and Drought	Grant or Loan Funds	\$5.2 billion over three years to support immediate drought response and long-term water resilience.
Climate Resilience	Grant or Loan Funds	\$3.69 billion over three years to support investments that address the state's multi-faceted climate risks. These funds will build community resilience and capacity where resources are most needed.
Zero-Emission Vehicles	Grant or Loan Funds	\$735 million to support investments primarily related to the Zero Emission Vehicles
Sustainable Agriculture	Grant or Loan Funds	\$1.1 billion over two years in sustainable agriculture investments to support programs that include, but are not limited to: healthy soils, transition to safer sustainable pest management, alternatives to agricultural burning. etc.

While a small subset of programs have, or are just beginning, to develop proposal solicitations, most of the programs within the larger Climate Resilience Package are still TBD



# State Highlights Late-session Budget Trailer Bills

Key funding related to City priorities, policies, & programs	Grant or Formula Funds	Funding amount to San José (if applicable)	Status of allocation
Broadband	TBD	<p>\$3.75 billion for a statewide, open-access, middle-mile network</p> <p>\$250 million for a loan-loss reserve to leverage additional investment</p> <p>\$2 billion for last-mile projects</p>	When the funds will be available to apply for is dependent on when the CPUC votes on and adopts a final decision, likely in the first half of next year.
SB 1383 Organics Implementation	A base award amount of \$20,000, the remaining funds will then be distributed to eligible entities based on per capita calculations	\$60 million to provide grants to local jurisdictions to assist in the implementation of the SB 1383 regulations	<p><b>Applications Released January 2022</b></p> <p>9</p>

# State Highlights

## Year-end snapshot of big wins

- **Homelessness Funding**

- ✓ The City, with help from Mayor Liccardo and the Big City Mayors, successfully advocated and received historical levels of investments to combat homelessness, including the first ongoing allocation to local governments (\$2 billion over 2 years)
- ✓ HHAP Round 3 applications not yet opened; City slated to receive \$29,118,995 in base allocations

- **Youth Workforce Development**

- ✓ Mayor Liccardo and the Big City Mayors successfully advocated and received \$185 million for Youth Workforce Development to the 13 largest cities in California, of which San Jose will receive \$14 Million

- **Clean California Local Grant Program**

- ✓ The City successfully advocated for the Clean California Local Grant Program through which approximately \$296 million in funds will go to local communities to beautify and improve local streets and roads, parks, pathways, and transit centers to clean and enhance public spaces.

- **Member Requests**

- ✓ Warm Springs - \$8 million to create a quiet zone along the Union Pacific Warm Springs Railroad corridor
- ✓ MOSES - \$2.185 million to purchase Mobile Operations Satellite Expeditionary Systems

# State Highlights COVID-19 Response & Recovery

## State Budget - Funding for City Response and Mitigation

- **Homelessness**
  - ✓ Historic investments to local governments to combat homelessness
- **Housing**
  - ✓ Fought to extend eviction protections for San José residents while enrolling individuals into the rent relief program
- **Broadband/ Digital Inclusion**
  - ✓ \$1 billion to be allocated to urban counties for last-mile infrastructure, a proposed decision outlining program rules is expected between December 2021 and March 2022
- **Economic Development and Infrastructure Investments**
  - ✓ Advocated on behalf of the Small Business Advisory Task Force to implement favorable changes to policies that impact small businesses, including allowing local authorities to implement a slow streets program
  - ✓ SB 7 (Atkins)
- **Early Childcare Education**
  - ✓ Along with the Santa Clara County Office of Education, advocated for the State to waive family fees; increase the number of childcare vouchers; fund contracted providers based on enrollment, not attendance; provide stipends for childcare providers, and establish a mechanism to disburse funds to license-exempt programs operated by libraries and city recreation facilities

# State Highlights City Sponsored/Supported Bills

## Sponsored (2-year bills)

- **SB 649** (Cortese) – Tenant Preferences to Prevent Displacement
- **SB 612** (Portantino) – Power Charge Indifference Adjustment
- **AB 987** (Low) – Electrical Corporations Reporting

## Coalition Supported

- **AB 550** (Chiu) – Speed Safety Cameras – *Held in committee*
- **AB 43 (Friedman) – Speed Limit Setting**  
*Signed by Governor*

## Critical Support

- **SB 7 (Atkins)** – Extends the AB 900 program for projects delayed due to COVID-19, including the San José Downtown West Mixed-Use Plan – *Signed by Governor*



# IGR Modernization Emerging Funding Matrix Tool

- **Coordinating Citywide Opportunities in New Funding Legislation**

- A regularly updated virtual tool on the City intranet provides developing details on funding availability, managing agencies, and links to grant guidelines.

Associated Legislation	City Roadmap Initiative	Name of Funding Opportunity	Grant or Formula Funds	Deadline to Apply	Covered Time Period	Total State Budgeted Funds	What is the maximum the City can receive?
AB 149/SB 149	Safe, Vibrant + Inclusive Neighborhoods + Public Life	<a href="#">Clean California Initiative</a>	Needs based Formula	02/01/22	Through June 30, 2024	\$1,000,000,000	\$5,000,000

# 2022 Legislative Program

- Legislative Program
- Top Legislative and Regulatory Priorities
- AB 1400 (Kalra) – Guaranteed Health Care for All

# 2022 Legislative Program

**City of San José  
2022 LEGISLATIVE PROGRAM**

*New policy positions in green highlight*

*Revised language added to old positions in yellow highlight*

**Interdepartmental and Departmental Policy Positions**

DEPARTMENT	POLICY POSITION
CMO-Office of Administration, Policy, and Intergovernmental Relations	<b>Local Control:</b> Advocate for efforts that allow more decisions to be made at the local level.
CMO-Office of Administration, Policy, and Intergovernmental Relations	<b>Racial Equity:</b> Support policies and investments that eliminate institutional and systemic racism so that power and resources are shifted to materially change conditions for Black, Indigenous, <b>Latino/a/x</b> , and People of Color.
CMO-Office of Administration, Policy, and Intergovernmental Relations	<b>To-Go Cocktails:</b> Support efforts to extend the ability of restaurants and bars to offer to-go cocktails per the recommendation of the Greater Downtown Economic Recovery Task Force.
CMO-Office of Administration, Policy, and Intergovernmental Relations	<b>Cardrooms:</b> Support legislation and regulations that allow the City to regulate and tax cardroom activities. Engage with the legislature and regulators on rules that clarify player-dealer rotation practices and preserve the ability of cardrooms to offer California games.

# Key Future Legislative Dates

Jan. 3 - Legislature reconvenes.

Jan. 10 - Governor will release proposed budget.

Feb. 18 - Last day to introduce new bills

Mid-May - Governor releases second proposed budget ("May Revise")

May 27 - Last day for each house to hear bills introduced in that house.

IGR Team communicating funding priorities to legislature and Governor's Office.

New legislative bills introduced.

Policy Committees convene ongoing bill hearings.

IGR Team identifying, analyzing, and weighing in on legislation as it aligns with City priorities.



IGR Team preparing Earmarks Requests.

Potential Senate vote on Reconciliation Bill (Build Back Better Act)

Dec. 3 - Continuing Resolution Bill expires. Will need to be extended.

Dec. 15 - Debt ceiling will need to be raised.

Application for Earmarks released (exact date TBD)

President's Budget released early February (exact date TBD)

NOFO's for BID expected to be released.

Committee Markups on FY 23

Second tranche of Coronavirus State & Local Fiscal Recovery funds expected to be released.



# 2022 Top Legislative and Regulatory Priorities

- COVID-19 Response, Mitigation, and Recovery
- COVID-19 Vaccine Access, Outreach, and Prioritization
- Homelessness Funding
- Funding to Advance Smart, Sustainable, and Reliable Infrastructure



# AB 1400 (Kalra) Health Care for All

- Creates single-payer health care coverage for all California residents
- Envisions consolidating existing federal and state health care spending under one independent public entity ("Calcare"), to implement and regulate the program
- Does not include additional revenue-raising measures; has not yet been scored for fiscal impact
- Introduced 2/19/21; not referred to committee; made into two-year bill
- Notable Sponsors:
  - Assembly Members Kalra (AD 27) & Lee (AD 25)
  - State Senators Cortese (SD 15), Laird (SD 17), & Wieckowski (SD 10)

# Council Actions

San Jose City Council 11.30.21

## IGR Annual Report, Item 3.4

- Accept the IGR Annual Report
- Reaffirm City positions in Priority Legislation Log

## 2022 Legislative Program, Item 3.5

- Take a position on AB 1400 (Kalra)  
[May include adding to Legislative Program]
- Approve 2022 IGR Legislative Program and the top Legislative Priorities for 2022

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