



Memorandum

TO: Honorable Mayor &
City Council

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: The Public Record
May 18 – May 24, 2018

DATE: May 25, 2018

ITEMS FILED FOR THE PUBLIC RECORD

Letters from the Public

1. Letters from Blair Beekman, dated May 18, 2018 – May 24, 2018, regarding the Big Belly trash cans.
2. Letter from Terry Trumbull, dated May 21, 2018, regarding funding for planting and maintenance of trees.
3. Letter from Manual Amezcus, dated May 22, 2018, entitled "Thank You Ltr to SJ Mayor – Venture Fund Loan."
4. Letter from Zelica Rodriguez, dated May 17, 2018, entitled "Preference Policy Support LTR."
5. Notice of Public Hearing on the Proposed Revision of the LAFCO Fee Schedule and Adoption of Fee Policies dated May 24, 2018.
6. Notice of Pacific Gas and Electric Company's Request to Increase Rates for the Greenhouse Gas Financing Costs Applications (A.18-05-014) dated May 23, 2018.

TJT/at


Toni J. Taber, CMC
City Clerk

From: bob tom
Sent: Friday, May 18, 2018 2:51 PM
Cc:

Subject: a letter from Blair Beekman. Friday May 18, 2018. _____ The Big Belly & Good Communication.
The week of May 14-18, 2018.

Dear local govts. of the south bay,

My letter for everyone, for the weekend,
about the week of, May 14-18, 2018.

I cant stress enough, I hope with my writing, that in the least,
you can at least, talk with yourselves, at this time.

And be clear with yourselves, at this time.

And from this, you can offer some clear words, for myself.

But I may have to try, to politely note, when you can be more honest, about a
situation.

To our work, next week !

The Big Belly of downtown San Jose, may be a project between the VTA and SJDA

And, the city of San Jose, may want to be, a bit removed, from this entire process,

But I would guess, san jose, is benefitting from its tech. and data collection.

And therefore, in some way, should have some responsibility, with this project.

As govt. agencies, you have all seemed confused, how to talk to myself, about this project.

Please try to work with myself, as we can work together, in our different ways, to try to clear this up.

I think this will bring up, some interesting ways, we will all come together, for a simple comprehensive public policy, in the near future.

As a way, to begin to think of, our current process -

Either,

the Big Belly, will be considered, fully a VTA project, and is entirely responsible, for any tech. and its public policy process,

even as, other govt. agencies, local city commerce groups, may put tech. into local Big Belly's.

Or,

the VTA, and all the other cities, with the Big Belly, have worked out an arrangement -

where the VTA, has purchased the project, and placed them, on VTA property.

But it is up to, the city itself, (or the SJDA, or other govt. agencies,) , to mostly design its tech. needs, if any, for the Big Belly, within its city.

And are subsequently responsible for the tech. and perhaps its public policy, within each individual Big Belly.

From this, I feel there should develop, two important options, you need to consider.

Either the VTA, make up a public policy, completely on their own, to hand down to other cities.

Or other cities, give input and ideas, of how their public policy can be, within their city.

And then VTA, shape all of this input, into a comprehensive public policy of accountability.

Even if these are only rough sketches,

This second idea, should help make things a lot easier, for everyone involved.

To help make it easier to define, how to delegate, the different levels, of authority and responsibility, between cities, other govt agencies, the SJDA, and the VTA.

And, in how to respect the tech., that will be used, in each individual Big Belly, in each city location, at this time.

I hope, at least, you can keep, good communication channels open, between all of yourselves, at this time. And with myself.

No matter the state of your relationship.

If the city of San Jose, is going to continue to say, this is the SJDA responsibility,
and perhaps even force the SJDA to write a public policy, to the VTA, at this time.

can the city of San Jose, offer some help to the SJDA, in that they have had more
experience, in this area ?

Please remember, through all of this, the downtown Big Belly, should be considered
experimental,

And, can be removed, at a moments notice, based on what can be hazardous tech. and
tech.with questionable civil rights issues.

Let this also be a reminder to yourselves, to practice the tech. for the Big Belly, at a
minimum level.

My next steps, may be with, the SJDA, or even the county govt. and its sheriff's dept.

But I feel, this will ultimately lead back, to the work of, the city of San Jose. around the Big
Belly.

I worry San Jose, is going to try to sidestep this issue, as long as it can.

I will respect this. But it may not last.

I am not sure, if the city of San Jose can continually say, this is fully a SJDA/VTA project,

if they will be getting active data collection tech., from the downtown Big Belly.

I hope the city of San Jose, can be prepared, 'to give it up', and learn to talk to myself honestly, if needed.

I don't want to play gotcha, I want to build a good community future.

I just want things, to work out well.

I want to trust, a current narrative, the city of San Jose, is possibly starting,

' It is not on our property, so we don't want to touch this project. '

But please remember, the more you keep back, it may hurt yourselves, and all of us, in the long run.

I feel, responsibility, can be of varying degrees. I feel it can be safe, to talk about this, to define this.

Govt. agencies and myself, are already starting on ways working this question.

Make a communication process, good and open for everyone, at this time.

Allow and trust, how honest and good things, can progress.

From this, good steps should emerge, what is democracy, and overall good community practice.

With some work, this doesn't have to be continually hidden.

And I am working on friendly ways, it simply doesn't have to be.

So while this Big Belly, may be a VTA project, and property,

And that the SJDA, may have a lot of responsibility around the downtown Big Belly, at this time.

What about the Tasman Big Belly, within the city of San Jose, city limits ?

I am willing to give, the city of San Jose, a break.

But it seems, they are going to need to learn, how to be possibly be more accountable.

As I have tried to describe, what we are trying to learn together, at the VTA. at this time.

I hope you can more fully understand, where I feel the depth of this conversation, should be at.

Would anyone care to write back, or comment ?

I feel this is good words. I am sorry if I am off.

But I hope it can help give good shape, to where your thinking may be on this subject.

And how to better talk about it.

I hope you can then share, this natural honest thinking, with myself,

and with that, we will be building, an honest democratic process !

sincerely,
blair Beekman

From: bob tom

Sent: Tuesday, May 22, 2018 12:29 PM

Cc:

Subject: a letter from Blair Beekman. Tuesday May 22, 2018. _____ To begin to bridge, the communication process, for the VTA, Big Belly project. Part 1.

This is a revised letter, from last Friday, May 18, 2018. Part 1, today. Part 2, tomorrow morning.

Dear VTA, city govts. of the south bay, other govt. agencies, and others,

Please accept, where I feel we are at, with the VTA Big Belly project.

I politely use words like, 'possibly', and, ' may be ', often. To describe how tech., may be in some, and not all, of Big Belly trash cans.

To work by, our polite standards and codes, with each other, does not have to be, at the price, of having to be dishonest, unaccountable, or to be locked into, using bad reasoning.

What is too difficult for yourself, to talk about, at this time, I hope you can learn, how to leave open, to talk about another time.

Or, to learn to develop, other good avenues of thought, and in what can be, a good democratic process.

I am guessing, at this time, the VTA, is mostly, a simple 'caretaker', for the Big Belly's, at the several transit centers, in individual cities, of the south bay cities

In charge of few, simple tech. items, like simple Wi-Fi signals, and possibly, a more questionable, larger output Wi-Fi source, Broadband Station Point tech.

I would guess, the VTA, with some its own ideas, consulting, and negotiations,

then offers, 'to rent out', each Big Belly, at each, of its south bay Transit centers, to city govts., county, state, and federal govt. agencies, those like the SJDA, and other research agencies, etc.

These city govts. and agencies, then purchase, and put in, their own tech. equipment, to use within the Big Belly. And that the VTA, may not be fully accountable for.

I feel, cities being familiar, with how tech. can be used, within their city, then eventually, offer the VTA, their own accountability and policy procedures, in how to properly manage the tech., within the Big Belly's,

The VTA, then gathers this sort of info., from the many sources, that will be using tech., for the Big Belly, and then neatly and adroitly, files it away.

Possibly not knowing, or feeling overwhelmed, with the next steps, in what to do with, all of this info. and policy practices, they have received.

So while, some good beginning procedures, of civil rights, civil protections, and accountability, is recognized and understood, amongst yourselves,

I am guessing, there is an overall disconnect, I am worried about, and writing about.

The VTA, and other govt. agencies, are having trouble, in how to talk to myself, at this time.

And seem overall confused, in how to talk to myself, in easy, organized, legal terms, about tech. issues, of the Big Belly's, at this time.

Are the VTA, and govt. agencies, mostly happy, with this 'hodge podge' system, I have just explained, and that should have, some beginning, established legal precedents.

Or does the VTA, need a bit of help, to improve and better develop, an all around, more comprehensive, accountability process and policy, for the Big Belly project. ?

And while city govts. and other govt. agencies, continue to use tech. within each VTA Big Belly, without a more cohesive, accountability policy process.

The VTA, can work to better develop, a more organized, accountability policy, with its consultants.

But they should be able to get, open, free advice, and good communication,

from all of the cities, and govt. agencies, they have already been working with, on the tech. accountability ideas, for the VTA Big Belly project.

I hope I can remind, the city of san jose, and the SJDA, of this sort of work and responsibilities, and to not fear, openly working together, and with others, at this time.

Please feel safe, there are many, well developed studies, reports, examples, with good legal precedents, available at this time. And worth looking into.

And, that I am trying to honestly understand, and work towards, as well.

We are at, peaceful new beginnings, of democracy, and what is sustainability, on the local level.

Please remember, this can be a time, we are learning how, to further leave, the secrecy and opacity, of an era of war.

Again, I am not asking or demanding, an exact account of the technology, that may be in the Big Belly's, at this time.

What I am asking for, is a set of simple rules and guidelines, *about what can be open and accountable, with the VTA Big Belly project.*

This should not be such a fearful question, as the VTA, and govt. agencies, should already have, their own good ideas and early sketches,

of civil rights, civil protections, and good democratic ideals, needed for a project like this.

The VTA, CCTV guideline policy, approved in April of 2016, took some time, work, and care. Simplicity, ease, familiarity, and trust, also can need, time and care.

If you can begin to answer, these types of questions above, to each other, and then to myself, at this time,

these are good, beginning steps, to creating what can be, a more organized process, of accountability and public policy, for everyone of the south bay.

There are ways, to re-organize, structure, and create, a more honest, better reasoning, public accountability process,

And to respect both, the open, democratic process, and to continue to respect, honest national security needs as well.

Although this may be considered, a VTA project, and ultimately their responsibility,

I hope this can begin a time, other govt. agencies, can feel safe, to more openly note, how they can be accountable, as how they may be a part of the Big Belly project.

As this Big Belly project, and its possible tech., will be affecting all of us.

Although sometimes, a bit long winded, all of my writings, should be giving yourselves, some ideas and clues,

how you are already working well, and where you are not.

Learn to write back, where you feel, I am ' on the right track ', or where I may be off.

sincerely,
blair beekman

From: bob tom

Sent: Wednesday, May 23, 2018 11:45 AM

Subject: a letter from Blair Beekman. Wednesday May 23, 2018. _____ To begin to bridge, the communication process, for the Big Belly project. Part 2.

I have bcc'd, all the cc addresses, from part 1, of this letter.

Dear VTA, city of San Jose,

The city of San Jose may have, a beginning new narrative, that says,

'since the Big Belly, is a VTA and SJDA project, and it is VTA property, we wont touch the Big Belly project'.

This may be true, on one level, and this project, has been created and facilitated, by the VTA and SJDA.

But I imagine, the city of San Jose, is a recipient, either passively or actively, of whatever data is collected, from the Big Belly's.

Both in downtown San Jose, and at the Tasman, VTA Transit Center, in north San Jose.

I feel this offers, the city of San Jose, should have some responsibility, on some level, to talk about their part, in the VTA, Big Belly project.

The VTA may be ultimately responsible, for the Big Belly.

And, I may have to work with, the SJDA, the VTA, on a public accountability process, for the downtown Big Belly.

But, the city of San Jose, should perhaps, be starting to better learn, how to offer their own steps,

toward making this sort of program, more open to a public accountability process.

I hope this can be time, of good communication, for all of our sides.

The SJDA, may need some help, from the city of San Jose, in how to develop, a public accountability process, for the downtown Big Belly.

Meanwhile, the SJDA, is probably not involved, with the Big Belly, at the Tasman, VTA Transit Center, in north San Jose.

It will be important at this time, to begin to clear up the responsibilities, of the Big Belly,

between the VTA, the city of San Jose, and govt. agencies, like the Santa Clara County Sheriffs Dept.

sincerely,
blair beekman

p.s.

I am also trying, to take the lessons of minimalism, to heart.

I am assuming, you are trying to be, mostly cautious, in the tech. you choose, for the Big Belly's, at this time.

It would make sense, you would also try to use, a minimal amount of tech., for the Big Belly's, as well.

Please learn to talk about, what could be, a simple, accountability process for tech.

And, not the words, you don't use any tech. at all.

From: bob tom

Sent: Wednesday, May 23, 2018 2:52 PM

Subject: a letter from Blair Beekman-2a.. Wednesday May 23, 2018. _____ To begin to bridge, the communication process, for the Big Belly project. Part 2.

Dear VTA, city of San Jose, others,

To make clear, the last paragraph, of my previous letter.

The SJDA, may need some help, from the city of San Jose, in how to develop, a public accountability process, for the downtown Big Belly.

Meanwhile, the SJDA, is probably not involved, with the Big Belly, at the Tasman, VTA Transit Center, in north San Jose.

It will be important, at this time, to begin to clear up the responsibilities, and to begin, a more open dialogue and process,

between the VTA, the city of San Jose, and govt. agencies, like the Santa Clara County, Sheriffs Dept, about the 2 Big Belly's, at the Tasman VTA Transit Center.

I am assuming, you are beginning to talk, a bit more, between yourselves, at this time.

Please start to learn, how to include myself in this.

sincerely,
blair beekman

From: bob tom

Sent: Thursday, May 24, 2018 4:29 PM

Subject: a letter from Blair Beekman-2a. Thursday May 24, 2018. _____ To continue to develop a narrative, to talk about the VTA Big Belly Project .

Please make this, official version, of my letter sent today.

I have re-edited a bit, and have made the first two more paragraphs, more clear.

Thank you for your patience. -blair

Dear VTA, city of San Jose, SJDA, govt. agencies, and others,

As a state agency, the VTA, is being held, as ultimately responsible, for the Big Belly trash can project, of the south bay,

I would like to again explain, my feelings and ideas, about what can be, the current accountability process, for the Big Belly project.

Please learn to correct where I wrong. This will start to build, a simple, honest, public narrative, for ourselves, and for the community,

that should make for, an overall, more peaceful, democratic, community experience, for all of us.

I have been told, there are a total, of 18 Big Belly trash cans, at VTA Transit Centers, of 4 south bay cities.

It is my guess, the VTA, tries to concentrate its role, with the Big Belly, as a trash can, with its cleanliness and trash compactor features, and energy efficiency purposes.

And from this, there is only, a minimum amount of technology, the VTA has to invest in, worry about, and be accountable for, with this project.

Examples, of what is VTA tech., for the Big Belly, could include, simple Wi-Fi tech., to communicate with the trash compactors.

And perhaps, a few other tech. items, including, larger, more controversial, RF Broadband Station Point Tech., that will simply have to be, more openly talked about, at some point.

I am told, the VTA, has a private consultant, to help in the decision making, with community development, and tech. uses, around the Big Belly.

It is my guess, the VTA, and this consultant, then talk with other, south bay cities, who have the VTA Big Belly's, within their city limits.

And then, each of these south bay cities, decides, if they should buy or use, certain data collection, or law enforcement tech. apps, for the VTA Big Belly, within their own city.

To note, I am being consistently told, by the VTA, I would not find any tech. or funding, for the Big Belly, on any VTA public meeting agendas, of the past few years.

So overall, it is my guess, even as the VTA, may be ultimately responsible, of the Big Belly project, throughout the south bay,

the VTA, may only have something of, a simple, 'caretaker' role, for the Big Belly, at its Transit Centers, in individual cities.

While it may be up to, each individual city, of each Transit Center, to decide, and pay for, the tech., of a Big Belly project.

To also recognize, at this time, the VTA may negotiate, with other govt. agencies, such as the MTC, BART, BAAQMD, BAUASI, NCRIC, the SJDA, and others,

who may also, possibly want to install, their own data collection tech.

All of these individual public policies, should all be culled together, and organized by the VTA, into an overall public accountability policy.

For a better, overall ease, and understanding, by both govt. agencies, and the public.

There may already be, some initial, accountability reports and policies, between the VTA, and other govt. agencies,

But there seems, a lack of understanding. what can be, a good, overall policy model, with clarity, organization, and openness, for both govt. agencies, and the public.

In assuming, there are already rough sketches, about accountability, civil rights, and civil protection issues,

learning to better organize and describe accountability ideas, should not be that difficult.

As a democracy should be, please be prepared, to work with honest advice and criticism,

and how organizational and legal examples, you offer to yourselves, and to the public, can be improved upon.

It seems, if an individual city, deliberates, needs, purchases, uses, or is a recipient, of the data collection, and law enforcement surveillance tech. for the Big Belly, for use within their city, and in knowing the workings of their own cities.

A city should offer, good communication, openness, and a responsibility, to the other agencies, and to the public, in the civil rights, and accountability questions, of this matter.

And, in fact, a city government, needs to be, a bit more concerned, responsible, & accountable,

and carry an extra burden, of other govt agencies, chambers of commerce, etc.

that may also want to use, data collection tech. at the Big Belly's, of certain cities, and make specific deals, with the VTA, at this time.

I am trying to piece together, how you are working at this time.

It may not be fully accurate. But it may start to make clear, what you are doing well, and what you may need to work on.

In what can be, a better overall focus, of what can be, a legal, public process, of the Big Belly project.

Please learn to communicate, with each other, at this time, what is legal, and what is good reasoning.

We are all human, and make mistakes. From this, we can all learn, how to be, more open, clear, organized, and accountable.

From this, please learn, to start to talk to myself, what you are understanding, between each other .

sincerely,

blair beekman

p.s.

The VTA has said they have reached their limit, of 18 Big Belly's, across the south bay.

And have paid for, at least the last six, with Measure A funding.

The VTA is willing to admit, they have paid for, this Big Belly project.

But the people from the VTA, seem to be continually, and clearly stating, to myself

they do not have the money, nor would you find, in VTA public agendas, of the past few years,

the many, data and surveillance tech. apps, available, for the Big Belly smart trash can project

At this point, I am trusting these beginning conversations, I have had with the VTA.

So I feel overall it is time, the city of San Jose, begin to make some overtures, toward a more accountable process.

At the same time, the VTA has to learn how to plan, how to be a bit more cohesive, in how to talk about, their public policy, for the Big Belly project.

I will try to start to learn, the role of the VTA, as a state entity.

And like, the Baltimore, Maryland, or Washington D.C. area, how accountability laws, at a larger, state and federal level, can work at a local level.

And from all of this, we can start to build, a more open, and well reasoned, public accountability policy, together.

(To note, the SJDA, may need some help, to shape their own public policy, for the downtown Big Belly.

In this being a SJDA / VTA project, there still should be, open, responsible, & legal ways, for the city of San Jose, to offer help,

to this chamber of commerce, with a much needed, public policy writing experience.)

From: Terry Trumbull
Sent: Monday, May 21, 2018 5:02 PM
To: The Office of Mayor Sam Liccardo; City Clerk
Cc:
Subject: Support funding for planting and maintenance of trees

Dear Mayor Liccardo and Members of the Council:

As you know, the people of San Jose breathe unhealthy air. The most significant pollutant, ozone, dissolves the tissues of our lungs. The hotter that air becomes, the faster ozone forms from the reaction of other pollutants in the air. As a result, summer has the worst air quality.

It is worth noting that cities are typically 15-20 degrees hotter than the surrounding countryside. The best way to contribute to a more livable city is to plant and maintain trees!

The easiest way to reduce these health effects is to lower the temperature in the city. Nothing does this better than trees. The more trees that we plant and maintain, the lower the temperature, and the less health effects on our residents.

As an important side effect, planting and maintaining trees is an important part of solving our climate change problems.

And if you need another reason, beautiful shaded streets are harmonious with people feeling better about themselves and their lives.

San José is losing an unprecedented number of trees due to natural death, development, lack of watering during the drought, disease, and many illegal removals. In my three block walk to the SJSU campus, there are 20 spots between the sidewalk and the street, where trees used to be.

Our City Forest (OCF) is working day in and day out to address this loss, while helping the City meet multiple goals related to growing and maintaining a healthy tree canopy. Your support of a \$283,000 operating grant increase is essential for OCF to continue this mission on behalf of San José.

The OCF gives a lot more than it contributes by leveraging non-City funds. However, the Trump administration took away \$1,000,000 in federal funds last year from OCF. In addition, 69 full-time service positions (3-year period) because local City support remains almost stagnant.. A similar cut will occur this fall if the increase is not supported, and another 80 positions will be lost that would have been dedicated to growing and caring for San José's urban forest.

OUR CITY FOREST is an essential partner to the City because it:

- 1) Provides core city services that would cost many times more for CSJ to provide directly, and
- 2) Our City Forest raises the majority of the funding to provide a full array of urban forestry services.

An investment in OCF is a wise investment due to the leveraging power of this award-winning partnership.

Our City Forest saves the City money by:

- 1) doing this technical work cost-effectively and professionally using best practices and certified arborists;
- 2) leveraging up to \$1.5 million annually in non-City cash grants;
- 3) leveraging thousands of volunteer hours (in-kind donation)

Urban forestry is expensive, and OCF works hard to keep it as cost effective as it ever could be for San José. The City is wise to increase its investment in this partnership to avoid further loss of federal and state grants which support urban forestry services throughout San José.

I hope you will support the incredibly important role that trees play in making our lives in San Jose more liveable and healthy.

Sincerely,

Terry Trumbull
Professor, Environmental Studies Dept.
San Jose State

From: Manuel Amezcua
Sent: Tuesday, May 22, 2018 4:10 PM
To:
Cc: City Clerk; Morales-Ferrand, Jacky; r
Subject: Thank You Ltr to SJ Mayor - Venture Fund Loan

Mayor Sam Liccardo:

Good afternoon. I have attached a letter from Rose Amador, President and CEO of ConXión, formerly Center for Training and Careers, Inc.

Please contact me at if you have any questions.

Manuel Amezcua
[ConXión to Community](#)

San Jose, California 95122



CONNECTING
HUMAN SERVICES
TO COMMUNITY

Formerly Center for Training and Careers

May 23, 2018

Mayor Sam Liccardo
San Jose City Council Members
San Jose City Hall
200 East Santa Clara Street
San Jose, California 95113

The Honorable Mayor and Council Members:

On behalf of the Board of Directors, Staff and Participants of ConXión, (formerly Center for Training and Careers Inc.), we sincerely thank you for your approval of Consent Item 2.17 Forgiveness of Healthy Neighborhoods Venture Fund Loan at the May 22nd Council meeting.

We are in our forty-first year of successfully serving the community and will continue providing these much needed services. I particularly thank Jacky Morales-Ferrand for her assistance.

I personally invite each and every one of you to visit us and tour our facility and become acquainted with the numerous services we provide all segments of the community. I can be reached at

In community spirit,

Rose Amador Le Beau
President & C.E.O.

c: Jacky Morales-Ferrand



CONNECTING
HUMAN SERVICES
TO COMMUNITY

Our Vision/ Nuestra Visión

We seek to enhance the value each person has in a community that nurtures success and fosters social equity.
Buscamos lograr el valor de cada individuo en una comunidad que nutre el éxito y formenta la justicia social.

Our Mission/Nuestro Objetivo

Opening doors to create new opportunities through culturally competent education, workforce development and social services so collectively we can create a better community.

Abrir puertas y crear oportunidades a través de servicios culturalmente competentes, en education, potencial de trabajos y servicios social, para que en forma colectiva, podamos crear una comunidad mayor

Our Values/Nuestros Principios

Equity/Opportunity/Education/Community/Culture/Advocacy/Leadership
Equidad/Oportunidad/Educación/Comunidad/Cultura/Apoyo/Liderazgo

EDUCATION	BEHAVIORAL HEALTH	CULTURE	YOUTH	WORKFORCE
Escuela Popular Charter School*	Anger Management	Native Voice TV	Comcast Digital Literacy	Steps to Success AB109 Exoffenders
Bi-lingual education for children & adults	Bright Futures* Life Skills & Mentoring	Four Directions Recovery Meeting	Bright Futures* Life Skills & Mentoring	Microsoft Office Suites
English as a Second Language	Celebrating Families!	Día de los Muertos Celebration	Yerba Buena & Overfelt HS	Day Worker Center Transitional Employment
Pre-GED	Violence Reduction Program*	César Chávez Celebration	Juvenile Justice VRP, Ranch Reentry	Job Placement Assistance
GED Preparation	Pro Social Activities for youth	American Indian Heritage Celebration	Youth Mentorship Bright Pathways, NSU Fellowship	Customer Service & ServSafe Certification
Distance Learning	De La Familia Parent Hub	Aztec New Year Celebration	Education Navigator Pregnant/Parenting Youth	OSHA10/30 Certification
College Entrance Assistance	Life's Journey Recovery & Healing Meeting	El Joven Noble & Xinachtli Rites of Passage	Martial Arts Training	Youth Employment Services
Opportunity Youth Academy, High School Diploma program 16-24 yrs old		Cara y Corazon		ÉXITO Microbusiness Entrepreneurial & Mentorship
				RESET: ReEntry Success Education Tools

COMMUNITY IMPACT

UNIDOSUS
AFFILIATE



Celebrating 40 years of Community Services 1977 - 2017

Corporate Partnerships

National Affiliations

Culturally Competent Staff

Certified Staff: Offender Workforce Development Specialist, CPR First Aid, Mental Health First Aid, Celebrating Families!, Leadership Training Academy, Girls Circle, Parent Project, La Cultura Cura, Trauma Informed Systems, Mandated Reporters, Certified Business Advisor, Credentialed Teachers, Certified DV Instructor, Trauma Informed Systems

Languages: English, Spanish, Vietnamese, Tagalog, American Sign

National Affiliations: UnidosUS, Southwest Key, National Resource Center on Domestic Violence, National Retail Federation Foundation, National Center for Construction Education & Research Accredited Training Unit

From: Zelica Rodriguez
Sent: Thursday, May 17, 2018 8:04 PM
To: Chaparro, Isela <Isela.Chaparro@sanjoseca.gov>
Subject: Preference Policy-Support LTR

Hello Isela,

Hope you are well. Will you please share the contact information for the Community & Economic Development Committee so that I may forward this letter? It is in support on an item they will be discussing on Monday, May 21st at 1:30pm.

Thank you!



May 17, 2018

Community and Economic Development Committee
San Jose City Hall
200 E. Santa Clara Street
San Jose CA, 95113

Re: Support for Neighborhood Preference Policy

To Commission Members,

SOMOS Mayfair is a grassroots organization with **over 20 years** of experience supporting low-income families with children in east San Jose. Originally established to address the blight, crime, and lack of community resources, SOMOS has evolved into an organization that complements direct services with community building to uplift community power and fill in the gaps in resources and assets in the neighborhood. As a place-based organization rooted in this historical neighborhood we recognize the shifting demographics and the investment in neighborhood improvement AND value the preservation of community identity and culture.

Mayfair is a neighborhood of **56,545** residents (13,081 households), encompassed between Alum Rock Avenue and highways 680 and 101, just east of Downtown San Jose. Known as the other side of Silicon Valley, Mayfair is one of the five neighborhoods that make up the Eastside in San Jose, which houses a substantial share of Santa Clara County's (SCC) low-income population. In a booming Silicon Valley economy, the disparity between the haves and have nots is growing at an alarming rates, focusing some of our efforts in anti-gentrification and affordability work.

In the past two years SOMOS has launched a neighborhood community action group, Vecinos Activos, that has focused on moving the Quetzal Gardens project forward to address access and affordability. The affordable housing units will serve children and families of Mayfair and the bordering Alum Rock community, which is disproportionately impacted by poverty. SOMOS is collaborating with other grassroots community organizations including Little Portugal Neighborhood Association, Plato Arroyo Neighborhood Association, Mayfair Neighborhood Association, Alum Rock Business Association and the School of Arts and Culture @ MHP, to engage community members in public hearings, planning commission meetings, community forums, and neighborhood association meetings to:

- a. Ensure the development of Quetzal Gardens; a project that is 100% dedicated to affordable housing.
- b. Ensure local residents have access to these affordable units.

- c. Establish a best practice model to be used by other local communities
- d. Support the City of San Jose in championing anti-displacement policies that will protecting our communities for generations to come.

Quetzal Gardens is part of a larger movement for Mayfair in ensuring protected rights, equitable access and affordable AND dignified living in Silicon Valley. As a Mayfair community we would like to offer our best thinking thus far on a neighborhood preference policy that would allow for residents of the neighborhood to directly benefit from new housing developments that include two focus areas: neighborhood preference and displacement preference.

Community leaders have considered preferences based on neighborhood and households that have experienced displacement. They have suggested the **50%** of affordable housing units be designated for community preference in the following ways:

- **FIRST PREFERENCE: Household at a 2 miles radius from the low-income housing construction**
- **SECOND PREFERENCE: Residents who live AND work in San Jose**
- **THIRD PREFERENCE: Residents who live in San Jose**
- **FOURTH PREFERENCE: Residents who have experienced certain types of displacement caused by disasters, Ellis Act evictions, and expiration of affordability restrictions**

Community members have met with Resource Community Development (RCD) to work in partnership and address community concerns. They have been allies and a resource in providing technical assistance and research support to understand the implications and opportunities in a preference policy for the entire City of San Jose. Per their support letter to the Housing and Community Development Commission they have outlined the need for a preference policy that “avoids creating disparate impact.” This support letter for a neighborhood preference policy intends to outline the need for a preference policy that “avoids creating disparate impact” and recognizes the need for communities to benefit from housing development in their backyard to (1) build strong communities and people and (2) preserve great places with equitable access. This means community stability and resilience in the face of displacement pressures and great neighborhoods throughout the city that provide equitable access to all.

For a century, the Mayfair neighborhood has played a critical role for San Jose and the Silicon Valley ecosystem. Generation after generation, Mayfair has been a landing pad for newcomers from across the globe, and has supported the region’s economy. Today, residents are the construction workers, cooks, servers, child care providers, bus drivers, and gardeners that allow Silicon Valley to thrive. Acknowledging our low income communities’ contribution to our social fabric and innovation requires an effective and real solution to the right to remain in their neighborhoods. As investment in and development of the neighborhood grows rapidly, it is critical that existing residents capture the value of those new resources.

We hope to continue to partner with you and lift up the community voice and perspective as you develop language for a San Jose neighborhood preference policy.

Thank you,

Camille Llanes-Fontanilla
Executive Director

Cc:

Councilmember Khamis, Chair
Councilmember Davis, Vice Chair
Councilmember Diep
Councilmember Peralez
Councilmember Rocha

From: Abello, Emmanuel

Sent: Thursday, May 24, 2018 12:07 PM

Subject: Notice of Public Hearing on the Proposed Revision of the LAFCO Fee Schedule and Adoption of Fee Policies

Please see attached Notice of Public Hearing on the Proposed Revision of the LAFCO Fee Schedule and Adoption of Fee Policies.

<http://www.santaclaralafco.org/pdf/FeeRevisionNoticeJune2018StaffReport.pdf>

Thank you.

Emmanuel Abello, LAFCO Clerk

LAFCO of Santa Clara County

The LAFCO Office has moved! Please note the new address.

San Jose, CA 95112

www.santaclaralafco.org

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May 24, 2018

**NOTICE OF PUBLIC HEARING ON THE PROPOSED REVISION OF THE LAFCO
FEE SCHEDULE AND ADOPTION OF FEE POLICIES
Local Agency Formation Commission of Santa Clara County (LAFCO)**

The Local Agency Formation Commission of Santa Clara County will hold a public hearing on Wednesday, June 6, 2018 at 1:15 p.m., or as soon thereafter as the matter can be heard, in the Board Meeting Chambers, County Government Center, 70 West Hedding Street, San Jose, California, to consider:

1. Adoption of proposed revision of the LAFCO Fee Schedule and adoption of Fee Policies

In compliance with Government Code §66016, the staff report for the above-mentioned item is available on file at the LAFCO Office and on the LAFCO website at www.santaclaralafco.org. All interested persons may be present and comment at said time and place or may submit written comments. Written communications should be filed prior to the date of the hearing by email, or mail.

Email: emmanuel.abello@ceo.sccgov.org

Mailing Address: LAFCO of Santa Clara County
777 North First Street, Suite 410
San Jose, CA 95112

777 North First Street, Suite 410 • San Jose, CA 95112 • (408) 993-4713 • www.santaclaralafco.org

COMMISSIONERS: Sequoia Hall, Sergio Jimenez, Rob Rennie, John L. Varela, Mike Wasserman, Susan Vicklund Wilson, Ken Yeager

ALTERNATE COMMISSIONERS: Sylvia Arenas, Cindy Chavez, Yoriko Kishimoto, Russ Melton, Terry Trumbull

EXECUTIVE OFFICER: Neelima Palacherla

LAFCO MEETING: June 6, 2018
TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Analyst
Lakshmi Rajagopalan, Analyst
SUBJECT: PROPOSED REVISION OF FEE SCHEDULE AND ADOPTION OF FEE POLICIES

STAFF RECOMMENDATION

1. Adopt a resolution to revise the LAFCO Fee Schedule, to be effective June 8, 2018. Please see Attachment A for the proposed Fee Schedule and Attachment B for the resolution adopting the fee schedule.
2. Amend the LAFCO Bylaws to include the proposed policies on LAFCO Fees. Please see Attachment C for the proposed policies on LAFCO Fees.

BACKGROUND

Pursuant to Government Code §56383, LAFCO may establish a schedule of fees and service charges for processing applications. The statute requires that the fees and/or service charges shall not exceed the estimated reasonable cost of providing the service.

LAFCO's current Fee Schedule was last comprehensively reviewed and updated in April 2010. At that time, the fees were revised to reflect staff time spent on processing applications and increases in staff hourly rates.

It has been the Commission's informal practice to review its fee schedule every two years and to amend its fees, as necessary, in order to help ensure an appropriate level of cost-recovery. In 2012, the LAFCO Finance Committee directed staff to defer the review of LAFCO's fees to a later date, as staff salaries had not significantly changed. In 2014, the LAFCO Finance Committee also directed staff to defer the review of LAFCO's fees to a later date in order to reflect the upcoming staff costs changes that would result from impending new union agreements. However, since that time, staff has been unable to complete a comprehensive review of LAFCO's Fee Schedule due to competing work priorities.

LAFCO's Finance Committee, at its March 19, 2018 meeting and March 9, 2017 meeting, directed staff to 1.) prioritize the revision of the LAFCO Fee Schedule to reflect current

staff rates, and 2.) develop policies for the Commission's consideration of fee waiver requests, as such requests have cost-recovery implications for LAFCO and implications for LAFCO's funding agencies.

PUBLIC HEARING AND NOTICE OF HEARING

Government Code §66016 stipulates the procedures for adopting / revising LAFCO fees. It requires LAFCO to hold a public hearing on the new / increased fees at a regularly scheduled meeting; requires that a notice of the meeting (with time and place of meeting, general description of the matter and a statement that the staff report is available) be mailed at least 14 days prior to the meeting to any interested parties who file a written request for mailed notice of the meeting on new or increased fees; and requires that a staff report be made available at least 10 days prior to the meeting with information on the estimated costs required to provide the service for which the fee is levied and the anticipated revenue sources to provide the service. It also requires that any Commission action to adopt a new fee or a fee increase be taken only by ordinance or resolution.

The staff report was made available on the LAFCO website on May 24, 2018 and a notice of public hearing was provided indicating its availability.

REVISED LAFCO STAFF HOURLY RATES

As discussed earlier, the current LAFCO Fee Schedule was adopted in April 2010; the current staff hourly rates were based on the projected FY 2011 LAFCO budget and staff salaries.

The proposed hourly rates for the Executive Officer, Analyst and Clerk reflect the projected staff and program costs in the FY 2019 LAFCO Budget. The County Controller's office has prepared a methodology for establishing staff hourly rates for the purpose of calculating fees. The proposed LAFCO staff hourly rates are developed in consultation with and based on the model provided by the County Controller's Office which takes into account the FY 2019 projected staff salaries and benefits, the FY 2018 average annual productive hours for County employees, and the FY 2019 projected indirect costs for the LAFCO program. The proposed rate for the Analyst is a weighted average for the two analyst positions.

The LAFCO Counsel hourly rate is established by contract (Agreement for Legal Services between LAFCO and the law firm of Best Best & Krieger LLP). Per the contract, the LAFCO Counsel hourly rate for FY 2019 is \$280. Per the contract, the hourly rate for special counsel legal services for environmental and natural resources work is \$310.

The County Surveyor hourly rate is established by the County Department of Planning and Development.

The following table depicts the current and proposed hourly rates for LAFCO staff and outside support staff.

Staff Hourly Rates

Staff	Current Hourly Rates Based on FY 2011 Budget	Proposed Hourly Rates Based on FY 2019 Budget
LAFCO Executive Officer	\$182	\$227
LAFCO Analyst	\$164	\$199
LAFCO Clerk	\$116	\$145
LAFCO Counsel	\$219	\$280
County Surveyor	\$125	\$164

LAFCO FEE SCHEDULE

The current LAFCO Fee Schedule includes two types of fees: 1.) Flat fees which reflect the average cost of processing applications; and 2.) Actual cost fees with an initial deposit based on the actual cost of processing individual applications.

Staff is not proposing a change in the existing fee structure. Flat fees will continue to be used for applications where staff time spent is relatively uniform from one application to another. For those applications that require more staff time or where staff time spent on processing the applications can vary from application to application, an initial deposit will be required at the time of application submittal. The final fee will be based on the actual cost of processing the application. If actual costs are less than the initial deposit, LAFCO will refund the difference to the applicant and if processing costs begin to exceed the deposit, additional fees will be required.

Staff has conducted an analysis of the current costs of processing applications in order to get estimates for average staff time spent on various types of applications. The proposed fee revisions to the flat fee and initial deposit amounts are based on this analysis and on the current staff hourly rates.

CITY CONDUCTED ANNEXATION APPLICATIONS: FLAT FEE

Proposed Revision

Increase the processing fee for city-conducted annexations from \$1,154 to \$1,367.

Discussion

The proposed fee for city conducted annexation applications is based on the following staffing costs:

City-Conducted Annexation Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	0.92	\$209
LAFCO Analyst	1.01	\$201
LAFCO Clerk	6.6	\$957
Total:	8.53 hours	\$1,367

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for city conducted annexation applications. The assessment indicates that there is a 5% reduction in the overall estimated staff time spent on these applications since 2010. The proposed increase in the fee is therefore mostly due to an increase in staff hourly rates since 2010.

For city conducted annexations, the County Surveyor's Office charges a fee directly to the city for reviewing the annexation map and legal description and for issuing the Surveyor's Report. And the County Assessor's Office charges a fee directly to the city for issuing the Assessor's Report. These fees are not adopted or collected by LAFCO and are not credited to the LAFCO account.

In Santa Clara County, each city council has the authority to consider and approve annexation of territory within its city's urban service area. Upon approval by the city council, the City forwards the approved annexations to LAFCO for administrative finalization. LAFCO staff reviews the annexation paperwork to ensure that the approved annexation 1.) includes detachments from appropriate special districts; 2.) is consistent with LAFCO policies and state law; and 3.) maps are consistent with the County Surveyor's reports, and the State Board of Equalization (SBE) requirements. Following the review, LAFCO staff prepares a Certificate of Completion and records the annexation. The annexation becomes effective on the date of recordation. LAFCO staff notifies affected agencies and interested parties about the annexation; requests the County Controllers Office for Tax Rate Area assignments; and forwards the information to the SBE for their property tax-boundary changes file which the County Assessor's office eventually uses to prepare the annual tax roll. LAFCO staff also works with the County Planning Office to ensure that the boundaries of special districts and cities maintained in the Geographic Information System (GIS) are accurately updated to reflect the approved annexation.

100% CONSENT LAFCO HEARD CHANGE OF ORGANIZATION APPLICATIONS: FLAT FEE

Proposed Revision

Increase the processing fee from \$5,914 to \$6,218.

Discussion

The proposed fee for 100% consent LAFCO heard change of organization applications is based on the following staffing costs:

100% Consent Application Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	3.85	\$874
LAFCO Analyst	10.18	\$2,026
LAFCO Clerk	13.2	\$1,914
LAFCO Counsel	0.33	\$92
LAFCO Surveyor	8.0	\$1,312
Total	35.56 hours	\$6,218

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for 100% consent applications. The assessment indicates that the estimated staff time spent on 100% consent applications has reduced by 19% since 2010. The reduction in staff time is mainly because the County Surveyors Office has switched from relying on paper maps/records to using GIS for conducting boundaries research and for preparing maps. While LAFCO staff currently prepares a much more detailed staff report compared to the single-page-template style report prepared previously, staff has been able to streamline other processes to gain overall efficiencies and keep staff time / costs down.

The small increase in the proposed fee is therefore due to an increase in staff hourly rates since 2010.

Change of organization means city or district annexations, detachments, consolidations, mergers, dissolutions, incorporations, formations; and reorganization means two or more changes of organization in one proposal. The LAFCO Fee Schedule includes a separate category for incorporations, formations and complex consolidations and dissolutions that require special studies and fiscal analysis.

Change of organization or reorganization applications that have consent from all landowners in the proposal territory typically qualify for a LAFCO process that may not

require a public hearing or notice and/or protest proceedings. Common examples of 100% consent applications include one or two parcel annexations to West Valley Sanitation District or Cupertino Sanitary District. These applications are typically non-controversial and generally qualify for a categorical exemption from CEQA. Most reorganization applications submitted to LAFCO fall under this category and are placed on the Commission's consent calendar.

NON-100% CONSENT LAFCO HEARD CHANGE OF ORGANIZATION APPLICATION: DEPOSIT FEES

Proposed Revision

Increase the initial deposit from \$11,868, to \$12,122 – the total fee will be based on the actual cost of processing each individual application.

Discussion

The proposed initial deposit for a non-100% consent change of organization application is based on the following staffing costs:

Non-100% Consent Application Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	18.83	\$4,274
LAFCO Analyst	12.83	\$2,553
LAFCO Clerk	21.67	\$3,142
LAFCO Counsel	3.0	\$840
LAFCO Surveyor	8.0	\$1,312
Total	64.33 hours	\$12,122 Deposit

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for non-100% consent applications. The assessment indicates that the estimated staff time spent on non-100% consent applications has reduced by 20% since 2010. The reduction in staff time is mainly because the County Surveyor's Office has switched from relying on paper maps/records to using GIS for conducting boundaries research and mapping. Additionally, staff has been able to streamline some processes to gain overall efficiencies and keep staff time / costs down.

The proposed increase to the initial deposit is therefore due to the increase in staff hourly rates since 2010.

LAFCO generally does not receive many non-100% consent change of organization applications. Such applications would typically involve multiple parcels and large land areas, such as annexation of unincorporated rural lands to fire districts, or open space districts. These types of applications are time intensive because they require public hearings, extensive noticing, and protest proceedings. Depending on the size and complexity of the proposal, actual staff time required will vary significantly. The LAFCO Fee Schedule includes a separate category for applications for incorporations, formations and complex consolidations and dissolutions that require special studies and fiscal analysis.

Deposit fees are initial payments towards the actual cost of processing the application. If actual costs are less than the initial deposit, LAFCO will refund the difference to the applicant and if processing costs begin to exceed the deposit, additional fees will be required.

Actual costs include staff time, any consultant fees, special counsel legal services and miscellaneous costs such as noticing, copying etc. If the actual costs are less than the deposit, LAFCO will refund the difference to the applicant. If processing costs begin to exceed the deposit, additional fees are required. Often, these types of applications also require extensive staff assistance prior to receipt of an application. Staff time spent in providing such assistance will be counted towards the deposit.

URBAN SERVICE AREA (USA) AND SPHERE OF INFLUENCE (SOI) AMENDMENT APPLICATIONS: DEPOSIT FEES

Proposed Revision

Increase the initial deposit from \$11,574 to \$13,758 for USA and/or SOI amendment applications; the total fee will be based on the actual cost of processing each individual application.

Discussion

The proposed initial deposit for USA/SOI amendment applications is based on the following staffing costs:

USA / SOI Amendment Application Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	23.83	\$5,409
LAFCO Analyst	17.17	\$3,417
LAFCO Clerk	19.17	\$2,780
LAFCO Counsel	3.0	\$840
LAFCO Surveyor	8.0	\$1,312
Total	77.17 hours	\$13,758 Deposit

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for USA/SOI amendment applications. The assessment indicates that there is a 6% reduction since 2010 in the overall estimated average staff time spent on such applications. The reduction in staff time is mainly because the County Surveyor's Office has switched from relying on paper maps/records to using GIS for conducting boundaries research and mapping.

The proposed increase to the initial deposit amount is primarily due to the increase in staff hourly rates since 2010.

LAFCO reviews USA amendment applications carefully as they are in anticipation of future annexations. These types of applications are time intensive because they require public hearings, extensive noticing, research and analysis, pre-application meetings with the landowners and the city; involve complex policy considerations; and often draw controversy. Depending on the size and complexity of the proposal, actual staff time required will vary significantly from application to application. Deposit fees are initial payments towards the actual cost of processing the application. If actual costs are less than the initial deposit, LAFCO will refund the difference to the applicant and if processing costs begin to exceed the deposit, additional fees will be required.

Actual costs include staff time, any consultant fees, special counsel legal services and miscellaneous costs such as noticing, copying etc. If the actual costs are less than the deposit, LAFCO will refund the difference to the applicant. If processing costs begin to exceed the deposit, additional fees are required. Often, these types of applications also require extensive staff assistance prior to receipt of an application. Staff time spent in providing such assistance will be counted towards the deposit.

OUT OF AGENCY CONTRACT FOR SERVICE (OACS) APPLICATIONS: DEPOSIT FEES

Proposed Revision

Increase the initial deposit from \$9,670 to \$11,912 for OACS applications; the total fee will be based on the actual cost of processing each individual application.

Discussion

The proposed initial deposit for OACS applications is based on the following staffing costs:

OACS Application Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	20.83	\$4,728
LAFCO Analyst	12.17	\$2,422
LAFCO Clerk	18.0	\$2,610
LAFCO Counsel	3.0	\$840
LAFCO Surveyor	8.0	\$1,312
Total	62.0 hours	\$11,912 Deposit

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for OACS amendment applications. The assessment indicates that there is no significant change since 2010 in the overall estimated average staff time spent on such applications.

The proposed increase to the initial deposit amount is primarily due to the increase in staff hourly rates since 2010.

Out of agency contract for service applications are time intensive because they often require facilitation of extensive pre-application discussions between multiple jurisdictions and property owners, public hearings, noticing, research and analysis; involve complex policy considerations; and often draw controversy. Depending on the size and complexity of the proposal, actual staff time required will vary significantly from application to application.

Deposit fees are initial payments towards the actual cost of processing the application. If actual costs are less than the initial deposit, LAFCO will refund the difference to the applicant and if processing costs begin to exceed the deposit, additional fees will be required.

Actual costs include staff time, any consultant fees, special counsel legal services and miscellaneous costs such as noticing, copying etc. If the actual costs are less than the

deposit, LAFCO will refund the difference to the applicant. If processing costs begin to exceed the deposit, additional fees are required. Often, these types of applications also require extensive staff assistance prior to receipt of an application. Staff time spent in providing such assistance will be counted towards the deposit.

CITY INCORPORATIONS, DISTRICT FORMATIONS: DEPOSIT FEES

Proposed Revision

Increase the initial deposit for applications involving city incorporations or disincorporations; special district formations or dissolutions, and consolidations from \$11,481 to \$12,122 (which is the same as the proposed initial deposit for non-100% consent change of organization / reorganization applications). However, the cost of incorporation / formation proceedings will be much higher than the initial deposit. The deposit allows staff to open a file and initiate the determination of petition sufficiency and begin meetings with the proponents to develop a time frame and cost estimates. The total fee will be based on the actual cost of processing the application.

This fee structure also applies to complex consolidation and dissolution applications that require retaining consultants to conduct special studies and fiscal analysis.

Discussion

In August 2007, LAFCO adopted revised Incorporation Policies which include policies that clarify LAFCO's fee structure for processing an incorporation proposal. Per these Policies, the actual costs for processing the incorporation application are the proponent's responsibility. Application costs include consultant costs for preparing the comprehensive fiscal analysis and the environmental review documents, LAFCO staff time, legal counsel costs and other related expenses incurred by LAFCO in the incorporation proceedings.

As necessary, LAFCO will retain consultants for the preparation of the comprehensive fiscal analysis, CEQA analysis/documents, and other studies or reports. Each consultant's total cost will be divided into costs for each sub-task. Prior to commencement of each sub-task, the proponents must make a deposit in the amount of the estimated cost for that sub-task. LAFCO will not authorize the consultant to commence work on the sub-task until the funds are received. At the end of each sub-task a final accounting will be done. Any amounts due must be paid within 30 days. Any refunds will be applied to the subsequent sub-task or refunded. The actual amounts of the deposits will be determined after the consultant contracts are negotiated. Formation / consolidation applications will be subject to similar procedures.

LAFCO staff will provide the applicant/proponents an initial estimate of the costs of the proceedings. The terms of payment will be stated in an agreement to be executed between LAFCO and the applicant/proponents.

MANDATORY PRE-APPLICATION MEETING: DEPOSIT FEES

Proposed Revision

Increase the fee for mandatory pre-application meetings from \$1,562 to \$1,935 to reflect the increase in LAFCO staff hourly rates.

Discussion

The proposed fee for mandatory pre-application meetings is based on the following staffing costs:

Pre-Application Meeting Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	4.0	\$908
LAFCO Analyst	3.0	\$597
LAFCO Clerk	2.0	\$290
LAFCO Counsel	0.5	\$140
Total	9.5 hours	\$1,935 Deposit

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for conducting pre-application meetings. The assessment indicates that there is no change since 2010 in the overall estimated average staff time spent on such applications.

The proposed increase in the fee is primarily due to the increase in staff hourly rates since 2010.

A mandatory pre-application meeting with LAFCO staff is required, preferably prior to seeking signatures on the petition – for applications involving district formations and/or city incorporations. Depending on the size and complexity of the proposal, actual staff time required will vary significantly from application to application. Deposit fees are initial payments towards the actual cost of processing the application. If actual costs are less than the initial deposit, LAFCO will refund the difference to the applicant and if processing costs begin to exceed the deposit, additional fees will be required.

RECONSIDERATION REQUESTS: DEPOSIT FEES

Proposed Revision

Increase the initial deposit for reconsideration requests from \$2,619 to \$5,563; the total fee will be based on the actual cost of processing the application.

Discussion

The proposed fee for reconsideration applications is based on the following staffing costs:

Reconsideration Costs

Staff Involved in Processing	Estimated Average Time Spent (hours)	Staff Costs
LAFCO Executive Officer	13.0	\$2,951
LAFCO Analyst	3.58	\$712
LAFCO Clerk	11.17	\$1,620
LAFCO Counsel	1.0	\$280
Total	28.75 hours	\$5,563 Deposit

In order to better reflect current procedures and current staff roles in processing applications, staff has reviewed and reassessed estimated average staff processing times for reconsideration applications. The assessment indicates that the overall estimated average staff time spent on such applications is nearly double that in 2010 and that staff significantly underestimated the average staff time spent on such applications in 2010.

The proposed increase to the initial deposit amount is due to the increase in staff hourly rates since 2010 and also due to a higher but more accurate estimate of the time required to process such applications.

Requests for reconsiderations require public hearings, noticing, careful review, research and analysis, involve policy considerations; and often draw controversy. Depending on the complexity of the proposal, actual staff time required will vary significantly from application to application. Deposit fees are initial payments towards the actual cost of processing the application. If actual costs are less than the initial deposit, LAFCO will refund the difference to the applicant and if processing costs begin to exceed the deposit, additional fees will be required.

Actual costs include staff time, any consultant fees, special counsel legal services and miscellaneous costs such as noticing, copying etc. If the actual costs are less than the deposit, LAFCO will refund the difference to the applicant. If processing costs begin to exceed the deposit, additional fees are required. Often, these types of applications also require extensive staff assistance prior to receipt of an application. Staff time spent in providing such assistance will be counted towards the deposit.

RESEARCH FEE

Proposed Revision

Increase the hourly fee for staff research from \$173 to \$213 to reflect the increase in staff hourly rates.

Discussion

This fee is for staff time spent in consultation or on research of a specific issue not necessarily associated with above listed applications. The fee is based on average staff costs.

ISLAND ANNEXATION FEES

Proposed Revision

No change proposed, no action necessary.

Discussion

LAFCO adopted Island Annexation Policies in February 2005 in order to encourage cities to annex unincorporated islands. The policies initially provided a 2-year fee waiver for annexations that result in the elimination of entire islands. Since that time, the Commission periodically reviewed and extended the discretionary fee waiver. In October 2009, the Commission amended its Island Annexation Policies to reflect that the ongoing fee waiver for entire island annexations will remain in effect until rescinded by the Commission. Additionally, in 2013, the legislature amended the CKH Act to remove the sunset date and allow streamlined island annexations on a permanent basis.

Since July 2010, LAFCO has processed 11 island annexations and waived **\$12,694** in island annexation fees. Previously, between FY 2006 and FY 2010, LAFCO waived over \$85,000 in island annexation fees.

SERVICE CHARGES

Proposed Revision

Establish the following service charges.

Service	Amount
Copying	\$0.10/side – color \$0.05/side – black and white
Mailing or Shipping	Actual Cost

EFFECTIVE DATE FOR THE NEW FEE SCHEDULE

Staff is proposing that the revised fee schedule become effective on June 8, 2018.

REVENUE COMPARISON

The following table compares the revenues generated under the current fee system with the potential revenues that would be realized if the proposed fee schedule were in place. This estimation is based on average level of application activity over the last five fiscal years (not including the current year activity). As seen in the following table, there is a 13% increase in revenues under the proposed Fee Schedule. It should be noted that the estimated revenues under the current and proposed fees are based on just the "minimum" or initial deposit amounts and not on the "final" or actual cost. Therefore actual revenues generated may differ significantly from this estimation not only because of the difference between the actual costs and initial deposits but also because application activity varies from year to year.

Potential Revenue Generation

Type of Applications	Average # of Applications in last 5 FYs	Current Fees	Average Annual Revenue (estimated)	Proposed Fees	Potential Annual Revenue (estimated)
City Conducted	7	\$1,154	\$8,078	\$1,367	\$9,569
100% Consent	2	\$5,914	\$11,828	\$6,218	\$12,436
Non-100% Consent	1	\$11,868	\$11,868	\$12,122	\$12,122
USA / SOI	3	\$11,574	\$34,722	\$13,758	\$41,274
Out of Agency Contracts	0	\$9,670	\$0	\$11,912	\$0
Reconsiderations	0	\$2,619		\$5,563	\$0
Incorporations/ Formations	0	\$11,481		\$13,758	\$0
Total	13		\$66,496		\$75,401

PROPOSED POLICIES ON LAFCO FEES

LAFCO's current Bylaws do not include policies to guide the Commission's procedures and timelines for establishing, reviewing, and amending the LAFCO Fee Schedule or for considering fee waiver requests.

Over the past few years LAFCO has received and considered various fee waiver requests. LAFCO's Finance Committee, at its March 19, 2018 meeting and at its March 9, 2017 meeting, directed staff to develop policies to help guide the Commission's consideration of such requests, as such requests have cost-recovery implications for LAFCO and implications for LAFCO's funding agencies. Therefore staff has drafted policies (Attachment C) for the Commission's consideration and adoption that clarify the following:

- Commission's procedures and timelines for establishing, reviewing, and amending the LAFCO Fee Schedule in order to help provide for an appropriate level of cost-recovery to the Commission in processing applications
- Commission's collection of application fees in relation to determining whether an application is complete
- Commission's consideration of fee waiver requests, in-light of cost-recovery goals and undue cost burden to LAFCO's funding agencies

NEXT STEPS

After Commission adoption of the resolution establishing the revised Fee Schedule, staff will mail the revised Fee Schedule to the County, Cities and Special Districts in the county and will post the revised Fee Schedule on the LAFCO website.

After Commission adoption of the policies on LAFCO Fees, staff will amend the LAFCO Bylaws to include the new policies and update the LAFCO website accordingly.

ATTACHMENTS

- | | |
|---------------|--|
| Attachment A: | Proposed LAFCO Fee Schedule |
| Attachment B: | Resolution adopting the Revised Fee Schedule |
| Attachment C: | Proposed policies on LAFCO Fees |

PROPOSED LAFCO FEE SCHEDULE

	Type of Application	Fee
1.	City Conducted Annexations	\$1,367 + SBE Fees
2.	100% Consent LAFCO Heard Change of Organizations	\$6,218 + SBE Fees
3.	Deposit Fees ***	
	Non-100% Consent LAFCO Heard Change of Organizations	\$12,122 deposit + Actual Costs + SBE Fees
	Urban Service Area / Sphere of Influence Amendments	\$13,758 deposit + Actual Costs
	Out of Agency Contract for Services	\$11,912 deposit + Actual Costs
	Mandatory Pre-Application Meeting for District Formations/City Incorporations	\$1,935 deposit + Actual Costs
	District Formations, City Incorporations and complex Dissolutions, Consolidations, Mergers	\$12,122 deposit + Actual Costs + SBE fees
	Reconsideration Requests	\$5,563 deposit + Actual Costs
4.	Research Fees	\$213/hour
5.	Service Charges	Copies: \$0.10/page – color \$0.05/page – B/W Mailing/Shipping Actual Cost

All fees/deposits shall be paid at the time of application submittal. The application shall not be deemed complete until the required fees/deposits are received.

When SBE fees are required, a separate check payable to the State Board of Equalization (SBE) must be included with the application packet. The SBE fee is based on acreage; and determined by the SBE Schedule of Fees.

*** Deposit fees are initial payments towards the actual cost of processing applications. Staff time spent on pre-application assistance will be counted towards the deposit. Actual costs include staff time, any consultant fees, special counsel legal services and miscellaneous costs such as noticing, copying etc. If actual costs are less than deposit, LAFCO will refund the difference to the applicant. If processing costs begin to exceed the deposit, additional fees are required. LAFCO approval will be conditional upon final payment within 35 days of LAFCO hearing date.

RESOLUTION NO. 2018-XX

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF SANTA CLARA COUNTY REVISING LAFCO FEE SCHEDULE**

RESOLVED by the Local Agency Formation Commission of Santa Clara County, California, that

WHEREAS, Government Code section 56383 authorizes the Commission to establish a schedule of fees for the cost of proceedings; and

WHEREAS, the schedule of fees shall not exceed the reasonable cost of providing the service for which the fee is charged;

WHEREAS, in compliance with Government Code section 66016, the Executive Officer set June 6, 2018 as the hearing date on the revised fee schedule attached hereto as Attachment A and gave the required notice of hearing; and,

WHEREAS, this Commission called the proposal for public hearing, considered the public testimony and considered the revised fee schedule and the report of the Executive Officer;

NOW THEREFORE, the Local Agency Formation Commission of Santa Clara County does hereby resolve, determine, and order as follows:

SECTION 1:

The proposed revision to the Local Agency Formation Commission fee schedule attached hereto as Attachment A and incorporated herein by reference is hereby approved and is effective June 8, 2018.

PASSED AND ADOPTED by Local Agency Formation Commission of Santa Clara County, State of California, on June 6, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ken Yeager, Chairperson
LAFCO of Santa Clara County

ATTEST:

APPROVED AS TO FORM:

Emmanuel Abello, LAFCO Clerk

Malathy Subramanian, LAFCO Counsel

FEE POLICIES

- 1) The Commission may establish a schedule of fees and service charges for the processing of applications filed with the Commission, pursuant to Government Code §56383. The schedule of fees and service charges shall not exceed the estimated reasonable cost of providing the service for which the fee is charged.
- 2) The Commission shall regularly review and amend as necessary the schedule of fees and service charges to help ensure an appropriate level of cost-recovery.
- 3) All fees/deposits shall be paid at the time of the application submittal and said application shall not be deemed complete until the required fees/deposits are received.
- 4) In order to achieve reasonable cost-recovery and not place an undue cost burden on its funding agencies (i.e. County, cities, special districts), the Commission will not generally provide fee waivers.
- 5) Consistent with Government Code §56383(d), the Commission may reduce or waive fees if it finds that payment of such fees would be detrimental to the public interest.
- 6) Any request for a fee reduction or waiver must be submitted in writing to the Executive Officer.

May 23, 2018

TO: STATE, CITY AND LOCAL OFFICIALS

NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S REQUEST TO INCREASE RATES FOR THE GREENHOUSE GAS FINANCING COSTS APPLICATION (A.18-05-014)

Summary

On May 15, 2018, Pacific Gas and Electric Company (PG&E) filed its Greenhouse Gas (GHG) Financing Cost Application with the California Public Utilities Commission (CPUC).

The application seeks recovery of \$7.4 million related to the costs of holding greenhouse gas credits for compliance with Assembly Bill 32, the California Global Warming Solutions Act of 2006 in 2018 and 2019.

If the CPUC approves this application, PG&E will recover costs in rates beginning in January 2019.

Background

Assembly Bill 32 is a California law with the goal of reducing greenhouse gas emissions from all sources throughout the state. As part of this bill, the state of California requires PG&E and other California companies with GHG-emitting sources to have enough compliance credits to cover emissions with the goal of offsetting emissions. One compliance credit is required for each ton of greenhouse gas emissions. There are financing costs related to holding these credits for future compliance. The application seeks recovery of those costs.

How will PG&E's application affect me?

Many customers receive bundled electric service from PG&E, meaning they receive electric generation, transmission and distribution services. Based on rates currently in effect, the bill for a typical residential Bundled Non-CARE customer using 500 kWh per month would increase from \$111.59 to \$111.67, or 0.1 percent.

Actual impacts will vary depending on energy usage.

How will PG&E's application affect customers who buy electricity from a third party?

Direct Access (DA) and Community Choice Aggregation (CCA) customers only receive electric transmission and distribution services from PG&E. These customers will not see a rate change as a result of this application.

Departing Load customers do not receive electric generation, transmission or distribution services from PG&E. However, they are required to pay certain charges as required by law or CPUC decision. These customers will not see a rate change as a result of this application.

How do I find out more about PG&E's proposals?

If you have questions about PG&E's filing, please contact PG&E at **1-800-743-5000**. For TTY (Deaf or Hard of Hearing), call **1-800-652-4712**. Para más detalles llame al **1-800-660-6789** • 詳情請致電 **1-800-893-9555**. If you would like a copy of PG&E's filing and exhibits, please write to PG&E at the address below:

Pacific Gas and Electric Company
GHG Financing Costs Application (A.18-05-014)
P.O. Box 7442
San Francisco, CA 94120

A copy of PG&E's filing and exhibits is also available for review at the CPUC's Central Files Office by appointment only. For more information, contact aljcentralfilesid@cpuc.ca.gov or **1-415-703-2045**. PG&E's application (without exhibits) is available on the CPUC's website at www.cpuc.ca.gov.

CPUC process

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are formal parties in the case can participate.

After considering all proposals and evidence presented during the hearings, the assigned Judge will issue a proposed decision which may adopt PG&E's proposal, modify it or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multidisciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call **1-415-703-1584**, email ora@cpuc.ca.gov or visit ORA's website at <http://www.cpuc.ca.gov/ora>.

Stay informed

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at <http://subscribecpuc.cpuc.ca.gov/>. If you would like to learn how you can participate in the proceeding, have informal comments about the application or have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at <http://consumers.cpuc.ca.gov/pao/>.

You may also contact the PAO as follows:

Email: public.advisor@cpuc.ca.gov

Mail: CPUC

Public Advisor's Office

505 Van Ness Avenue

San Francisco, CA 94102

Call: **1-866-849-8390** (toll-free) or **1-415-703-2074**

TTY: **1-866-836-7825** (toll-free) or **1-415-703-5282**

If you are contacting the CPUC, please include the application number (GHG Financing Costs Application; A.18-05-014). All comments will become public record and will be circulated to the Commissioners, the assigned Judge and appropriate CPUC staff.

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SAN FRANCISCO CITY CLERK
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