

Agenda Report

DATE: May 21, 2001

TO: CITY COUNCIL
THROUGH: LEGISLATIVE POLICY COMMITTEE

FROM: CYNTHIA J. KURTZ, CITY MANAGER

**SUBJECT: SUPPORT FOR THE LEAGUE OF CALIFORNIA CITIES
GRASSROOTS NETWORK**

RECOMMENDATION:

It is recommended that City Council authorize the City's designated League voting delegate to cast the city's ballot in support of the Grassroots Coordinator Network.

BACKGROUND:

The Grassroots Network proposal originated with the City Managers Department and was more fully developed by a task force appointed by the League Board of Directors as part of its strategic planning process. It responds to the deep frustration of many local officials about the cities' loss of political clout, compared with other, better-positioned interest groups that contribute millions of dollars to campaigns.

The Grassroots Coordinator Network would consist of ten field offices staffed by fourteen new and three existing staff who would serve as grassroots coordinators. Their job would be to work with city officials and the regional divisions of the League to aggressively promote key League legislative priorities with legislators, district staff, local media and other supporting community groups.

The concept of establishing local field offices is used very successfully by political campaigns, as well as by teachers, labor and other statewide membership organizations. These groups find that a network of field offices is a well-tested means to communicate with a dispersed membership, and to mobilize local support for the organization's causes. A recent survey by researchers at Wake Forest University found that key congressional staff, as well as government and public affairs executives, ranked grassroots activities as more effective in influencing the outcome of legislation than corporate or contract lobbying, campaign contributions or advocacy advertising. California's powerful education lobby also recently launched a new, high profile and well-funded grassroots organization called EdVoice.

Grassroots Network

May 21, 2001

Page 2

The goal of the Grassroots Network is to focus on major issues of concern to all cities, such as fiscal reform, increased funding for transportation and local control. Cities will benefit from the increased visibility of city issues in local and statewide media, and by holding legislators accountable back home for the votes they cast in Sacramento.

The potential payback for this investment is significant. For example, on a statewide basis the proposed \$1.6 million dues increase needed to pay for the network is equivalent of only 0.04% of the annual \$3.8 million cities receive in sales and use taxes. It is 0.01% of the \$1.57 billion cities receive each year in VLF revenues. Portions of both VLF and sales and use tax revenues are at risk from legislative raids if the state suffers another recession.

The costs are also relatively small when compared to the expenditures made by organizations that compete with cities and the League of the allocation of dollars in Sacramento. For example, the 1999-2000 legislative session just two of the statewide public employee unions that sponsored or lobbied for SB402 (the binding arbitration bill) reported spending about \$3.1 million in campaign contributions to legislators, candidates for statewide office or current statewide office holders, in addition to their expenditures for in-house or contract lobbying.

The ten field offices would be located around the state to ensure that coordinators are available to serve each of the League's 16 geographic divisions, while still balancing the need to maintain close contact with legislative districts and to be accessible to all cities. A map of the distribution by region is attached.

The estimated annualized cost is \$1.6 million. Costs would be distributed among all cities based upon the League's dues structure, which is based on population. Median dues statewide are currently about \$4,930. The Network would increase median dues by approximately \$2,588.

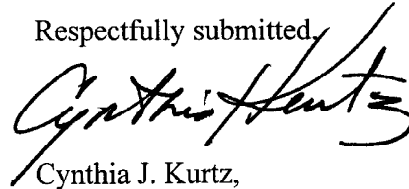
Cities are now being asked to vote to approve additions to the League's bylaws to establish the Grassroots Network and an increased dues schedule. Ballots must be returned not later than July 6, 2001.

FISCAL IMPACT:

Pasadena's current annual dues for the League of California Cities are \$14,392. Approval of the Grassroots Network would increase Pasadena's dues by \$7,858 for a new annual dues rate of \$22,826 effective July 1, 2001. The increased amount has been included in the City Manager's recommended budget for FY2002.

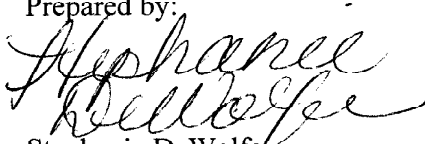
Grassroots Network
May 21, 2001
Page 3

Respectfully submitted,



Cynthia J. Kurtz,
City Manager

Prepared by:



Stephanie DeWolfe
Assistant to the City Manager