ATTACHMENT B

# CITY OF PASADENA, CALIFORNIA
# 2020 State Legislative Platform

## Part I - Guiding Principles

1) **Preserve Local Funding**
The City supports the protection of existing state and local funding sources and the authorities that provide revenues to the City of Pasadena. Such areas include the protection of state-shared revenues, assets of the former redevelopment agency, development impact fees, and the ability to collect compensation for the use of the public right-of-way or city-owned facilities. The City opposes any new mandates that are unfunded and/or inadequately funded.

2) **Preserve Local Authority**
The City supports local decision-making authority and opposes preemption of local control. Cities are voluntarily created by the residents of a community to provide local self-government and to make decisions at a local level to best meet the needs of the community. Each community has unique needs and characteristics that are best met by policies set by its local governing body. Recently, several pieces of high-profile legislation have been introduced which serve the purpose of superseding local discretion and land use controls generally established to maintain the immediate community's quality of life standards. Statewide efforts to remove the ability to set policy at the local level should be opposed, while promoting legislation that allows flexibility in the City's effort to cost-effectively meet energy goals and mandates.

## Part II - Legislative Priorities

### Abatement of Nuisance Liquor Stores
Several nuisance liquor stores in the City have been cited for illegal activities including selling alcohol and tobacco products to minors. With the passage of SB 148 (Scott) a process exists to commence the elimination of nuisance liquor stores and the associated impacts from the affected communities. The City continues to request our legislators initiate legislation that would provide local government with more control over the abatement of nuisance liquor stores.

### Density Bonus Law
The City supports changes to the current State Density Bonus law that will restore local control. These changes should allow cities to maximize their ability to protect local quality of life and retain the unique character of their communities. The City supports special consideration in meeting the State Density Bonus law for cities like Pasadena that have consistently invested in affordable housing projects/programs. Cities that have achieved appropriate housing goals, demonstrated commitments to affordable housing, complied

with zoning requirements, incentivized transit-oriented development, etc. should not be penalized by the imposition of State law, which diminishes local authority. The City supports compliant cities being granted relief and/or flexibility in response to the State Density Bonus law with greater regulatory attention focused on non-compliant jurisdictions to address their affordable housing needs. The City supports efforts that help municipalities maintain local control for reasonable development standards of accessory dwelling units. The City also supports measures that give municipalities more opportunities to provide input in the development of the Regional Housing Needs Assessment (RHNA).

## Communication and Technology

In 2006, California enacted legislation that shifted franchising of video service providers from the local to the state level. While the legislation largely preserved local governments' ability to regulate placement of telecommunications infrastructure in the public rights-of-way, cities lost control in several other areas of telecommunications regulation. In addition, states other than California have adopted legislation that prohibits cities from providing telecommunications services. The City opposes any legislation that would further diminish the City's ability to make future decisions to offer telecommunication services directly.

The City opposes legislative and regulatory efforts to curb the ability of local governments to charge telecommunication providers fair and reasonable compensation for the use and maintenance of public rights-of-way and attaching equipment to City owned property. The City opposes any intrusion into local permitting and zoning laws with respect to siting of telecommunications and wireless facilities.

The City supports legislation clarifying regulation of video service providers to preserve: Public Educational & Government (PEG) funding and channels; cities' rights to collect and audit franchise fee payments; local regulation of placement of telecommunications and wireless infrastructure in the public rights-of-way; and local government input in the state franchising process.

## Workers Compensation

Recent improvements to the workers' compensation system were the result of many individual efforts seeking to resolve specific issues. The system needs additional work to continue to move toward fair and equitable programs.

The City supports legislation that would control medical and legal costs. The City opposes legislation that would repeal the recent workers compensation reforms, or that would exempt public safety employees from those reforms.

## Employee Compensation and Terms of Employment

The City supports local control over employment decisions not already preempted by State law. Each year the legislature introduces numerous bills, which have the effect of eroding local control over employment, including such things as compensation and benefits, collective bargaining agreements, and employee rights and privileges. Inasmuch as each city is unique, it is important to maintain local control over the discretionary nuances of employment that are not already regulated by State or federal law or regulation. The City

opposes legislation that would preempt local control over employment, compensation and benefits, collective bargaining and employee rights and privileges. More specifically, the City opposes any bill to establish citizen compensation commissions or committees, or such compensation commissions or committees of combined membership with private citizens and any other persons or entities, when said commission or committee is charged with regulating local decision making with regard to compensation of local officials or employees.

The City also opposes any bill that would limit local control over determining its own pension plans, pension financing, or the right to contract with the State Public Employment Retirement System for appropriate pension formulae and benefits available under State law. The City will continue to be proactive in tracking changes to the recently passed pension reform bill to protect and enhance the positive aspects of the recent changes and to ensure the maximum flexibility in local decision making for the City and its employees.

**Minimum Wage**

The City finds that income inequality is a substantial economic and social issue facing Pasadena. When employees do not receive a sufficient wage for their labor, the community and taxpayers bear associated costs in the form of increased demand for taxpayer-funded services, including emergency medical services, homeless shelters, and other social services and community-based services. Therefore, the City has an interest in promoting an employment environment in Pasadena that protects government resources while promoting the health, safety and welfare of workers by ensuring they receive a reasonable wage for the work they perform. The City has taken a position to support a minimum wage that is more aggressive than the State.

The City supports legislation that would provide funding and support to cities that established a minimum wage different from the State-mandated minimum wage, in regards to enforcement and wage theft.

Additionally an unintended consequence of having a minimum wage different from the State-mandated wage relates to reimbursements from State funds. For example, non-profits who received State funds will only be reimbursed for hours worked at the State-mandated minimum rate and not at the higher minimum wage set by the City of Pasadena. The City would support legislation that allows for State to reimburse labor at the minimum wage required by the city in which the work is performed.

## Support for Affordable Housing

The City has implemented an aggressive and creative program to maximize the use of resources for the creation of housing for low and moderate-income individuals and families, including the implementation of an effective citywide inclusionary housing ordinance.

The City supports legislation that would provide additional resources for the development of affordable housing programs and/or expand code enforcement programs to protect existing housing stock. The City supports legislation that would require municipalities to

provide assistance to homeless individuals that reside within their jurisdictions either directly or through the financial support of homeless service agencies that provide services within or directly adjacent to their jurisdictions. The City supports legislation reforming the California Environmental Quality Act ("CEQA") to make development of affordable housing less costly and faster while minimizing legal exposure. The City opposes new regulations that would create cumbersome processes or other obstacles to the provision of homeless services, as well as any new legislation that would abridge or limit local regulatory mechanisms designed to increase affordable housing production (e.g., inclusionary housing programs). The City supports the creation of funding opportunities to assist municipalities in providing creative and permanent supportive housing solutions for the homeless.

## Expanded Health Coverage

In Pasadena, an estimated one out of every four residents does not have adequate health coverage. Some are uninsured children who are eligible, but not enrolled in available programs. Many are working poor whose employers do not provide insurance or have reduced their coverage due to increasing health care costs. People who are uninsured and underinsured face significant barriers in obtaining needed health services, often leading to needless death, disability, and increased costs of care. Social, economic, racial and ethnic factors also contribute to significant health disparities. To address these issues, the City supports legislation to improve health coverage in a comprehensive manner provided adequate funding and cost controls are in place. Expansion in health insurance programs would also help to reduce the burden of unreimbursed care provided by local emergency services, which has led to a crisis in the emergency medical system in Los Angeles County.

The City supports enhancement to state sponsored health care mechanisms consistent with the set of principles approved in October 2009 by the Pasadena City Council to guide comprehensive health care reform:

- Reduce long-term growth of health care costs for families, individuals, businesses and government;
- Retain coverage for behavioral health services (mental health and substance abuse treatment);
- Protect families from bankruptcy or debt because of health care costs;
- Guarantee choice of doctors, hospitals and health plans and the choice of a private or public health care plan;
- Invest in prevention and wellness;
- Improve patient safety and quality of care for all Americans;
- Maintain coverage when someone changes or loses a job;
- Assure affordable, quality health coverage for all Americans;
- End barriers to coverage for people with pre-existing medical conditions;
- Eliminate fraud, waste, and abuse in government health programs;
- Hold insurance and drug companies accountable by ensuring that people are not overcharged for prescription drugs, or discriminated against for pre-existing conditions;

- Support public hospitals and other providers in the health care safety net so that those who fall through the cracks of expanded health coverage may still receive care, and so that surge capacity is available in case of public health emergencies; and so that the cultural competencies achieved by providers serving diverse populations are preserved and enhanced in a reformed health care system.

The City also encourages the state government to provide resources to strengthen the existing public health infrastructure by: 1) helping to address the growing number of uninsured individuals without access to care; 2) developing effective and coordinated community mitigation, preparedness, and response systems for bioterrorism, emergence of new infectious disease threats and other public health emergencies, and 3) assisting with the reduction of health disparities, examination of environmental influences on health and wellness, and expansion of substance abuse recovery programs.

## Protection of Children Against Sexual Predators

Although the Police Department continues to monitor registered sex offenders, not all released offenders comply with registration requirements. The failure of offenders to register places an additional strain on Police Department resources due to the resultant need for investigations and the issuance of warrants.

The City supports legislation to increase periods of incarceration for people who commit sex crimes against children, as well as additional law enforcement tools to track sex registrants after they are released from prison.

## Incorporate the Region's Needs in Emerging Climate Change and Sustainability Programs

As Climate Change legislation is being developed and implemented the City of Pasadena supports legislation that provides funding for infrastructure needed to support Transit Oriented Development (TOD). Support efforts to encourage smart growth and TOD that preserve the authority of local agencies. Support initiatives that promote demand management and other greenhouse gas reduction strategies. Support legislative efforts which advocate for the connection between sustainable community strategies and funding for the projects and programs needed to support increased non-auto travel. SB 743, enacted September 2013, eliminated auto delay (in the form of Level of Service) as an environmental impact under the California Environmental Quality Act (CEQA) and charged the Governor's Office of Planning and Research (OPR) with determining an alternative methodology for analyzing transportation impacts for infill and TOD projects. OPR has proposed the use of vehicle-miles of travel (VMT) per capita as the replacement metric. The City supports the use of VMT per capita for analyzing transportation impacts under CEQA.

## Group Homes

The City supports legislation that would provide increased oversight by the State and/or reduce the potential for over-concentration of group homes within a defined geographic area. The City also supports neighborhoods and has concerns regarding residential care facilities that serve as "sober living" homes. Since federal law classifies recovering drug

and substance abusers as handicapped and allows unrestricted location of group homes for the handicapped, local governments have little control over the placement of these sober living facilities in their communities. While the City does not oppose the presence of residential group homes in Pasadena, we believe that, like any other home or business, we should have some say over their placement within the community.

## Inverse Condemnation Law Clarification

The City supports an implementation law to give public entities guidance on the types of "public improvements" that are considered subject to inverse condemnation laws, rather than just traditional rights of action under the Government Claims Act. More specifically, trees should not be considered a public improvement as to do so would have the potential of eliminating the urban forest. In addition, regarding Pasadena's electric and water infrastructure, the City believes that inverse condemnation law and strict liability should not be applied if its locally owned utility adheres to current safety and operational standards.

## Public Safety

The City of Pasadena's Police and Fire Departments and City Prosecutor's Office are dedicated to excellence as critical and effective public safety agencies. The City supports legislation and funding to improve the safety, security, and quality of life for all Pasadena residents, businesses and visitors. Specifically, the City supports legislation that aims to:

- Ensure public safety through the assistance and rehabilitation of individuals challenged with mental illness and/or substance abuse, and resources for these efforts to increase awareness, public education and training opportunities.

- Enhance state and regional initiatives to address homelessness, as well as grant programs that provide direct funding to cities to implement local strategies.

- Prevent and reduce crime by assisting and providing supportive services for individuals in need, and holding those accountable for crimes committed.

- Support legislation and funding to reduce and prevent gun violence, crimes, drug use, and gang violence, and to promote public outreach and intervention programs.

- Encourage disaster preparedness and emergency planning, including funding opportunities for emergency operations centers, training facilities, backup generators, fire safety equipment and maintenance inspections, vegetation management, and increased staffing needs.

## Sales and Use Tax

Strongly supports legislation to allow local governments to collect sales taxes on remote sales, such as online and catalogue purchases based on the delivery address. California alone loses over $4 billion annually in uncollected sales and use taxes on remote sales.

## Solid Waste Resource Management

The City of Pasadena is committed to waste reduction and Extended Producer Responsibility (EPR), which is an important strategy for redesigning problematic waste products and packaging. This approach would also reduce the financial and environmental burdens placed on local jurisdictions for managing these products at end of life by shifting these responsibilities to the product manufacturers.

As such, the City adopted an EPR Resolution in 2010 and also included expanding product stewardship efforts and extended producer responsibility as a key initiative in the City's Zero Waste Strategic Plan, which outlines the City's path to achieving Zero Waste by the year 2040 through 19 waste reduction strategies. California has set a statewide goal of a 75 percent reduction in organics disposed by 2025, which is driving the City's solid waste management plan for the next several years.

Additionally, in November 2018, China implemented a Green Sword Policy that drastically lowered the contamination level of accepted items and eliminated the import of mixed plastics and unsorted paper. These changes have affected the entire recycling market and have forced recycling programs to change to meet market demands.

- Public Education: To minimize recycling contamination levels, educate the public about packaging materials currently accepted in municipal curbside recycling programs and encourage them to verify resin codes on plastic materials before recycling.

- Standardization of Recycling Labeling: The City will support legislation at the state and federal levels aimed at standardizing the resin code labeling on plastic packaging to make it easier to locate on the item and easier for the consumer to read. It is necessary for the labeling to be easily read by using a sufficient text size and locating the resin code in a standard location on the item. This will facilitate the proper sorting of plastics by consumers and processors and minimize contamination levels of recycled material.

- Product and disposal bans: The City will support legislation aimed at reducing disposable products and packaging, including product and disposal bans for environmentally problematic materials. Legislation that does not overly burden municipalities with data capture, reporting and enforcement and which does include reasonable phase out periods is ideal.

- Extended Producer Responsibility (EPR) Initiatives: Support EPR initiatives to place a shared responsibility for end-of-life product management on the producers, and all entities involved in the product chain, instead of passing costs along to the general public or municipalities. Initiatives should encourage product design changes that minimize a negative impact on human health and the environment at every stage of the product's lifecycle.

- Recycling and Organics Infrastructure Development: Seek County, State and Federal funding and permitting support to help to facilitate local and regional organics processing capacity.

## Part III - Funding Priorities

### Metro Gold Line Foothill Extension: Azusa to Montclair

The third phase of the Gold Line that will extend the line from the City of Azusa to the City of Montclair and should continue to relieve congestion in the area and provide a greater modal choice for residents in the San Gabriel Valley. The City supports funding and/or legislation that would expedite this completion.

### SR 710 North Study

In 2018, Caltrans released the final EIR/EIS for the SR710 North Project identifying the TSM/TDM alternative. Subsequent to this, in 2019, Governor Newsom signed into law SB7 and AB29, which set the foundation for the 710 corridor, south of California to be relinquished to the City of Pasadena. The City's supports the following for the SR710 North Corridor:

- Removal of the portions of SR-710 from I-210 to I-10 from the State Highway System;

- Relinquishment and removal of the SR710 North freeway stub in Pasadena between the I-210 and California Boulevard;

- Restoration of Pasadena Avenue and St. John Avenue south of California to the south City Limit to conditions equivalent to those existing prior to modifications made by Caltrans; and

- Renovation of the North Stub to rebuild Pasadena Avenue as a major boulevard and complete street to provide for local mobility and regional connectivity in the SR710 North corridor to reconnect neighborhoods and provide opportunities for development in line with the City's General Plan Guiding Principles.

### Pasadena Transit

Pasadena Transit is one of the largest locally funded fixed route transit systems in Los Angeles County. This bus system connects 1.6 million annual trips to the regional transit network and is an essential transportation option allowing Pasadena to achieve its mobility goal of being a city where people can circulate without a car. As a locally funded transit agency in Los Angeles County, Pasadena is precluded by state statute from directly receiving most state and federal transit funds. The options for access to state and federal

funding, either formula or grant based, are extremely limited and the few that are available are met with significant competition.

An increase in the opportunities to apply for state or federal grant funding is needed in order to maintain, at a minimum, the current fleet size in a state of good repair. In particular, the City is supportive of grant funding for transit facilities and zero-emission buses. Critical to maintaining a state of good repair is a dedicated transit maintenance and operations facility, which Pasadena currently lacks.

## Utility

The City is supportive state level funding for investments in water and energy infrastructure that may have immediate and long lasting impacts on both the environment and the economy. This includes investments in recycled water infrastructure, water quality treatment plants, storm water management systems, power plant emissions retrofits, replacements of old inefficient generators with ultra-low emissions high efficiency generators, construction of transmission lines to access renewable resources, smart grid implementation, energy storage and electric vehicle charging infrastructure.

**Sunset Reservoir Improvements**

Sunset Reservoirs #1 and #2 were constructed in 1888 and 1900, respectively, and are in need of major repairs and seismic upgrades. Collectively, they store 15.4 million gallons of water and are critical to the City's water system. Preliminary design work on this project began in FY 2019. The estimated total project cost is $25-$30 million.

**Groundwater Contamination in Pasadena Sub-Area**

The groundwater in the Pasadena sub-area served by Sunset wells is contaminated by perchlorate. Efforts are underway to understand the source of the problem and determine legal responsibility. PWP has constructed and is operating a treatment plant to address the known contaminants in the plume. The treatment requirements and cost recovery will continue to evolve.

**Arroyo Seco Pump-back Project**

The County of Los Angeles Department of Public Works ("LACPW") initiated a sediment removal project that will restore reservoir capacity behind Devil's Gate Dam. LACPW is also proposing a related storm water capture project that would include a new pipeline and pumping system to pump storm water held behind the dam up to the PWP owned-and-operated Arroyo Seco spreading basins for local recharge. Percolation of storm water would improve groundwater conditions for the benefit of several communities in San Gabriel Valley. LACPW is seeking State approval to transfer a grant approved for a similar but withdrawn project and reassign it to the Pump-back project. PWP is highly supportive of this project, which would take two to three years to construct at a cost range of $3 to $5 million dollars.

**Non-Potable Water**

The Water and Power Department plans to enhance the City's local water supply reliability by developing non-potable water projects, which will provide approximately 10 percent of the City's water demand by delivering non-potable water for landscape irrigation and industrial uses in the future.

**Arroyo Seco Canyon Project**

Events related to the 2009 Station Fire in the Angeles National Forest caused significant damage to PWP's water diversion facilities in the Arroyo Seco Canyon area. Repairs and upgrades to the stream intake structure and spreading basins are needed to allow capturing of stormwater run-off from nearby mountains that will filter into the aquifer and can be accessed during the summer months. These improvements will ultimately restore Pasadena's ability to utilize its long-standing surface water rights. It is anticipated the improvements will result in an average increase in recharge to the groundwater basin of about 1,000 acre-feet per year. Pumping this local groundwater, rather than purchasing imported water is projected to save about $480,000 annually would also revitalize a portion of the Arroyo Seco stream, improve ecosystem health, and enhance the experience for recreational users.

Due to recent litigation focused on the project's stream diversion plan the Arroyo Seco Canyon Project is currently delayed. The City is in the initial phase of the Environmental Impact Report process and will analyze the project. Certification of this document will allow the water supply element of the project to proceed.

Complying with the detailed level of questions, studies, and analysis for securing the regulatory permits and approvals necessary for grant funding, particularly the US Fish and Wildlife Service and the California Department of Fish and Wildlife, has been challenging and threatens approval of grant funding for the non-potable project and meeting grant timelines for the Arroyo Seco project.

## Public Health Services

As one of three cities in the state with its own public health department, the City provides core public health functions including infectious disease surveillance and control, community health assessment and planning, health promotion and policy development, direct clinical services, and environmental health protection and enforcement activities. The nationally accredited Pasadena Public Health Department also serves as a health strategy catalyst, serving as a backbone for collective impact at the local and regional level. The Public Health Department plays a critical role in identifying and responding to outbreaks of disease and other threats to the public's health, including threats from a bioterrorist incident or other emergency. The City supports continued promotion and community education on the value of immunizations as a method of communicable disease prevention. Additionally, the City supports expanded opportunities for funding to address chronic disease prevention and treatment for conditions such as heart disease, diabetes, asthma, and other preventable health conditions.

The City supports any funding that strengthens core public health capacities in all relevant areas and opposes any cuts to funding. The City also supports the practice of designating the award of specific funds directly to local health jurisdictions, rather than through county distribution processes. The City supports continued state funding to local health department jurisdictions in support of preparedness, response, and recovery activities in the event of an infectious disease outbreak, epidemic or pandemic, or natural and manmade disasters. The City supports funding opportunities for mental health resources and substance abuse prevention and treatment. In addition, the City supports funding for city-based collective impact initiatives to improve outcomes for child health, wellness, and educational outcomes. Specifically, these efforts include preventing or mitigating the effects of Adverse Childhood Experiences (ACEs), reducing racial disparities in infant mortality and maternal perinatal outcomes, or improving the rates of kindergarten readiness among pre-school age children.

## Soundwalls

The process for prioritizing soundwall projects needs to be changed to allow the flexibility to address areas of greatest community concern and highest decibel reading. In 1998, the responsibility for soundwall projects was transferred from Caltrans to the Metropolitan Transportation Authority (Metro). Metro changed the prioritization criteria to focus on high occupancy vehicle (HOV) related projects first, which exhausted all available funding. Projects of community concern, frequently with higher decibel readings, will not qualify for funding for an unknown number of years. The City would like to see legislation to amend the priority criteria for soundwalls to address areas of community concern.

## City Parks

Pasadena adopted a citywide Park Master Plan that identified a need for parkland across the city as well as acquiring open space. There are 24 parks in the City of Pasadena. There are multiple unfunded park projects in the City's Capital Improvement Budget. These projects include implementing park master plans for our regional, community and neighborhood parks. In addition, the City is also home to the Arroyo Seco. The Arroyo Seco is on the western edge of the City of Pasadena and extends eight miles through the City. This segment is a part of a longer 22-mile corridor that makes up the entire Arroyo Seco, a major tributary of the Los Angeles River. It is the City's largest natural open space and physically described as a deeply cut canyon linking the San Gabriel Mountains to the Los Angeles River. Pasadena supports legislation that directs state bond funds to assist with the completion of park projects and the acquisition of additional parkland and open space.

### Rim of the Valley

The City supports the National Park Service proposal to protect additional lands and habitats in the area by adding the "Rim of the Valley" corridor to the existing Santa Monica Mountains National Recreation Area, with the understanding that the proposal retains existing local land use and regulatory authorities, fire prevention policies, water rights, and utility infrastructure systems.

## Public Libraries

The City of Pasadena supports continued funding for California's public libraries including funding to support adult literacy, early child development, and CLSA (California Library Services Act) funds that directly fund California's Cooperative Library Systems located throughout the state, which provide low cost regional continuing education, materials delivery to borrowing libraries, support to local libraries, and negotiated vendor rates. Maintaining funding at this very basic level ensures no further reduction in IMLS (federal) funding, but does not provide adequate support levels for either the California State Library or public libraries. Municipal and other local funding entities are called upon to make up the losses incurred by this budget reduction. In addition, the City of Pasadena supports the California Library Association Legislative Priorities that include: support for other efforts to lower the voter approval threshold for local library bond measures and special taxes to 55% (could especially benefit Pasadena Library's historic buildings); State Budget funding for additional high speed, high capacity, broadband access for all public libraries in California; funding and resources for compassionate and practical solutions for individuals using libraries that are experiencing homelessness and /or mental illness; support for funding for early learning programs and services; and library afterschool programs.

## Affordable Housing

The City of Pasadena supports the creation of a permanent source of State funding for affordable housing to replace the housing funds lost through the dissolution of Redevelopment. The City will maintain due diligence by tracking and analyzing potential impacts from any proposed redevelopment legislation.

## Human Services and Recreation

The City's Human Services and Recreation Department sponsors a variety of programs for some of the City's neediest neighborhoods and families. It also serves as the primary liaison to the Pasadena Unified School District. Working in tandem with other City departments, some important state actions to support include increased resources for:

- After-school and childcare programs.
- Programs that improve recreational opportunities in the community, including those that recognize the impacts of strict water conservation measures on recreational facilities
- Parks, recreation, health and fitness programs.
- Gang-related initiatives and anti-bullying measures.
- Capital improvements to aging parks and recreation facilities, as well as state funding opportunities for facility operations and maintenance costs.
- Support measures that maintain and strengthen funding for workforce development initiatives that provide innovative work and school-based programs.

## Part IV - Energy and Water Priorities

### Electricity Markets

The City of Pasadena supports energy and regional transmission market design that results in the use of the lowest cost resource on a real-time basis and effectively integrates renewable resources, while maintaining system reliability. Pasadena opposes a regionalized electric grid that does not provide real benefits to consumers, unduly burdens California consumers, or has a governance structure that marginalizes or underrepresents California's interests. The western regional transmission market should fairly allocate transmission costs to avoid exposing California consumers to billions of dollars in costs for new transmission built outside of California, and have a fair carbon policy and carbon tracking to avoid increasing carbon emissions by allowing out of state coal to displace cleaner natural gas resources.

### Environment

The City seeks to increase its role in promoting environmental stewardship and urban sustainability through activities such as the endorsement of the United Nations Green Cities Declaration, the U.S. Conference of Mayors Climate Protection Agreement, and the adoption of the Urban Environmental Accords Action Plan.

The City supports legislation that: 1) improves the availability of renewable energy; 2) increases energy efficiency; 3) reduces greenhouse gas emissions; 4) reduces waste to landfills; 5) reduces the use of non-renewable resources in the manufacture of products; 6) supports green buildings and advances urban planning while protecting wildlife habitats; 7) improves opportunities for environmentally beneficial jobs; 8) enhances parks and recreational opportunities; 9) increases the urban forest canopy; 10) increases affordable public transit; 11) supports cleaner emissions from vehicles; 12) improves air quality; 13) ensures and conserves safe drinking water, and 14) supports sustainable urban watershed and wastewater planning and implementation. The City also supports renewable energy derived from sustainable resources such as wind, geothermal (steam), landfill gas (methane produced from decomposing waste), solar, and hydroelectric facilities that can be cost-effectively procured for residents and businesses.

The City supports air quality legislation that may include strategies to mitigate emissions as well as port operations, which reduce air pollution as well as relieve traffic congestion. This is best demonstrated through Pasadena's use of alternative fuel vehicles for the city transit service and the recognition that more State attention should be focused on the ports and the movement of goods.

#### Hydraulic Fracturing

Pasadena supports responsible and transparent requirements for hydraulic fracturing to ensure that such processes continue in a safe and environmentally responsible manner that considers public health, the water supply, and the environment. Pasadena supports and acknowledges the critical role that natural gas plays in the economic and reliable integration of renewable energy generation and the displacement of higher-emitting generating resources.

## Greenhouse Gas Reduction

The City fully embraces greenhouse gas ("GHG") reduction and has adopted an aggressive goal to reduce greenhouse gas emissions 75% from 1990 levels by 2030, for Pasadena Water and Power, its municipal electric utility. Achieving this goal through a combination of aggressive energy efficiency, decreasing use of existing coal commitments while increasing renewable resources, and retrofitting aging resources with modern technology will impose a considerable burden on Pasadena's electric ratepayers.

The City believes that statewide policy should take a holistic/integrated approach to achieving GHG reductions and focus on overall GHG reduction goals in lieu of the current "piecemeal" approach of individual resource-specific mandates like the current Renewable Portfolio Standard ("RPS") targets. An integrated approach to achieving GHG reductions is the most direct way to impact climate change. Goals include:

- Investment in energy efficiency to reduce energy use and consequently reduce GHG emissions.
- Adoption of electric vehicles and supporting infrastructure to reduce vehicle emissions, which continue to be the largest contributor to GHG emissions.
- Modernizing the existing generation fleet, which will reduce fuel use and emissions, while improving reliability.

This integrated approach to GHG reductions would result in a more cost-effective path to a low carbon electric energy sector that maintains reliability, integrates renewable resources, and provides economic and air quality benefits in communities across the State of California.

The City opposes GHG emissions reduction legislation that would add financial risk, create regulatory uncertainty, impact participation in the Cap and Trade Program, penalize early voluntary action, or reduce the allocation of Low Carbon Fuel Standard credits.

### Cap and Trade

The City supports the policy of administratively providing free emission allowances to retail electric utilities in proportion to their expected future emissions and to recognize potential impacts to the utility sector from transportation electrification initiatives. The City advocates for legislation that decreases the burden of cap and trade regulations with meaningful cost containment strategies, or that minimizes the duplicative burden of state and federal regulations on California consumers. The City further advocates for efforts to consolidate, coordinate, and streamline associated data reporting.

The City supports cap-and-trade market designs that:

- Acknowledge renewable resources as zero- carbon resources that should not bear any greenhouse gas compliance burden.

- Allocate allowances that help mitigate impacts to Pasadena's community-ratepayers while providing incentives for utilities to move to lower GHG emission portfolios.
- Provide flexible compliance mechanisms such as banking and borrowing of allowances.
- Allocate funds generated from cap-and-trade markets to GHG reduction-related activities instead of identifying as a revenue source for California's General Fund.
- Support increasing participation under the cap and trade program to include multiple sectors of the economy, and multiple jurisdictions; foreign and domestic.

**Distributed Generation**

The City believes that Distributed Generation ("DG") should be included in its renewable portfolio. When classified as a RPS Portfolio Content Category ("PCC") 3 resource, DG is an undervalued resource. Additionally, in order to continue fostering the growth of DG – particularly solar, it is important that DG customers share in the costs of maintaining safe and reliable grid operation. Net Energy Metering policies and "Feed-In" tariffs should be designed to reflect operating costs to ensure that those that benefit from the grid contribute to its buildout and maintenance.

The City supports legislation and regulations that provide local control and support for:

- Equitable rate design and tariffs.
- Balance of state and local policy implementation and ratepayer equity.
- Cost-effective storage integration.
- Cost-effective zero carbon distributed generation and cogeneration projects, standards, permitting and local regulatory requirements for connecting resources to the local distribution system.
- Ratepayer protections from deceptive or misleading sales practices by third-party leasing companies.

**Energy Efficiency and Demand Reduction**

The City believes that energy efficiency and demand reduction programs provide significant energy savings and peak demand reduction. The City supports funding opportunities and incentives for the evaluation and initiation of new cost-effective demand reduction programs to offset residential and commercial energy use and costs.

**Renewable Portfolio Standard**

The City of Pasadena supports California's goal of achieving 60% RPS by 2030, but cautions against continued increases in RPS requirements at the expense of electric reliability. RPS procurement requirements should not limit procurement choices and must also consider the unique circumstances, existing commitments, and customer needs of each utility. As SB 100 (de Leon 2018) is implemented and as increasingly aggressive RPS legislation is considered, the City strongly supports legislation that improves procurement flexibility, limits stranded investments and minimizes over-procurement of energy.

Through long-standing, strategic, integrated planning processes, the City has maintained sufficient long-term energy supply resources to meet forecasted retail energy demands and reserve obligations through 2027. As the requirement for renewables increases, fully-resourced utilities like Pasadena Water and Power could be forced to "dump" energy purchased or generated from resources financed with tax-exempt municipal bonds, or strand publicly-financed assets.

The City supports:

- Broader strategies for compliance and considerations for market and operational challenges so that RPS legislation can meet intended environmental goals, protect ratepayers from unnecessary economic impacts, and provide fully-resourced utilities an alternative to opting out of RPS compliance.
- Including all renewable distributed generation as PCC-1 resources considering California's increasingly aggressive RPS climate.
- Valuing California's renewable resources above out-of-state renewables under state RPS laws. Accessing a broader renewable market is the best and most cost-effective way for utilities to meet California's ambitious mandates.

The City opposes:

- RPS legislation that extends California Energy Commission ("CEC") jurisdiction over Publicly Owned Utilities ("POU"). Local elected governing bodies, such as the City Council, are best positioned to determine the appropriate means for local utilities to achieve GHG reductions.
- RPS or GHG reduction targets that would adversely impact electric reliability, including any prohibitions on using natural gas-fired generation as necessary to mitigate electric transmission and distribution system constraints. Targets must be practical to so that utilities are able to protect both ratepayer funds and public safety while encouraging environmental protection.
- Specific RPS targets or carve outs for specific technologies, and encourages elimination of PCCs as increases to RPS targets are contemplated in order to maximize available resources and efficiencies.

## Utility Operations

### Cyber and Physical Security

Pasadena supports a risk based approach to prioritizing assets that need to be protected, and opposes mandatory compliance with "one size fits all" security regulations that circumvent local control of City assets. The City supports the development of standard guidelines and best business practices to reduce vulnerabilities in cyber and physical security, and utility industrial control systems.

### Regulatory Reporting

Pasadena has a history of conservation efforts through the use of electronic correspondence and regulatory reporting. The City supports efforts to eliminate unnecessary and duplicative reporting requirements, and streamline regulatory reporting and data submittals to multiple state regulatory agencies, while still ensuring meaningful public transparency.

**Green Job Training**

The City is committed to energy efficiency and environmental quality and constantly explores opportunities to integrate green skills and certifications into existing traditional utility jobs. In collaboration with Pasadena Water and Power, the City enthusiastically promotes career pathway programs and job training for green industries, including smart grid and solar industries.

## Water Financing

The City supports the use of statewide bonds as a sustainable option to manage California water resources that support regional and local priorities.

**Low- Income Water Rate Assistance**

Water service is a critical "lifeline" service and affordability is a central element to water access. When costs make water unaffordable, it can pose serious health and safety issues. The City supports locally administered low-income water rate assistance programs, and legislation that would enable public agencies, at their discretion, to develop and implement lifeline water rates for low-income households.

**Proposition 218 Reform**

The City supports Proposition 218 reform efforts to enhance the ability of public water agencies to finance storm water and recycled water infrastructure, provide flexibility for the establishment of conservation-based tiered rate structures, and allow public agencies - at their discretion, to implement lifeline water rates for low-income households.

In 1996, California voters approved Proposition 218 ("Prop 218"), which added Article XIII D to the California Constitution. Section 6 of the Article requires that water rates for any class of water users be proportionate to the cost of providing that service. The City believes public water agencies should be accountable for the revenues they generate through rate setting, and that revenues should be commensurate with the costs of providing service, but the strict proportionality and other provisions of Proposition 218 constrain the ability of local water agencies to finance recycled water and storm water infrastructure through typical, ratepayer-funded infrastructure financing methods. This issue is compounded, both by environmental regulations under the Clean Water Act that make it increasingly necessary to capture and manage storm water, and California's historic drought requiring utilization of all available water sources.

**Public Goods Charge/Water Tax**

The City opposes efforts to mandate a state water public goods charge unless funds remain within the local community, while it supports the creation of an appropriate source of State funding (e.g. the General Fund) for sensible and long-term solutions to address statewide water needs.

The City also supports beneficiary pays methodologies to prevent taxes or fees, particularly those imposed on Pasadena's community-ratepayers, to fund infrastructure improvements or the costs of other water-related policies.

## Water Infrastructure

### Delta Conveyance

The City supports Delta Conveyance enhancement, as part of a comprehensive approach for making California's water supply reliable and sustainable. This includes updating the State's aging infrastructure to transport at least 6,000 cubic-feet-per-second of water for the State Water Project, promoting the effective management of water supply, and respecting the protective measures of the Delta ecosystem. The City supports state and federal funding for water ecosystem projects that are cost-effective. Direct beneficiaries and "cost causers" should share in the funding of infrastructure projects that provide long-term benefits to California and its inhabitants.

### Protection of the State Water Project

The State Water Project ("Project") is the primary drinking water source for more than 18 million Southern Californians. Sixty-one percent of Pasadena's water supply is imported from the Metropolitan Water District of Southern California ("MWD"), which is dependent on the Project. The City supports funding opportunities and legislation that will improve the Project.

### Reservoir Rehabilitation

The City identified its reservoir facilities as being vulnerable to seismic damage in the event of an earthquake occurring in the Sierra Madre fault system. Funding will be sought for the rehabilitation these reservoir facilities which will increase the water system's reliability and water quality.

## Water Resources

Pasadena supports local control and determination of water resource selection priorities consistent with reliability, water quality, and sustainability objectives. Pasadena opposes legislation and regulations that mandate specific selection criteria or priorities for water resource selection. The City is developing its Water System and Resources Plan, which will establish priorities for managing Pasadena's local and imported water resources.

### Conservation and Water Use Efficiency

The City of Pasadena supports statewide policies and funding that maximize efficient water use and reduce water waste in California while reflecting local conditions, demand hardening, and historic conservation efforts. Pasadena supports a long-term conservation framework that recognizes California's climate diversity, past investments by water suppliers, and is based on an integrated water management approach including projects that both improve water supply reliability and reduce water demands. Pasadena opposes legislation and regulations that mandate specific water conservation targets or mechanisms that do not take these factors into account. The City also supports water use efficiency requirements being applied proportionally across all water-use sectors.

**Drought**
The City believes state and federal tax incentives should encourage customer participation in drought relief efforts. Through the Water and Power Department, the City promotes the use of drought- tolerant landscaping and supports state funding for turf replacement programs. Short-term emergency conservation regulations should be based on current regional hydrologic conditions and the actual needs of the water management system.

**Environmental Planning**
The City supports administrative or legislative action to streamline permitting processes, and improve the clarity and workability of CEQA. Specifically, efforts to streamline provisions that would result in meaningful reform.

**Greywater**
The City supports expanding the utilization of greywater as an alternative to potable water for irrigation and landscaping purposes. Fundamental to this expansion are standards for commercial and residential greywater systems developed with the concurrent goals of protecting public health and water quality.

**Groundwater and Surface Water**
The City supports legislation and regulation that promote responsible groundwater and surface water management while recognizing existing water rights:

- Land use policies that preserve and protect groundwater recharge basins.
- Increased use of storm water and recycled water for the recharge of groundwater basins in a manner that does not degrade groundwater quality.
- Science-based policies that protect groundwater basins from contamination.

**Integrated Regional Water Management Plan ("IRWMP")**
The City supports the IRWMP as a regional planning effort that will address water supply and water quality needs and objectives by integrating strategies and projects that may include water conservation and recycling, desalination, conjunctive use, flood management, storm water and urban runoff quality, wastewater quality, habitat restoration and protection, wetland enhancement and creation, recreation, open space, sustainable urban watershed, and other water resources management initiatives.

**Recycled Water**
The City supports legislation, regulatory policy, and funding to encourage and support California's use of recycled water as an alternative water supply. The City promotes recycled water as a resource rather than a waste and supports funding opportunities for the implementation and construction of a recycled water distribution system. Pasadena opposes legislation and regulations that mandate targets or use of specific recycled water sources.

**Recycled Water for Direct Potable Reuse**

The City promotes consolidation and simplification of water recycling statutes and supports the development of uniform water recycling criteria for direct potable reuse.

**Safe Drinking Water**

Regulations on safe drinking water are becoming increasingly stringent on local jurisdictions associated with water departments, and on local and regional water districts. The City supports funding opportunities for contaminated groundwater treatment facilities in order to comply with water quality regulations. The City also supports legislation that revises water quality testing standards based on scientific data as well as legislative and regulatory activities that will help ensure a fair and balanced compliance and enforcement structure for potable and related water discharges.

**Water-Energy Nexus**

The City recognizes the interdependence of water and power – that water deliveries depend on sustainable electric power, while power assets rely on sustainable water deliveries. Therefore, development of water-energy initiatives are supported and encouraged:

- Policies that recognize and support the significant impact that water conservation, water use efficiency, and water recycling can have in reducing greenhouse gas emissions.
- Federal and state funding for water-energy conservation projects and programs including greenhouse gas reductions (e.g., the Governor's drought package and cap and trade funds);
- Policies that recognize hydropower as a domestic source of climate-friendly renewable energy that also benefits flood control, water supply, air quality, and the economy;
- Energy intensity policies and programs that recognize the need for water utilities to have flexibility in defining supply portfolios that both address local and regional needs, and reliance on diverse water sources to help ensure long-term sustainability.