Pg 259

CC-28

CITY COUNCIL MEETING

AUGUST 4, 1982

City Clerk Reimche presented the following letters of information:

ITEMS OF INFORMATION

a) Letter from Assembly, California Legislature signed by Jim Costa, Richard Lehman, Patrick Johnston regarding displeasure with Adriana Giantu[illegible]'s actions in her refusal to begin work on major transportation projects previously approved by Transportation Commission as part of the 1982 S.T.I.P.

b) Letter from State Senator John Garamendi concerning fiscal decisions made in 1982-83 state budget and funding local governmental services.

c) Release from Mayor, City of Norco requesting opposition to SB 53 which was passed permitting the transfer of property from one city into another without providing an effective method for the de-annexating city to protest.

Neil

For Your Information

Compliments of

ASSEMBLYMAN PATRICK JOHNSTON

26th District

California Legislature

Sacramento Address
Room 2111
State Capitol 95814
Telephone: (916) 445-7558

District Office
1111 Fulton Mall, Suite 914
Fresno, California 93721
Telephone: (209) 264-3078

Assembly
California Legislature

RECEIVED
1982 JUL 23 AM 9:41
ALICE M. REINCHE
CITY CLERK
CITY OF LODI

RECEIVED
JUL 20 1982
Ack'd.....

COMMITTEES
Chairman:
Housing & Community Development

Member:
Agriculture
Governmental Organization
Human Services
Select Committee on Agricultural Fumigants and their Alternatives
Select Committee on Energy Alternatives in Agriculture
Subcommittee on the Medfly Eradication Project

JIM COSTA
ASSEMBLYMAN, THIRTIETH DISTRICT

July 16, 1982

Mr. Michael Evanhoe
Executive Director
California Transportation Commission
1120 N Street
Sacramento, California 95814

Dear Mr. Evanhoe,

We are writing to express our extreme displeasure with the recent actions of Adriana Gianturco in her refusal to begin work on major transportation projects that were previously approved by the Transportation Commission as part of the 1982 S.T.I.P.

These highway projects are vital to providing safe roadways for all Californians. While we do not demean the need to encourage mass transit, the previously approved highway improvement projects should proceed unobstructed by Gianturco's philosophical opposition to freeway construction.

Any delay in commencing construction on these highway projects means that thousands of lives continue to be needlessly endangered. We are confident that the Commission recognizes the dire need to make California's highways as safe as possible and will vote to retain funding for these freeway construction projects in the 1982 S.T.I.P. We look forward to working with you and the Commission toward this end.

Thank you for your consideration and swift action in this regard.

Sincerely,

JIM COSTA
Member of the Assembly
30th District

RICHARD LEHMAN
Member of the Assembly
31st District

PATRICK JOHNSTON
Member of the Assembly
26th District

cc: Governor Edmund G. Brown, Jr.
Adriana Gianturco
Members, California Transportation Commission
Speaker Willie L. Brown, Jr.
President Pro Tempore David Roberti
Senate Transportation Committee Chairman, John Foran
Assembly Transportation Committee Chairman, Bruce Young

Senator John Garamendi
Majority Leader
California State Senate

RECEIVED
1982 JUL 23 AM 8 55
ALICE M. REIMCHE
CITY CLERK
CITY OF LODI

July 13, 1982

The Honorable Fred Reed
Mayor, City of Lodi
221 W. Pine
Lodi, CA 95240

Dear Mayor Reed:

By now you are probably informed about the fiscal decisions which were made in the 1982-83 state budget. As in past years, funding local governmental services was one of the more difficult decisions. No two cities, counties, or special districts are alike, and thus no single formula suits each well.

The allocation problem was compounded this year by the small size of the revenue pot. Negotiating the budget in the Conference Committee was a grueling experience. Massive savings amounting to $400 million in Medi-Cal plus reductions in other programs made it possible to hold local program cuts to a minimum.

You will be receiving from the Department of Finance information on the amount of state support coming to the City of Lodi but you may also be interested in the enclosed printout. These figures compare the losses from state bailout computed according to the various formulas involved. The figure in column 4 approximates the total reduction of state support for Lodi.

Many of you contacted me throughout the spring and summer when budget items were discussed. Your information was helpful and I appreciated receiving your phone calls and letters.

Sincerely,

John Garamendi

JG:mci
Enclosure

State Capitol, Sacramento, California 95814

COMPARISON OF FISCAL RELIEF REDUCTION ALTERNATIVES
Legislative Analyst - June 23, 1982

City/County	(1) AB 8 FORMULA	(2) PER CAPITA FORMULA	(3) NET BAILOUT AMOUNT	(4) LOWER OF (1),(2), OR (3)
BARSTOW	+289,715	+345,804	+147,919	-147,919
BIG BEAR LAKE	+0	+175,490	+0	+0
CHINO	+619,237	+806,719	+553,152	-553,152
COLTON	+349,567	+545,444	+350,975	-349,567
FONTANA	+386,944	+818,196	+523,213	-386,944
GRAND TERRACE	+0	+168,582	-13,728	+0
LOMA LINDA	+97,341	+226,828	+78,854	-78,854
MONTCLAIR	+384,850	+458,594	+365,414	-365,414
NEEDLES	+79,174	+81,498	+61,929	-61,929
ONTARIO	+1,393,781	+1,792,538	+1,722,821	-1,393,781
RANCHO CUCAMONGA	+298,818	+1,183,246	+282,898	-282,898
REDLANDS	+889,878	+877,977	+1,841,838	-877,977
RIALTO	+482,677	+795,953	+442,818	-482,677
SAN BERNARDINO	+1,389,892	+2,375,618	+1,198,814	-1,198,814
UPLAND	+939,661	+952,878	+998,358	-939,661
VICTORVILLE	+0	+292,873	-34,544	+34,544
**********				
SAN DIEGO COUNTY	+1,379,152	+4,825,865	+96,876,573	-1,379,152
CARLSBAD	+1,121,989	+692,893	+1,122,257	-692,893
CHULA VISTA	+1,856,772	+1,642,755	+834,247	-834,247
CORONADO	+616,282	+375,878	+597,179	-375,878
DEL MAR	+119,682	+98,468	+189,995	-98,468
EL CAJON	+819,551	+1,454,771	+653,138	-653,138
ESCONDIDO	+715,695	+1,275,875	+659,283	-659,283
IMPERIAL BEACH	+283,178	+446,841	+217,988	-217,988
LA MESA	+574,884	+978,994	+435,489	-435,489
LEMON GROVE	+148,698	+484,379	+89,236	-89,236
NATIONAL CITY	+413,657	+1,027,683	+233,724	-233,724
OCEANSIDE	+1,444,841	+1,521,343	+1,713,427	-1,444,841
POWAY	+0	+997,872	+0	+0
SAN DIEGO	+12,186,264	+17,275,576	+18,682,578	-18,682,578
SAN MARCOS	+113,492	+347,811	+119,584	-113,492
SANTEE	+0	+1,163,455	+0	+0
VISTA	+439,399	+728,798	+473,471	-439,399
**********				
SAN FRANCISCO COUNTY	+8,288,397	+1,728,879	+154,586,816	-1,728,879
**********				
SAN JOAQUIN COUNTY	+831,816	+983,458	+49,753,287	-831,816
ESCALON	+44,696	+62,467	+37,231	-37,231
LODI	+671,277	+692,278	+521,677	-521,677

CITY of NORCO

CITY HALL 3954 OLD HAMNER • TELEPHONE (714) 735-3900 • P.O. BOX 428, NORCO, CA 91760

July 22, 1982
82 DCD 241

Honorable Mayor and
City Council

SUBJECT: OPPOSITION TO SB 53

Gentlemen:

Recently the Norco City Manager wrote to your City Manager requesting opposition to SB 53. Many cities responded, but unfortunately the bill passed the Assembly Committee and is now ready for Assembly vote in early August, 1982. Therefore, we would appreciate your quick response.

This bill will permit the transfer of property from one city into another without providing an effective method for the deannexating city to protest. The bill is sponsored by development interest and has great support from construction and labor organizations. They are using this bill as a precedent to bring the State into local land use decisions regarding residential development.

Attached are copies of articles that give further insight into this matter. Would you please review this matter with your Council and submit your opposition to the Assemblymen and Senator representing your area.

Sincerely,

Ron Wildfong

RON WILDFONG
Mayor, City of Norco

RSP: pke
Attachments

CITY COUNCIL

RON WILDFONG, Mayor | F. R. "PHIL" JONES, Mayor Pro Tem | NAOMI R. FEAGAN, Councilwoman | LORI GREGG, Councilwoman | STEVE M. NATHAN, Councilman

WESTERN CITY
Editor — Hal Stemmler
Advertising — Toinette O'Brien
Adver. Consultant — Ted McKey
Business Manager — Clark Goecker
Official Publication of the
LEAGUE OF CALIFORNIA CITIES

City Forum

The Business Cycle And Investments In The Future

We have all been raised to accept the traditional "business cycle" as a fact of life in a free economy, and one so predictable that it can almost be planned upon. Directly related to this business cycle is a "legislative cycle" that has also become predictable, but anathema to good government.

Put bluntly: when business is bad, legislators are easy. Government does not wish to appear at fault when the private sector suffers its low cycle, and legislators are willing to do quite a bit to avoid creating such an impression.

This principle has been prominently demonstrated in the housing area, where well-financed developers have used the virtual depression in housing in California to their political advantage, hoping some legislative gains over local control of land use will make the next boom a more profitable one.

Thus, development interests have found an ear for their proposal to limit local rules requiring developers to dedicate land for local parks. Instead of the typical five acres per thousand planned population, the Legislature would allow no more than two and a half. Developers say fewer parks mean more houses for less money. Planners say the money saved would be a tiny percentage of a house's total price, and the cost in standard of living would be serious, if not measurable.

Ordinarily, such a bill would be referred to the Assembly Local Government Committee, where the city interest would be weighed. With a housing depression on, it has been referred instead to the Housing and Community Development Committee and it appears unstoppable, short of a gubernatorial veto.

Another example: a plan to transfer 900 acres from one city to another — over their objections — because the owner claims more housing units will result. And let's not forget last year's "new cities" bill to allow developments completely outside local land use planning, all in the name of the housing crisis.

The state budget itself — a reflection of the seriousness of our current recession — shows how a cyclical business downturn can permanently alter the *structure* of government, as the state usurps traditional local revenue sources for its own immediate use.

Sacrificing the livability of tomorrow's communities to shore up today's corporate balance sheet or state general fund may be a predictable effect of the business cycle on the legislative process — but it is not good government, and it's a poor investment in our future.

SB53 File

Senator Denies Profit Motive on Bill

Montoya Says He Wants More Housing, Not Contributions

By ROBERT FAIRBANKS, *Times Staff Writer*

ACRAMENTO—The author of a controversial bill that would override l[illegible]-zoning laws and benefit an Orange County land development firm said Tuesday that his only goal is to stimulate housing construction.

Sen. Joseph Montoya (D-Whittier) said his measure is aimed at removing "elitist" obstacles to housing construction in Norco in western Riverside County.

The bill, which could change the Norco city boundaries without the city's consent, is opposed by Norco, the League of California Cities and the legislators who represent the Norco area. It is supported by construction trade union groups and public interest law firms, which contend that the proposed development would help ease housing s[illegible]ages for the poor.

[illegible]n't know that I've gotten a peni[illegible] (in campaign contributions) from those guys (the developers)," Montoya declared.

"I would assume they would be grateful and they could contribute, but I'm going down the line because of housing. That's 4,200 units," he added.

Montoya's bill has stirred increasing publicity lately, mostly negative. Not only is the legislation controversial because of its clear special interest, but the land developers who would benefit have an unusual prominence.

The two, Richard Owen and Robert Grant, were central to the 1979 bribery conviction of former Orange County supervisor Ralph A. Diedrich. According to testimony, Diedrich asked for money from Grant's development firm in return for helping to change an Orange County zoning restriction.

The requests were made to Owen—a top employee of Grant—who arranged the roughly $100,000 payoff. Neither Grant nor Owen was charged in the Diedrich case.

Montoya said that he knew nothing of Owen and Grant's background when he agreed to carry the legislation that would help them. "They got access to my door through (lobbyist) John Witzel," Montoya said.

Lobbyist financial reports show that Witzel, who also represents the city of San Diego, received $5,000 from Owen and Grant last year a[illegible] about the time Montoya took up the bill. The two paid Witzel another $5,000 early in 1982.

Meanwhile, Owen and Grant also are paying $5,000 a month to Geyer Associates, a lobbying firm. The firm, which specializes in housing development legislation, is handling

Please see BILL, Page 2

Los Angeles Times

Wednesday, June 16, 1982

BILL: Housing

Continued from First Page

the bill on a day-to-day basis.

The bill would allow Owen and Grant to build 4,000 homes on a 965-acre parcel currently within the city of Norco, with 25% of the dwellings priced for low- to moderate-income buyers. In effect, the measure would change Norco's boundaries, placing the parcel in the neighboring city of Corona.

(The action would require Corona's approval. Owen and Grant have presented their plan to Corona officials, but the officials have not said yet whether they want the development.)

Under current law, Norco—whose laws would prevent the development—could veto such a "deannexation" proceeding. But the bill would abolish the city's veto power.

Bud Plender, Norco director of community development, said Owen and Grant, who were not immediately available for comment, own about 700 acres of the parcel.

Plender said he believes the development, which would include commercial properties, would have an overall value of between $300 million and $400 million. If Owen and Grant took a "conservative" profit of 10%, he said, they stand to make from $30 million to $40 million. A spokesman for the developers said they paid $3,000 per acre and have spent $750,000 on studies.

About 80 acres of the Norco land is owned by the Church of Jesus Christ of Latter-day Saints. Elliott Christensen, an investment manager at church headquarters in Salt Lake City, said church officials estimated that the church land, when developed, would have a value of $70,000 an acre.

Norco officials contend that their city, population 20,000, is unique because of its rural life style and because it encourages the raising of animals. Much of the city is characterized by half-acre lots on which others raise swine, sheep, goats, cows, rabbits and horses.

Although the area is "rural," they said, it is not "elitist." New half-acre lot homes fall well below the market prices in Orange and Los Angeles counties.

The Sacramento Bee

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Editorials

Montoya's Movable Acres

Here's another slippery one. Sen. Joseph Montoya of Whittier is sponsoring legislation, apparently for the benefit of one group of developers, which would allow the transfer of roughly 900 acres from one city in Riverside County to another without the approval of the city in which it is now located.

The affected parcel, now within the city of Norco, is owned by Orange County developers Richard Owen and Robert Grant, who want to have it annexed to the adjacent city of Corona where, it appears, they expect to get better terms for a proposed high-density housing development.

Under existing law, the approval of both cities is required when a parcel of land is transferred from one to be annexed to another. Under Montoya's bill, SB 53, which is scheduled for a hearing before the Assembly Committee on Housing and Community Development next week, the city in which the land is now located would have no choice over the transfer if the majority of the landowners in the affected area ask for the transfer and if certain other conditions are satisfied. Owen and Grant are the only landowners in the affected area.

The backers of SB 53 argue that it's justified because transfer of the Owen-Grant land to the city of Corona will provide more low- and moderate-income housing in the development than the Norco City Council will permit. "I don't think," Owen told a Riverside County newspaper, "they should force their horse community on us. They're afraid they will get forced out of their horse community if they develop." The League of California Cities, which strongly opposes the bill, argues, on the other hand, that the measure interferes with local land-use decision-making and, although it affects only one situation, sets a bad precedent for others.

The league, of course, is correct. If the Legislature wants to encourage low- and moderate-income housing development, there are far better ways to do it. This kind of special interest legislation can only encourage other developers with political muscle to try to coerce municipalities into more favorable planning and zoning decisions with the threat that, if their demands are not met, they, too, will run to the Legislature for a special deal.

A year ago, the governor wisely vetoed another odious piece of legislation drafted to benefit a single influential developer. One hopes that this time the Legislature will save him the trouble. AB 53 is the worst kind of special interest bill. It should be defeated.

Metro Today
The Sacramento Union
Monday, June 14, 1982

Dan Walters

The rules and the game

Most of us are taught from earliest childhood to play the game by the rules, winning or losing as the case might be.

It is unfair, we are told, to change the rules in the middle of the game so as to gain some advantage over one's opponent.

Those homilies notwithstanding, one of the Capitol's more frequent legislative situations involves just that sort of mid-game rule changing.

Walters

Someone loses something, usually money, in some sort of local political or economic duel and then hies himself to Sacramento, cash in hand, to hire a lobbyist, spread around some lucre and gain some advantage over the triumphant foe.

One of my favorite examples occurred a year or so ago when a bunch of junk dealers (they prefer the name "auto dismantlers") got tired of losing out on bids for wrecked cars to persons who wanted to restore the machines. They prevailed upon an assemblyman to carry legislation that, in effect, prohibited the restorers from bidding on the wrecks. The bill was dropped after a little publicity.

Likewise, some garbage collection companies who held contracts from cities and counties and didn't want to jeopardize them through competitive bidding persuaded the politicians to eliminate the bidding requirement in the law. That one made it through the process regardless of publicity.

The most active legislative rule changers have been land developers who have run up against a growing reluctance of local governments to approve their schemes.

The most celebrated case, which surfaced last year, involved Southern California developer Nathan Shapell, who used his position as chairman of a state housing commission to promote legislation that bypassed local government to authorize creation of up to five "new cities."

Not so coincidentally, Shapell had one such project that had run afoul of local opposition in Ventura County.

The new cities bill became the most controversial piece of legislation in the 1981 session and was only killed by a veto from Gov. Brown, who originally had agreed to sign it but knuckled under to press pressure.

That experience has not, of course, soured the appetite of developers and others with financial interests to enhance for rule-changing campaigns in Sacramento.

Take, for instance, a little bill being shuffled through the process by Sen. Joseph Montoya, who represents a district in the east side of Los Angeles.

The Montoya bill, SB53, would allow the Robert H. Grant Co. of Newport Beach to detach nearly 1,000 acres from Norco, a small San Bernardino County city, and reattach the property to an adjacent city, Corona.

Norco has refused to approve Grant's plans for a 4,000-house subdivision on the property. It says that is too dense and would put too much of a strain on its utilities.

Grant hired two veteran lobbyists, John Witzel and Geyer Associates, to "work" the bill, which is currently residing in the Assembly's Housing and Community Development Committee.

When the measure came before the committee for a hearing recently, it was apparent that the lobbyists had done their preparatory spadework well. The somewhat naive representatives of Norco, led by Mayor Ron Wildfong, were berated and baited by committee members who had been prepped by the proponents of the bill.

They were accused of having an elitist, anti-growth attitude. One reporter covering the matter for a San Bernardino newspaper termed it, in print, "a legislative version of gang rape."

The Montoya bill would set aside a long-standing provision of state law that requires the consent of a city before property can be detached from its boundaries. Under the bill, only the owners of the affected property—in this case Grant—would have the decision-making power.

Changing the rules of any game while it's still being played is, of course, an invitation to anarchy. If the game is politics and public policy, it simply means that whoever has the most money and muscle prevails.

Dan Walters is chief of The Union's Capitol bureau.

SACRAMENTO ADDRESS
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SACRAMENTO, CA 95814
(916) 445-8390

DISTRICT ADDRESS
6671 SUNSET BOULEVARD, SUITE 1508
HOLLYWOOD, CA 90028
(213) 464-1178

REPLY TO:
☐ DISTRICT OFFICE
☐ SACRAMENTO OFFICE

STATE SENATOR
DAVID ROBERTI
PRESIDENT PRO TEMPORE

California Legislature

TWENTY-THIRD DISTRICT
LOS ANGELES COUNTY

CHAIRMAN
SENATE RULES
SELECT COMMITTEE ON SMALL BUSINESS ENTERPRISES
COMMITTEES
ELECTIONS AND REAPPORTIONMENT
INSURANCE AND INDEMNITY
JUDICIARY

RECEIVED
1982 JUL 27 AM 11: 1
ALICE M. REIMCHE
CITY CLERK
CITY OF LODI

h-1

July 26, 1982

Ms. Alice M. Reimche, City Clerk
City of Lodi
P.O. Box 320
Lodi, CA 95241

Dear Ms. Reimche:

Thank you for your concern regarding the proposed reductions in state assistance to local agencies.

This year's budget was one of the most difficult problems facing our state. Given our current economic condition, it was not possible to grant any cost-of-living adjustments to state programs or state employees. Additionally, we were forced to reduce post-Proposition 13 assistance to local agencies by $269 million. The Governor's budget proposed a $450 million reduction which would have taken nearly all of local agency revenue growth. The final budget will take slightly more than one half of the growth in local discretionary revenue.

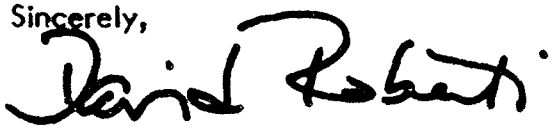
Late in the budget discussions, a proposal was made in the Assembly to run the "Deflator" mechanism which would have wiped out all of the state subventions to local government. The effect would have been "reverse bailout" -- we would take more revenue than provided in Proposition 13 assistance. Additionally, this would have given the state a surplus of over $1 billion. The Senate Leadership took a strong position against allowing the Deflator to operate. Instead, it was our view that a reasonable reduction in state subventions was preferred so long as it did not exceed post-Proposition 13 assistance.

It is important to note that long term Proposition 13 state aid, embodied in the shift of property tax from schools to cities and counties, remains. This is worth $350 million in property taxes to local agencies. The 1982-83 budget did not change this basic policy.

For the first time since World War II, the state is going to spend less money than it did in the prior fiscal year. Our revenue for next year is expected to grow at less than 1%. We are forced to do what local agencies have been doing the last two years -- reduce programs and services. Although there was pressure to end the post-Proposition 13 assistance and finance cost-of-living adjustments for other state priorities, it has been our view that the maintenance of the property tax base is far more important to local finance even though it requires year-to-year reductions in state subventions.

For the long term, we must avoid an annual debate about the amount of reduction in state subventions. Instead, we must begin developing long term changes in our public finance system which will provide maximum local flexibility in the delivery of local services.

Sincerely,



DAVID ROBERTI

DR:shfs