



**FRESNO CHAMBER OF COMMERCE  
GOVERNMENT AFFAIRS COUNCIL**

**MEETING AGENDA  
Tuesday, October 7, 2014  
12:00 p.m.**

**PRESIDING  
Ruth Evans, Chair  
Brian Domingos, Vice Chair**

**Call to Order and Roll Call**

**Approval of Minutes for September 10<sup>th</sup>, 2014**

**New Business**

- 1. Water Conservation Act **INFORMATION**  
Lee Brand, Fresno City Council**
- 2. Repeal of PLA Ban **INFORMATION**  
Nicole Goehring, ABC Northern California**
- 3. Adult School Funding **ACTION**  
Ed Schmalzel, Clovis Adult School – Support  
Opposition TBD**
- 4. Trans-Pacific Partnership Agreement **ACTION**  
Alison MacLeod, KP Public Affairs – Support  
Opposition TBD**
- 5. Propositions on November Ballot **ACTION**  
Staff Report**

**Chair's Report – Ruth Evans**

**Adjourn**



**FRESNO CHAMBER OF COMMERCE  
GOVERNMENT AFFAIRS COUNCIL  
MEETING MINUTES**

**Presiding:  
Ruth Evans, Chair  
Brian Domingos, Vice Chair**

Committee: Government Affairs Council  
Chairperson: Ruth Evans  
Vice-Chair: Brian Domingos  
Meeting Date/Time: September 10, 2014  
Meeting Place: Fresno Chamber of Commerce  
Committee attendees: Bill Avakian, Ruth Evans, Sieg Fischer, Ryan Jacobsen, Victoria Salisch, Larry Fortune, Lorraine Salazar, Brian Domingos, Debbie Hunsaker, John Taylor  
Committee absences: Nick Amendola, Cam Maloy, Al Smith, Austin Ewell, Lydia Zabrycki, Scott Miller  
Staff: Rachel Eslick

**CALL TO ORDER**

- **Ms. Evans called the meeting to order at 12:15 p.m.**
- **Approval of Minutes**  
Larry Fortune made a motion to approve the August 13<sup>th</sup> meeting minutes. The motion was seconded by Lorraine Salazar and passed unanimously.

**NEW BUSINESS**

**1. Clint Olivier – Fresno City Council District 7**

Council Member Clint Olivier addressed the GAC about a project that's in the early stages of development in his district. Smart & Final would like to build a new store on the NE corner of Blackstone and Clinton Avenues on a lot currently housing a closed Chinese restaurant, an abandoned home, and a tire store on a month to month lease. He expects it to generate about \$150,000 in property taxes and \$90,000 in sales tax revenue each year. The grocery store would add about 85 jobs, 15 of them full time, and 100 construction jobs. The developer is still working with the City to try to get the project approved.

*Larry Fortune made a motion to support Smart & Final and Rich Development Enterprises' effort to redevelop the NE corner of Blackstone and Clinton Avenues. Brian Domingos seconded the motion and it passed unanimously.*

**2. Legislative Items**

**i. 2014 Water Bond (Prop 1)**

Details were provided on the Water Bond that recently passed through the California Legislature and was signed by Governor Brown. It'll be on the November ballot at Prop 1.

*Victoria Salisch made a motion to support Prop 1. Debbie Hunsaker seconded the motion and it passed unanimously.*

### **3. Old Business**

#### **Fresno's 2035 General Plan**

Staff presented the comments that came out of three previous GAC workshop meetings on the land use and transportation chapters. Staff developed a list of the top 10 concerns from the business community, including lack of emphasis on job creating, the length and cost of the plan, the absence of a development code, the ambiguous rate of infill versus green field development, the limitation on plan amendments, the discouragement of cul de sacs, the pacing of development, undefined terms like complete neighborhoods and balanced city, full funding of public safety for annexed development, lack on emphasis on preserving high standards for level of service (LOS) as it related to commute times.

Jeff Roberts of Granville Homes, who attended the workshop meetings, offered his own comments on the plan, echoing many of the same concerns but highlighting a couple more too. Al Solis, a consultant and Vice Chair of the Chamber's EARTH committee, said he supports GAC staff recommendations to the plan.

Council Members Clint Olivier and Lee Brand also offered their opinions of the plan thus far.

Victoria Salisch made a motion to submit our comments to the City in a letter, noting we can't complete our commentary until the Development Code is released and vetted. Lorraine Salazar seconded the motion and it passed unanimously.

#### **Bill Tracking Update**

Staff updated the status of the state bills the GAC has taken positions on. Of the 16 bills still alive, the GAC opposes 11. An emphasis will be placed on AB 1897 and AB 32, asking Governor Brown to veto AB 1897 and halt the inclusion of transportation fuels under the cap.

#### **CHAIR'S REPORT**

Ruth Evans thanked members who attended Eggs & Issues with Congressman David Valadao and encouraged attendance at the State of the County Breakfast on Wednesday, September 24<sup>th</sup> at Valdez Hall. She also encouraged more participation in future General Plan and Development Code discussions.

#### **ADJOURNED**

- **Meeting adjourned at 1:36 p.m.**

**Adult School Funding**

**Source** – California Council for Adult Education

**Summary** – California Council for Adult Education is asking Governor Brown to dedicate funds specifically for K-12 Adult Education, instead of funds first going to Community College Districts. The proposed model would allow adult schools to know their funding/operating level and be able to plan for the fiscal year instead of not being guaranteed any funding – which is what would happen if he implements his current plan.

**Background** – Funding for Adult schools has dropped significantly over the past five years. Many schools, like Clovis Adult School, have increased or doubled their prices to stay operational. In 2007-08, when funding was at its highest, there were 37 active adult schools in the Central Valley. Today there are 19. Adult schools are concerned that a lack of access to affordable classes to obtain a GED, etc. will leave the community with more unemployed residents, draining the economy. Governor Brown’s proposed method threatens to close even more adult schools because they aren’t guaranteed a certain amount of money. Adult schools primarily serve adults or high school dropouts with basic reading and math skills and prepare them for technical schools, community college or to get a job. The Clovis Adult School serves about 9,000 students and the Fresno Adult School serves about 11,000 students. Many students are in special education, English as a Second Language or are foster children.

**Support** – Clovis Chamber of Commerce, California Department of Education, Association of California School Administrators, California Teachers Association, California School Association of Business Officials, California Federation of Teachers and California School Employees Association.

**Opposition** – California Department of Finance

**Staff Recommendation** – Support

**Trans Pacific Partnership Agreement**

**Source** – U.S. Chamber of Commerce, Business Roundtable

**Summary** – Trans-Pacific Partnership (TPP) Agreement is a regional trade agreement that the United States is negotiating with 11 other Asia-Pacific countries (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam). Negotiations are ongoing, with a goal of producing a comprehensive and high-standard agreement that supports economic growth and jobs and addresses 21<sup>st</sup> century trade issues. Another goal is to expand the TPP over time to include additional Asia-Pacific countries and eventually cover a region that represents more than half of the global output and over 40% of world trade. The Office of the United

States Trade Representative is leading negotiations for the U.S. and has been consulting with Congress and private sector stakeholders on issues at all stages of negotiations. When an agreement is reached, there's a potential to grown trade even more in a region that's seen significant growth in the last few years. Trade between U.S. and TPP countries increased 46% from 2009-2012, reaching \$1.8 trillion in 2012.

**Background** – The TPP will open new markets for California with five Asia-Pacific countries that are not currently U.S. Free Trade Agreement Partners: Brunei, Japan, Malaysia, New Zealand and Vietnam. These countries represent 249 million people and a combined economy of \$6.4 trillion. California has good trade ties with several of these countries, but there are barriers, including steep tariffs ranging from 5-32%.

Japan is the most lucrative country the U.S. wants to capitalize on with the TPP because its middle class has grown by 2 billion people over the last two decades, and their spending power is greater than ever. Growth is only expected to increase.

Other trade agreements between Asian countries are also ongoing, but leave the U.S. out. The U.S. needs to reach a deal quickly to avoid being cut out of the equation.

**Status** – Negotiations ongoing

**Staff Recommendation** – Support

**NEW BUSINESS**

**ITEM 4**

Government Affairs Council

October 7, 2014

**Propositions on November Ballot**

<b>PROP 1</b>	<b>YES</b>
<b>PROP 2</b>	<b>TBD</b>
<b>PROP 45</b>	<b>NO</b>
<b>PROP 46</b>	<b>NO</b>
<b>PROP 47</b>	<b>TBD</b>
<b>PROP 48</b>	<b>TBD</b>
<b>MEASURE Z</b>	<b>YES</b>

**Proposition 2 – State Budget, Budget Stabilization Account. Legislative Constitutional Amendment.**

**Synopsis** - Requires annual transfer of 1.5% of state general fund revenues to state budget stabilization account. Requires half the revenues be used to repay state debts and unfunded liabilities. Limits use of remaining funds to emergencies or budget deficits. Caps budget stabilization account at 10% of general fund revenues and directs remainder to infrastructure. Currently, the Governor can elect to put money into a reserve account or not and for several recession years, elected not to do so.

**Fiscal Impact** - Long-term state savings from faster payment of existing debts. Different levels of state budget reserves, depending on economy and decisions by elected officials. Some reserves kept by small school districts would be smaller, per a state law that takes effect if Prop 2 passes.

**Support** - Every legislator voted in favor of this plan. It's also supported by Cal Chamber, the Fresno Bee and many other organizations and publications that promote its ability to pay down debt faster and prevent the state from spending more than it can afford.

**Opposition** - The primary organization opposing Prop 2 is Educate Our State, which says school districts should have the right to keep reserves as high as they want in order to prevent deep budget cuts during years state funding is lower. The state says funding is high and will continue to be high as long as the state can manage its spending and debt payments, which can be achieved by this plan.

**Staff Recommendation** – Support

#### **Proposition 47 – Criminal Sentences. Misdemeanor Penalties. Initiative Statute.**

**Synopsis** - Requires misdemeanor sentence instead of felony for certain drug possession offenses and misdemeanor sentence instead of felony for crimes of petty theft, receiving stolen property and forging/writing bad checks when the amount is \$950 or less. Allows felony sentence for the offenses if the person has been previously convicted for crimes such as rape, murder, child molestation or is a registered sex offender. Requires resentencing for persons serving felony sentences for these offenses unless court finds unreasonable public safety risk. Applies savings to mental health and drug treatment programs, K-12 schools and crime victims.

**Fiscal Impact** - Largely unknown based on how sentencing is currently happening county by county. Would place a large burden on courts to deal with resentencing for a couple years, but would save money in the long run. Would reduce the number of inmates and release several thousand inmates immediately from jails and prisons. Parole numbers would spike, temporarily, with thousands of inmates being released at one time. The state's best estimate is a savings in the low hundreds of millions of dollars annually, which would go to Safe Neighborhoods and Schools Fund.

**Support** - Many faith-based organizations support Prop 47. Locally, Bishop Armando Ochoa has spoken out in support of it. Supporters feel it promotes rehabilitation and saves the criminal justice system millions.

**Opposition** – Fresno County Sheriff Margaret Mims, California Police Chief's Association and Fresno's Mike Reynolds (author of Three Strikes law) are among those opposed. They say it's a radical and poorly drafted initiative that will make the streets more unsafe with the release of some 10,000 convicted felons.

**Staff Recommendation** – Oppose

#### **Proposition 48 – Indian Gaming Compacts. Referendum**

**Synopsis** - "Yes" approves and "No" rejects a statute that ratifies tribal gaming compacts between the state and the North Fork Rancheria of Mono Indians and the Wiyot Tribe and omits certain projects related to executing the compacts or amendments to the compacts from scope of the California Environmental Quality Act.

**Fiscal Impact** - Madera County would get between \$16-35 million in a one-time payment from the North Fork tribe to address costs related to the operation of a casino. Each year, the tribe would pay local and state government in Madera County about \$10 million for costs related to the operation of a new casino. Madera County would benefit from economic growth but surrounding areas would likely suffer.

**Support** - Supporters say the project will add jobs, generate local revenues and protects wildlife area (near Eureka). Governor Brown, Tom Wheeler, Chairman of Madera Board of Supervisors, and the State Building & Construction Trades Council of California support Prop 48.

**Opposition** - They argue that this additional casino will result in an oversaturation of casinos and start an avalanche of off-reservation casino projects. Fresno County Supervisor Henry R. Perea, Manuel Cunha of the Nisei Farmers League and other nearby tribes oppose.

**Staff Recommendation** – No position