



**COUNCILMEMBER DAVID ALVAREZ**  
**City of San Diego**  
**Council District Eight**

**MEMORANDUM**

**DATE:** September 23, 2016

**TO:** Mayor Kevin Faulconer

**FROM:** Councilmember David Alvarez

**SUBJECT:** State and Federal Legislative Priorities for Calendar Year 2017

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As you develop the city's 2017 State and Federal legislative priorities package, the following issues are my top priorities. These items are critical to the health of the city in coming years and San Diego must be active in Sacramento and Washington, D.C. to ensure that they are addressed:

1. **Border Infrastructure:** Funding for border infrastructure is a priority for our bi-national region. According to SANDAG, border wait times have cost our region at least \$7 billion in lost revenue and 62,000 jobs. Although we are finally seeing a reduction in wait times at the border, funding for the projects listed below and funding for more staff will help to alleviate the lengthy border wait times.
  - a. **Federal Funding of Otay Mesa Port of Entry Modernization:** The City should pursue federal funding for the Otay Mesa Port of Entry Modernization. Such funding would complete allow for expanded vehicle, commercial vehicle, and pedestrian border crossing. Making the crossing more efficient for commercial vehicles adds to the economic growth of our region and makes the Otay Mesa area more competitive with other bi-national regions. Additionally, the region requires federal funding for local infrastructure impacted by international freight travel.
  - b. **Transportation Funding for Otay Mesa:** The city should pursue federal funding for the La Media Road Capital Improvement Project. This project provides improvements to La Media Road, the sole route to the U.S. Otay Mesa Port. La Media Road provides

access to approximately 3,200 semi-trucks exiting the U.S. to Mexico. Building border infrastructure is vital to the economic growth of our region. Mexico is California's primary export market, and is the U.S.'s third-largest trading partner after Canada and China. San Diego will continue to be committed to building world-class infrastructure to nurture and sustain bi-national trade and support job growth.

2. **Border Banking:** The city is making progress on addressing the border banking issue affecting the residents and businesses along the U.S. Border. The U.S. Government Accountability Office will be conducting a survey in San Ysidro, a community that has seen 50% of its banks closed in the last 3 years. The city should continue to track this issue and work closely with the federal government to ensure our border region has access to banking.
3. **Increase Support for San Diego's Innovation Economy:** A recent study done by CONNECT found that the innovation economy has grown to approximately \$52 billion, which accounts for nearly one-quarter of San Diego's overall economic activity. The average salary in the innovation sector is around \$116,000. CONNECT's report illustrates how the tech and life science sectors are driving the economic future of the region. It is critical that the city seek out available funding to ensure these industries continue to thrive, creating jobs and increasing tax revenue.

Last year, San Diego companies and institutions received federal grant funding totaling: \$936 million from the National Institutes of Health (NIH); \$282 million from the National Science Foundation (NSF); \$67 million from Small Business Innovation Research and Small Business Technology Transfer (SBIR-STTR); and \$41 million from the National Aeronautics and Space Administration (NASA) and the National Oceanic and Atmospheric Administration (NOAA). The city should lobby for a continuation of this federal funding and should seek an increase to existing grants to sustain groundbreaking scientific research and the growth of startups here in San Diego.

4. **Zero Waste Plan Compliance:** The city should pursue support for funding, legislation and regulatory items that would assist in complying with Zero Waste Plan requirements and goals ranging from household hazardous waste to food waste.
5. **Storm Water Regulatory Relief and Water Management:** Maintaining city storm channels is critical to preventing flooding and ensuring residents and property are not harmed during major storms. The city made great strides this year in maintaining channels that were high risk. That work must continue and advocating for storm water regulatory relief with both state and federal agencies is paramount to ensuring that the city continues it's to move forward in providing consistent and ongoing channel maintenance. Below is an outline of specific focus areas for 2017:

#### State

- Support funding, legislative and regulatory opportunities to improve and maintain the city's storm water management programs and facilities for recharge of groundwater basins;

- Support the removal of barriers to local and regional funding for water and storm water projects;
- Support funding opportunities to address the flood risk management and sediment removal responsibilities in the Tijuana River Valley.

### **Federal**

- Advocate to address the flood risk management and sediment removal responsibilities in the Tijuana River Valley;
- Advocate for funding opportunities for IBWC and U.S. Army Corps of Engineers to address the flood risk management and sediment removal responsibilities in the Tijuana River Valley;
- Advocate for funding opportunities with the U.S. Army Corps of Engineers and support funding opportunities to improve the City's storm water management programs.

### **6. Water Reliability and Infrastructure:**

- Potable Reuse Funding and Regulations:** Updating our potable water system to provide a sustainable source of clean drinking water for years to come is a top priority. The Pure Water project will use proven water purification technology and will be environmentally sustainable. It is also cost effective, as it would reduce reliance on imported water and eliminate the need for costly, unnecessary upgrades to the Point Loma Wastewater Treatment Plant. Construction of the project would also reduce flows to the plant and allow the city to meet or exceed the requirements of the current NPDES permit. It is vital that as the city moves forward to invest in a potable reuse system, our elected representatives work closely with state and federal agencies to find funding and avoid any roadblocks to ensure that the work can be undertaken in an expeditious manner. It is critical that the San Diego delegation collectively support this effort.
- Request Additional Funding for Water Infrastructure Finance and Innovation Authority (WIFIA):** The WIFIA program is funded in FY 2017 at \$17 million, pending congressional approval and is expected to also be funded in FY 2018 and FY 2019. Additional funding should be authorized by Congress as the city has projects, including Pure Water that exceed the amount allocated for all five years combined.
- Support Goals of Senator Feinstein's California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act (S. 2533):** This wide ranging legislation is a drought relief measure that provides federal and state water agencies with additional funding and flexibility to deliver water where it is most needed throughout the state. Among other things, it supports various water recycling projects, authorizes another \$200 million for recycling through Title XVI, Funds RIFIA—a new Reclamation loan and loan guarantee program at the full \$200 million, authorizes \$600 million for water storage projects and increases funding for WaterSMART by \$150 billion. The city should actively

support passage of the legislation, as it would enhance the city's eligibility for federal funding for water recycling projects.

- d. Storm Water Capture:** The city, by and large, does not capture rainfall and utilize it for later use, which is a missed opportunity to enhance our local water supplies, particularly during times of drought. As most rainfall flows into our storm water system, it is critical that the city discuss potential state and federal legislation that would incentivize local water agencies and municipalities to invest in a storm water capture system that would enhance local water supplies.
  - e. Expanded Water Rate Tiers:** As extended periods of drought are expected to become more frequent, there has been much discussion regarding local water agencies ability to include additional tiers that would encourage conservation by their customers. Structuring water rates in such a way that would allow customers who conserve to pay a lower rate than customers who waste water. The city should be active in working with the Governor and legislature to explore legislation that would enhance the ability of local water agencies to structure their water rates to encourage conservation.
- 7. Homelessness Funding Opportunities:** The city should support both state and federal legislation that could provide additional federal funding to cities for homeless services and transitional housing For example, last March H.R. 4888: Ending Homelessness Act of 2016 (Waters) was introduced, which would provide \$13.27 billion over five years to housing and services programs with the goal of ending homelessness in America. Although this legislation was referred to committee, future iterations of this bill or similar legislation should be supported if they provide the city with additional resources to reducing the number of homeless individuals throughout San Diego.

Additionally, it is vital that our legislative lobbyists continue to provide metrics showing their work on each task included in the general work plan developed by the city and lobbying firm. I look forward to working together in pursuing the above legislative priorities in 2017.