

AMENDED IN SENATE JUNE 4, 2007
AMENDED IN SENATE APRIL 16, 2007
AMENDED IN SENATE APRIL 9, 2007

SENATE BILL

No. 765

Introduced by Senator Ridley-Thomas
(Principal coauthor: Assembly Member Bass)

February 23, 2007

An act to add and repeal Chapter 12.92 (commencing with Section 7096) of Division 7 of Title 1 of the Government Code, relating to economic development, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 765, as amended, Ridley-Thomas. Economic development: California Partnership for Urban Communities.

Existing law provides for various programs and activities in the development of economic opportunities for businesses in the state.

This bill would, until January 1, 2012, create the California Partnership for Urban Communities in state government, with a specified membership and specified duties with respect to coordinating and improving government efforts for at-risk urban communities, as defined. It would require the partnership to contract with nonprofit entities to administer the program, and to report annually to the Governor and the Legislature on its activities. The bill would appropriate ~~\$1,000,000~~ \$500,000 to the Business, Transportation and Housing Agency for these purposes.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature hereby finds and declares all of
2 the following:

3 (a) California's urban communities and neighborhoods within
4 its largest cities are remarkably diverse in their people, businesses,
5 and cultural heritage, and provide an enormous unrealized potential
6 for development of a skilled, educated, and sustainable workforce.

7 (b) Every California community should have the right to
8 participate in the decisionmaking process on issues that affect it,
9 the opportunity to attain self-sufficiency and independence, and
10 the ability to provide a decent, safe, and supportive living
11 environment for every one of its residents.

12 (c) The state has a very high interest in helping urban
13 communities realize their potential because, among other things,
14 uplifting these communities generates higher tax revenue, lowers
15 social costs, and improves the health of its citizens.

16 (d) The state, among the world's 10 largest economies, needs
17 to enhance its competitiveness by investing in improved education
18 and training of people living in its urban communities to ensure
19 the expansion of the state's intellectual and scientific research
20 capacity, enabling an increased number of engineers, doctors,
21 scientists, teachers, and skilled individuals equipped to meet the
22 challenges of the technologically advanced 21st century.

23 (e) The state has a vested interest in providing the framework
24 from which equality can be attained among the diverse populations
25 in its largest metropolitan areas.

26 (f) Urban communities represent an untapped market for
27 products manufactured in the United States for export abroad and
28 for goods and services produced elsewhere in the state. As the
29 economic potential of urban consumers increases, so will the
30 benefits to other economic segments of our state.

31 (g) The state has an interest in reducing crime, the cost of
32 incarceration, and the loss of lives and property associated with
33 it, and best achieves improvements in these areas by finding
34 answers to these problems that plague urban communities.

35 (h) For every youth averted from incarceration in a facility of
36 the Juvenile Justice Division of the Department of Corrections and
37 Rehabilitation, the state will save between seventy thousand dollars

1 (\$70,000) and one hundred fifty-four thousand dollars (\$154,000)
2 per year in detention and related costs.

3 (i) For every youth prevented from going to prison as an adult,
4 the state will save over thirty-four thousand dollars (\$34,000) per
5 inmate annually in detention costs alone.

6 (j) This state is home to three of the 10 largest cities in the
7 United States, including Los Angeles, which is perhaps the most
8 socioeconomic and ethnically diverse of all.

9 (k) The strength of this state is tied to the economic success of
10 all its urban communities, as well as its rural regions. Improving
11 the economy and well-being of the people in at-risk urban
12 communities requires a concerted, coordinated, and creative
13 response from leaders at all levels of government and from the
14 community.

15 (l) The holistic, comprehensive, multijurisdictional approach
16 demonstrated by the San Joaquin Valley Partnership, created in
17 2005, can be a model for how the state can address the problems
18 in urban communities. The San Joaquin Valley Partnership has
19 demonstrated that a collaborative effort can produce a vision to
20 build a cohesive region that is supported by a vibrant economy
21 sustained by competitive strengths and sufficient resources. The
22 vision was to provide a high quality of life for all valley residents
23 in order to achieve the “3Es” of sustainable growth: a prosperous
24 economy, quality environment, and social equity.

25 (m) Leveraging of public funds through collaborative projects
26 with the private and nonprofit sectors can produce partnerships
27 that result in an overall savings to state and local government while
28 ultimately increasing revenues due to increased employment and
29 a higher standard of living.

30 (n) By supporting public-private partnerships, business,
31 education, and law enforcement entities in at-risk communities,
32 the state ensures a longstanding commitment to economic
33 self-reliance, parity, power, and civil rights.

34 SEC. 2. Chapter 12.92 (commencing with Section 7096) is
35 added to Division 7 of Title 1 of the Government Code, to read:

1 (2) One representative, who will serve at the pleasure of each
2 of the following:

3 (A) The California Economic Strategy Panel, chosen by the
4 chair of the panel.

5 (B) The California Workforce Investment Board, chosen by the
6 chair of the board.

7 (C) The Employment Training Panel, chosen by the chair of the
8 panel.

9 (d) Additionally, for each designated project area, the partnership
10 shall include the following:

11 (1) Two elected local government members, one chosen by the
12 city council with jurisdiction over the designated project area, and
13 one chosen by the county board of supervisors with jurisdiction
14 over the designated project area. The elected local government
15 members appointed under this paragraph shall serve at the pleasure
16 of their appointing entities.

17 (2) Four civic leaders or private sector members, chosen by the
18 city council with jurisdiction over the designated project area. The
19 civic leaders or private sector members appointed under this
20 paragraph shall serve at the pleasure of their appointing entities.

21 (3) Three representatives of existing nonprofit organizations,
22 consortia, civic organizations, or educational institutions, with
23 established ties to, and that have a primary organizational focus
24 on promoting the economic and social advancement of, at-risk
25 urban neighborhoods. Board representatives appointed under this
26 paragraph shall be nominated by the partnership and appointed by
27 the chair. They shall serve at the pleasure of the chair.

28 (4) All Members of the Legislature who represent the designated
29 project area shall be ex officio, nonvoting members of the
30 partnership, to the extent that service with the partnership does not
31 conflict with their legislative duties.

32 (e) The Secretary of Business, Transportation and Housing shall
33 serve as chair, with one elected local government member from
34 the designated project area and one civic leader or private sector
35 member from the designated project area to serve as vice chairs
36 in each designated project area.

37 (f) No member shall receive compensation, but may be
38 reimbursed for actual and necessary expenses related to travel by
39 the member for purposes of partnership activities.

1 (g) The partnership shall meet at least once quarterly for the
2 conduct of its business. It may also host town hall meetings in an
3 affected urban neighborhood in addition to, or in conjunction with,
4 its quarterly meetings.

5 (h) A majority of the membership shall constitute a quorum for
6 the purposes of holding meetings or otherwise conducting
7 partnership business. Any item of partnership business requiring
8 a vote of the membership shall be subject to a majority vote.

9 7096.2. (a) (1) The state committee described in subdivision
10 (c) of Section 7096.1 shall designate one at-risk community on a
11 pilot project basis to test the partnership concept and approach to
12 revitalizing urban neighborhoods as described in this section. The
13 pilot project shall focus on implementing a coordinated and
14 expedited state and federal response to local economic development
15 and other needs in the affected urban community, such as
16 educational attainment, increased employment, reduction of crime
17 rates, improved health, and increased home ownership.

18 (2) Based on the results of the pilot project described in
19 paragraph (1), the state committee may designate up to two project
20 areas in the state for partnership participation in any given calendar
21 year.

22 (b) Duties of the state committee and participating partners shall
23 include all of the following, as applicable:

24 (1) Analyze programs and policies of partnership member
25 agencies that are related to the at-risk urban communities to
26 determine what changes, modifications, and innovations should
27 be considered in state programs in the areas of health, job
28 development and training, public safety, education, and housing,
29 if any.

30 (2) Direct each state department or agency with relevant
31 statutory authority or programs to identify and make available
32 appropriate resources for a designated project area. These
33 departments and agencies shall include, but not be limited to, the
34 Department of Housing and Community Development, the State
35 Department of Health Care Services, the State Department of
36 Social Services, the Department of Community Services and
37 Development, the Employment Development Department, the
38 State Department of Education, the Department of Justice, the
39 California Infrastructure and Economic Development Bank, and

1 the Juvenile Justice Division of the Department of Corrections and
2 Rehabilitation.

3 (3) Consider statistical and data analysis, research, and policy
4 studies related to at-risk urban communities.

5 (4) Develop, recommend, and implement short-term and
6 long-term options for promoting sustainable economic development
7 in the state's at-risk urban communities.

8 (5) Consult and coordinate activities with federal, state, and
9 local governments, community leaders, state legislators, the private
10 sector, nonprofit organizations, and other interested parties to
11 benefit at-risk urban communities, paying particular attention to
12 maintaining existing authorities of the state and local governments,
13 and preserving their existing working relationships with other
14 agencies, organizations, or individuals.

15 (6) Coordinate and collaborate on research and demonstration
16 priorities of partnership member agencies related to at-risk urban
17 communities.

18 (7) Integrate state and federal initiatives and programs into the
19 design of sustainable economic development actions for the state's
20 at-risk urban communities.

21 (8) Identify projects and programs that will best utilize public
22 dollars and most quickly improve the economic vitality of at-risk
23 urban communities, especially those that leverage federal, state,
24 local, and private sector resources in a coordinated effort to address
25 critical needs in these communities.

26 (9) Work with members of the state's elected congressional
27 representatives and federal officials to gain federal support for
28 projects identified by the partnership as critical to the state's at-risk
29 communities.

30 (10) Partner with the University of California, the California
31 State University, the California Community Colleges, and the
32 state's other research and educational institutions, as well as private
33 foundations, to provide guidance, advice, and encouragement in
34 support of studies of particular interest and importance to the at-risk
35 urban communities.

36 (c) The partnership may form additional advisory committees,
37 subcommittees, or working groups, as it deems necessary. The
38 partnership shall request that the economic development
39 coordinator from the local government with jurisdiction over a
40 designated project area serve as ad hoc advisor to the partnership.

1 (d) The Business, Transportation and Housing Agency shall
2 provide administrative support to the partnership out of existing
3 resources or any budget appropriation to finance that administrative
4 support. The Director of Finance may accept monetary gifts for
5 the support of the activities of the partnership.

6 (e) The Business, Transportation and Housing Agency shall
7 create a Web page accessible on the Internet for the partnership
8 with a link from its main page to provide the public with
9 information about the partnership's meetings and how to interact
10 with the partnership.

11 (f) In performing all of their duties, the state committee and
12 participating partners shall be guided by the following principles:

13 (1) The strategy should be comprehensive, including social,
14 physical, and economic development.

15 (2) The planning process shall be participatory, involving all
16 community residents in the development of economic programs
17 and plans.

18 (3) The strategy shall build the capacity of underutilized human
19 and institutional resources, including the transfer of knowledge
20 and skills.

21 (4) The strategy shall promote ownership by the community in
22 both development process and product.

23 (5) The strategy shall promote bridge building and interethnic
24 unity so that different ethnic groups and neighborhoods can be
25 brought together around common policies and goals.

26 7096.3. The partnership shall, for purposes of administering
27 the program in designated at-risk urban communities, contract
28 with nonprofit entities that meet all of the following criteria:

29 (a) Have a strategic plan for revitalization of a specified
30 community.

31 (b) Able to demonstrate commitments of local government
32 collaboration with at least two formal memoranda of understanding
33 with publicly funded entities in the areas of education, public
34 safety, health, housing, employment, and economic development,
35 as described in Section 7096.2.

36 (c) Have secured private sector and nonprofit organization
37 funding that is available as a local match for any state funds that
38 are available for the project.

1 7096.4. The partnership shall report annually to the Governor
2 and the Legislature on its activities, including at least both of the
3 following:

4 (a) Determinations and resulting actions initiated by the
5 partnership and participating entities and state agencies.

6 (b) Legislative proposals for enactment in furtherance of the
7 partnership's mission.

8 7096.5. This chapter shall remain in effect only until January
9 1, 2012, and as of that date is repealed, unless a later enacted
10 statute, that is enacted before January 1, 2012, deletes or extends
11 that date.

12 SEC. 3. The sum of ~~one million dollars (\$1,000,000)~~ *five*
13 *hundred thousand dollars (\$500,000)* is hereby appropriated from
14 the General Fund ~~without regard to fiscal years, to be available~~
15 *for expenditure between January 1, 2008 and January 1, 2011*, to
16 the Business, Transportation and Housing Agency for
17 implementing Chapter 12.92 (commencing with Section 7096) of
18 Division 7 of Title 1 of the Government Code, as added by Section
19 2 of this act.