



## **Staff Report**

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### MOTION DESIGNATING VOTING DELEGATE AND ALTERNATE FOR LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE, AND DISCUSSION AND DIRECTION REGARDING RESOLUTIONS TO BE CONSIDERED AT THE CONFERENCE

Honorable Mayor and Council Members:

#### **Summary**

The League of California Cities requires that each city designate by Council action a representative and an alternate for the Annual Business Meeting held during the Annual Conference in San Jose from September 16-18, 2009.

#### **Background**

In prior years, either a City Councilmember or the City Attorney has been delegated to represent the City of Belmont at the League of California Cities' Annual Meeting. As of this writing, no Councilmember has signed up to attend, although it is not too late to do so. If a Councilmember is unable to attend the full conference, one-day registration is available. A full conference membership cannot be shared. The cost for the full conference is \$500, and one-day registrations are \$250 each day. It should be noted that because the conference is local, there would be no hotel costs incurred.

#### **Discussion**

In prior years, the League permitted the passing of the voting card to a non-designated individual. That practice has been discontinued, and only those delegates/alternates that have been approved by City Council action may participate. In addition, the voting delegate must be registered for the conference. The League notes that these procedures have changed in order to ensure the integrity of the voting process.

The resolutions that will be considered at the Business Meeting, to be held on Friday afternoon at 3:15 p.m., are included as an attachment to this report. Council may wish to discuss these resolutions and give direction to the voting delegate.

#### **Fiscal Impact**

No fiscal impact.

#### **Public Contact**

This item was posted on the agenda.

**Recommendation**

It is recommended that the City Council make a motion to name its delegate for the League's Annual conference, and an alternate, if applicable. The City Clerk's Office will advise the League of California Cities regarding the Voting Delegate, and the City Manager's office will handle registration should one or more Councilmembers decide to attend the conference.

**Attachments**

- A. Designation of Voting Delegate correspondence from the League of California Cities.
- B. Resolutions to be considered at Business Meeting on Friday, September 18.

Respectfully submitted,



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Terri Cook  
City Clerk  
(650) 595-7413  
[tcook@belmont.gov](mailto:tcook@belmont.gov)

**Council Action Required by August 21, 2009**

RECEIVED

June 5, 2009

JUN 12 2009

BELMONT CITY CLERK

**TO: Mayors, City Managers and City Clerks**

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES  
League of California Cities Annual Conference – September 16-18, San Jose**

The League's 2009 Annual Conference is scheduled for September 16-18 in San Jose. An important part of the Annual Conference is the Annual Business Meeting, scheduled for 3:15 p.m., Friday, September 18, at the San Jose Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

**In order to establish voting delegate/alternates' records prior to the conference, please complete the attached Voting Delegate form and return it to the League's office no later than Friday, August 21, 2009.**

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. In order to cast a vote, at least one person must be present at the Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

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- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the San Jose Convention Center, will be open at the following times: Wednesday, September 16, 10:00 a.m.; Thursday, September 17, 7:30 a.m.; and September 18, 7:30 a.m. The Voting Delegate Desk will also be open at the Business Meeting, but not during a roll call vote, should one be undertaken.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Friday, August 21st. If you have questions, please call Mary McCullough at (916) 658-8247.

Attachments:

- 2009 Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

## Annual Conference Voting Procedures 2009 Annual Conference

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates) and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a separate area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.





CITY: \_\_\_\_\_

2009 ANNUAL CONFERENCE  
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, August 21, 2009. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting, voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

**Please note:** Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this special area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

2. VOTING DELEGATE - ALTERNATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

3. VOTING DELEGATE - ALTERNATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

**ATTEST:** I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: \_\_\_\_\_ E-mail \_\_\_\_\_

Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Date: \_\_\_\_\_

**Please complete and return by Friday, August 21 to:**

League of California Cities  
ATTN: Mary McCullough  
1400 K Street  
Sacramento, CA 95814

FAX: (916) 658-8240  
E-mail: mccullom@cacities.org  
(916) 658-8247

1400 K STREET  
 SACRAMENTO, CA 95814  
 PH: (916) 658-8200  
 FX: (916) 658-8240



WWW.CACITIES.ORG  
**RECEIVED**

July 24, 2009

JUL 27 2009

**BELMONT CITY CLERK**

TO: Mayors, City Managers and City Clerks  
 League Board of Directors  
 General Resolutions Committee Members  
 Members, League Policy Committees to Which Resolutions Are Referred

RE: Annual Conference Resolutions Packet  
 Notice of League Annual Meeting

Enclosed please find the 2009 Annual Conference Resolutions Packet.

**Annual Conference in San Jose.** This year's League Annual Conference will be held September 16-18 at the San Jose Convention Center. The conference announcement has previously been sent to all cities and we hope that you and your colleagues will be able to join us. More information about the conference is available on the League's Web site at [www.cacities.org/ac](http://www.cacities.org/ac). We look forward to welcoming city officials to the conference.

**Annual Business Meeting - Friday, September 18, 3:15 p.m.** The League's Annual Business Meeting will be held at the San Jose Convention Center, Exhibit Hall 1

**Resolutions Packet.** At the Annual Conference, the League will consider the two resolutions introduced by the deadline — Friday, July 17, 2009, 5 p.m., for submittals by regular mail, or Saturday, July 18, midnight, for submittals by e-mail or fax. These resolutions are included in this packet. We request that you distribute this packet to your city council.

We encourage each city council to consider the resolutions and to determine a city position so that your voting delegate can represent your city's position on each resolution. A copy of the resolutions packet is posted on the League's Web site for your convenience: [www.cacities.org/resolutions](http://www.cacities.org/resolutions).

This resolutions packet contains additional information related to consideration of the resolutions at the Annual Conference. This includes the date, time and location of the meetings at which resolutions will be considered.

**Voting Delegates.** Each city council is encouraged to designate a voting delegate and two alternates to represent their city at the Annual Business Meeting. A letter asking city councils to designate their voting delegate and two alternates has already been sent to each city. Copies of the letter, voting delegate form, and additional information are also available at: [www.cacities.org/resolutions](http://www.cacities.org/resolutions).

Please Bring This Packet to the Annual Conference  
 September 16-18 — San Jose

## I. INFORMATION AND PROCEDURES

**RESOLUTIONS CONTAINED IN THIS PACKET:** This year, two resolutions have been introduced for consideration by the Annual Conference and referred to the League policy committees. The League bylaws provide that resolutions shall be referred by the president to an appropriate policy committee for review and recommendation. Resolutions with committee recommendations shall then be considered by the General Resolutions Committee at the Annual Conference.

**POLICY COMMITTEES:** Two policy committees will meet at the Annual Conference to consider and take action on resolutions referred to them. They are: Public Safety and Revenue and Taxation. Both committees will meet at 11 a.m. on Wednesday, September 16, 2009 at the Marriott San Jose, located next to the San Jose Convention Center. Please see page iii for the policy committee meeting schedule. The sponsors of the resolutions have been notified of the time and location of the meetings.

In addition, one policy committee, Employee Relations, will meet at the Annual Conference even though a resolution was not referred to them.

**GENERAL RESOLUTIONS COMMITTEE:** This committee will meet at 4:00 p.m. on Thursday, September 17, at the Marriott San Jose, Salon IV - VI, to consider the reports of the two policy committees regarding the two resolutions. This committee includes one representative from each of the League's regional divisions, functional departments, standing policy committees, as well as other individuals.

**ANNUAL BUSINESS MEETING/GENERAL ASSEMBLY:** This meeting will be held at 3:15 p.m. on Friday, September 18, at the San Jose Convention Center, Exhibit Hall 1.

**PETITIONED RESOLUTIONS:** For those issues that develop after the normal 60-day deadline, a resolution may be introduced at the Annual Conference with a petition signed by designated voting delegates of 10 percent of all member cities (48 valid signatures required) and presented to the Voting Delegates Desk at least 24 hours prior to the time set for convening the Annual Business Session of the General Assembly. This year, that deadline is 3:15 p.m., Thursday, September 17. If the petitioned resolution is substantially similar in substance to a resolution already under consideration, the petitioned resolution may be disqualified by the General Resolutions Committee.

Resolutions can be viewed on the League's Web site: [www.cacities.org/resolutions](http://www.cacities.org/resolutions).

Any questions concerning the resolutions procedure may be directed to Linda Welch Hicks at the League office: [lhicks@cacities.org](mailto:lhicks@cacities.org) or (916) 658-8224.

## II. GUIDELINES FOR ANNUAL CONFERENCE RESOLUTIONS

Policy development is a vital and ongoing process within the League. The principal means for deciding policy on the important issues facing cities and the League is through the League's eight standing policy committees and the board of directors. The process allows for timely consideration of issues in a changing environment and assures city officials the opportunity to both initiate and influence policy decisions.

Annual conference resolutions constitute an additional way to develop League policy. Resolutions should adhere to the following criteria.

### **Guidelines for Annual Conference Resolutions**

1. Only issues that have a direct bearing on municipal affairs should be considered or adopted at the Annual Conference.
2. The issue is not of a purely local or regional concern.
3. The recommended policy should not simply restate existing League policy.
4. The resolution should be directed at achieving one of the following objectives:
  - (a) Focus public or media attention on an issue of major importance to cities.
  - (b) Establish a new direction for League policy by establishing general principals around which more detailed policies may be developed by policy committees and the Board of Directors.
  - (c) Consider important issues not adequately addressed by the policy committees and Board of Directors.
  - (d) Amend the League bylaws (requires 2/3 vote at General Assembly).

**III.  
LOCATION OF MEETINGS**



**Policy Committee Meetings  
Wednesday, September 16, 2009  
Marriott San Jose  
301 South Market Street, San Jose, CA 95113 – (408) 280-1300  
(Located next to the San Jose Convention Center)**

**POLICY COMMITTEES MEETING AT ANNUAL CONFERENCE TO  
DISCUSS AN ANNUAL CONFERENCE RESOLUTION \***

**11 a.m. – 12:30 p.m.**

**\* Public Safety – Salon IV**

**\* Revenue and Taxation – Salon III**

**Note: Employee Relations will also meet,  
but they have no resolution to consider – Salon I**

Note: These committees will NOT meet at the Annual Conference:  
Administrative Services; Community Services; Environmental Quality;  
Housing, Community & Economic Development; and  
Transportation, Communication & Public Works



**General Resolutions Committee  
Thursday, September 17, 2009, 4:00 p.m.  
Marriott San Jose, Salon IV-VI  
301 South Market Street, San Jose, CA 95113 – (408) 280-1300  
(Located next to the San Jose Convention Center)**



**Annual Business Meeting and General Assembly  
Friday, September 18, 2009, 3:15 p.m.  
San Jose McEnery Convention Center, Exhibit Hall 1  
150 West San Carlos Street, San Jose, CA 95113 – (408) 295-9600**

**IV.  
KEY TO ACTIONS TAKEN ON RESOLUTIONS**

Resolutions have been grouped by policy committees to which they have been assigned.

Number	Key Word Index	Reviewing Body Action		
		1	2	3

1 - Policy Committee Recommendation to General Resolutions Committee  
 2 - General Resolutions Committee  
 3 - General Assembly

**PUBLIC SAFETY POLICY COMMITTEE**

Number	Key Word Index	Reviewing Body Action		
		1	2	3
1	Social Host Liability			

**REVENUE AND TAXATION POLICY COMMITTEE**

Number	Key Word Index	Reviewing Body Action		
		1	2	3
2	Divesting From Banks/Financial Institutions That Fail To Cooperate With Foreclosure Prevention Efforts			

**Please note:** One policy committee, Employee Relations, without a resolution will still meet. Notification will be mailed to all committee members. Information will also be posted on each committee's page on the League Web site: [www.cacities.org](http://www.cacities.org).

**RESOLUTIONS INITIATED BY PETITION AT THE ANNUAL CONFERENCE**

Number	Key Word Index	General Resolutions Committee Recommendation	General Assembly Action

## KEY TO ACTIONS TAKEN ON RESOLUTIONS (Continued)

### KEY TO REVIEWING BODIES

1. Policy Committee
2. General Resolutions Committee
3. General Assembly

### KEY TO ACTIONS TAKEN

- A - Approve
- D - Disapprove
- N - No Action
- R - Refer to appropriate policy committee for study
- a - Amend
- Aa - Approve as amended
- Aaa - Approve with additional amendment(s)
- Ra - Amend and refer as amended to appropriate policy committee for study
- Raa - Additional amendments and refer
- Da - Amend (for clarity or brevity) and Disapprove
- Na - Amend (for clarity or brevity) and take No Action
- W - Withdrawn by Sponsor

### Action Footnotes

- \* Subject matter covered in another resolution
- \*\* Existing League policy
- \*\*\* Local authority presently exists

**Procedural Note:** Resolutions that are approved by the General Resolutions Committee, as well as all qualified petitioned resolutions, are reported to the floor of the General Assembly. In addition, League policy provides the following procedure for resolutions approved by League policy committees but *not* approved by the General Resolutions Committee:

Resolutions initially recommended for approval and adoption by all the League policy committees to which the resolution is assigned, but subsequently recommended for disapproval, referral or no action by the General Resolutions Committee, shall then be placed on a consent agenda for consideration by the General Assembly. The consent agenda shall include a brief description of the basis for the recommendations by both the policy committee(s) and General Resolutions Committee, as well as the recommended action by each. Any voting delegate may make a motion to pull a resolution from the consent agenda in order to request the opportunity to fully debate the resolution. If, upon a majority vote of the General Assembly, the request for debate is approved, the General Assembly shall have the opportunity to debate and subsequently vote on the resolution.

V.  
**2009 ANNUAL CONFERENCE RESOLUTIONS**

**RESOLUTION REFERRED TO PUBLIC SAFETY POLICY COMMITTEE**

**1. RESOLUTION RELATING TO SOCIAL HOST LIABILITY**

Source: City of Elk Grove  
Referred to: Public Safety Policy Committee  
Recommendation to General Resolutions Committee:

WHEREAS, underage persons often obtain alcoholic beverages at gatherings held at private residences or at rented residential and commercial premises that are under the control of a person who knows or should know of the underage service and/or consumption of alcohol; and

WHEREAS, loud or unruly parties on private property where alcoholic beverages are served to, or consumed by an underage person, are harmful to the underage person themselves and are a threat to public health, safety, quiet enjoyment of residential property and general welfare, and constitute a public nuisance; and

WHEREAS, persons responsible for the occurrence of loud or unruly parties on private property over which they have possession or control have a duty to ensure that alcoholic beverages are not served to, or consumed by underage persons; and

WHEREAS, adults who provide alcohol to adolescents explicitly indicate an approval of underage alcohol use; and

WHEREAS, law enforcement, fire, or other emergency responders repeatedly respond to underage drinking parties, resulting in a disproportionate expenditure of public safety resources on these parties, delaying police responses to other emergency calls throughout the community; and

WHEREAS, law enforcement has inadequate enforcement authority and resources to respond to underage drinking on private property; and

WHEREAS, cities and counties require a variety of enforcement strategies to abate underage drinking parties; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities, assembled in Annual Conference in San Jose, September 18, 2009, that the League support policies that hold social hosts responsible for underage drinking that occurs on property under their possession, control, or authority; and, be it further

RESOLVED, that the League also oppose policies that make it easy for those who are underage to access alcohol through adults, and on private property.

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**Background Information on Resolution No. 1**

**Source:** City of Elk Grove

**Title:** Resolution Relating to Social Host Liability

**Background:**

The City of Elk Grove is located just south of the state capital of Sacramento. According to the 2007 U.S. Census, the City's population was estimated at 140,000. After incorporating in July of 2000, for six years the City contracted with the Sacramento County Sheriff's Department for police services; however in 2006, the City formed its own police department and began serving this rapidly growing community. Since the Department's inception, the city has continued to grow in size, leading to an increasing need for additional officers to patrol the streets, investigate crimes, and respond to calls for service.

Between January 1, 2007 and December 31, 2008, the Elk Grove Police Department (EGPD) responded to more than 2,000 reports of loud and unruly parties, noise and/or music at private residences. The majority of these calls involved persons under the age of 21 who were consuming alcohol. This is a dangerous combination not only for those participating and in attendance, but also for surrounding neighbors, the community, and law enforcement personnel.

Underage drinking and unruly parties lead to an array of problems such as; alcohol related traffic accidents, gang activity, fights, noise disturbances, sexual assault, property damage; and other forms of crime. When law enforcement personnel responds to gatherings involving the consumption of alcohol by minors, it takes away valuable resources from other service calls in the community, thereby placing the community at an increased risk. Additionally, adults who give alcohol to minors are explicitly approving underage drinking while showing a complete disregard for the law, the well-being of minors, and the community as a whole.

Currently, law enforcement is somewhat limited in its authority to control what occurs on private property. California state law prohibits furnishing alcoholic beverages to underage persons; however, the law does not address the consequences when a minor possesses or consumes alcohol while on private property, or when such alcohol consumption is done with the consent of an adult, parent, relative, or legal guardian.

When law enforcement officers receive a complaint regarding an unruly party or event on private property where underage drinking is occurring; it is extremely difficult to take any action that results in the responsible individual or host being held accountable. Furthermore, law enforcement, fire and emergency response services are not currently reimbursed for the costs associated with responding to a location where minors obtain, possess, and consume alcoholic beverages.

The goal of Social Host Liability is: 1) to protect public health, safety and general welfare; 2) provide a legal means of prohibiting the service to and consumption of alcoholic beverages by minors on private property; and 3) to reduce the costs of providing law enforcement, fire, and other emergency response services to premises where alcoholic beverages are being served to or consumed by minors.

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**RESOLUTION REFERRED TO REVENUE AND TAXATION POLICY COMMITTEE**

**2. RESOLUTION URGING CITY GOVERNMENTS AND OTHERS TO DIVEST FROM BANKS THAT FAIL TO COOPERATE WITH FORECLOSURE PREVENTION EFFORTS**

Source: Richard Alarcón, Council Member, Los Angeles

Referred to: Revenue and Taxation Policy Committee

Recommendation to General Resolutions Committee:

WHEREAS, there is currently a financial crisis in our nation, where people are losing their jobs and homes and no longer have the financial security that was once possible and which contributed to the growing prosperity of our economy; and

WHEREAS, this crisis is affecting communities at all levels, with working class communities the most severely affected, as they were often explicitly targeted and preyed upon by lenders and brokers offering unconventional loans and financing options; and

WHEREAS, as the local, state, and federal governments work on resolving the current foreclosure crisis, one of the key factors that must be addressed is the modification of loans that are “upside-down,” and which need to be modified to the current market value of the home, not the original loan amount, so that homeowners facing foreclosure receive true relief from the burden of the loans they were unjustly pushed into by aggressive lenders and brokers; and

WHEREAS, currently, there is active pressure on financial institutions to modify loans for homeowners susceptible to foreclosure by reducing the principal to the current market value and many financial institutions are not inclined to do this, particularly with no financial incentive; and

WHEREAS, as with local government, financial institutions have an obligation in assisting their customers to preserve the American Dream; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities, assembled in the Annual Conference in San Jose, September 18, 2009, that the League support the City of Los Angeles, and other member cities, to explore the potential divestiture of all deposits in banking and other financial institutions that fail to cooperate with foreclosure prevention efforts that include temporary moratoriums on foreclosures, renegotiation of mortgage principles to reflect current values, and good faith negotiations with mortgagees; and, be it further

RESOLVED, that the League of California Cities also support City retirement programs and other similar organizations which adopt a similar divestiture policy; and, be it further

RESOLVED, that the League of California Cities request the National League of Cities to consider adoption of a similar resolution.

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**Background Information on Resolution No. 2**

**Source:** Richard Alarcón, Council Member, Los Angeles  
**Title:** Resolution Relating to City Governments And Others To Divest From Banks That Fail To Cooperate With Foreclosure Prevention Efforts

**Background:**

The foreclosure crisis in America today is profound. In 2008, about 1 million homes were foreclosed. With rising unemployment, this trend is only projected to continue. While foreclosure is devastating to homeowners, it also harms property values, neighborhood safety and government revenue. Local governments are hit especially hard by the foreclosure crisis due to the decrease in property taxes collected, as well as costs related to foreclosures – particularly for safety. A single foreclosure costs up to \$34,000 for local government agencies, through inspections, court actions, police and fire department efforts, potential demolition, unpaid water and sewage, and trash removal. Foreclosures eat up money that could have been available for housing, transportation, parks and recreation, public safety, etc.

It is therefore incumbent on cities to take action to protect their communities and their finances. Cities must step in to force financial institutions to be responsible neighbors and protect the property from vandalism, return it to the market quickly, and find a buyer. Doing this remediation work is difficult but many cities have already been at work on solutions for the last two years. Unfortunately, the key “partner” in this work – the financial institutions holding the property title – have in many cases not upheld their side of the bargain. So what can cities do when the title holding bank will not cooperate? Cities can and should use their financial clout and divest their funds from financial institutions which do not cooperate with foreclosure prevention and remediation efforts, thus providing pressure for these groups to change their policies.

Earlier this year Councilmember Alarcón introduced a motion in the City of Los Angeles to do just that. The idea came from his effort in 1998 to assist Holocaust victims and their heirs in seeking restitution from the Swiss government and banks for money and assets confiscated during WWII. After the Councilmember introduced a motion to have the City of Los Angeles divest all funds from Swiss banks, negotiations involving the banks and the World Jewish Congress began and ultimately resulted in a settlement of \$1.25 billion later that year. If it worked then, it can work now.

It is Councilmember Alarcón’s belief that if cities all around California were to take action and begin the process towards divestment, it would result in banks and other financial institutions, which do not currently work with foreclosure prevention efforts, to reverse their policies. This could help thousands of families throughout California and put us back on track to a prosperous economy.

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**[NOTE: No resolutions were assigned to the following policy committees: Administrative Services; Community Services; Employee Relations; Environmental Quality; Housing, Community & Economic Development; and Transportation, Communication & Public Works.]**

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