



Board of Directors Meeting

Friday, March 9, 2012

10am - 3pm

Merced College - Business Resource Center

630 W 19th Street
Merced, CA 95348
(209) 386-6732

MEETING MINUTES

I. Convene Meeting and Introductory Remarks

The meeting of the California Partnership for the San Joaquin Valley (Partnership) was called to order at 10:03 am by Chair Ashley Swearengin who welcomed Partnership Board members and guests and initiated introductions around the table. Board members present included Tim Bakman, Judy Case, Dee Dee D'Adamo, Mike Dozier, Ben Duran, Josh Eddy (rep Secretary Ross), Carole Goldsmith, Pat Gordon, Fritz Grupe, Sunne McPeak, Luisa Medina, David Nelson, Steve Nelsen, Joe Oliviera, Pete Parra, Ted Smalley, Jim Suennen (rep Secretary Dooley), Jim Tague, Ray Watson and Pete Weber.

II. Recognition of Sponsors

Members of the audience introduced themselves and the Chair thanked the sponsors and hosts of the Board meeting, Merced College

Dr. Benjamin Duran, retiring President, warmly welcomed the Partnership to Merced where Merced College is preparing to celebrate its 50th birthday. Until the establishment of UC Merced in 2005, Merced College was the only institution of higher education in Merced.

Karyn Dower, Dean, Economic and Workforce Development, Community Services and Noncredit at Merced College welcomed everyone to the Merced College Business Resource Center (BRC) which has been operational since 2008 as a focal point for area businesses and employers seeking job training opportunities.

The BRC programs and services include the Workplace Learning Resource Center, the Customer Service Academy, and the Center for International Trade Development, as well as the Career Advancement Academy and the Community Services Division.

Each program serves different constituents and provides an array of outcomes, all of which are designed to assist in strengthening the workplace and/or to provide enriching opportunities in the greater Merced area.

III. Public and Board Comment

Chancellor Dorothy Leland from UC Merced also welcomed the Partnership to Merced and expressed her support for the work of the Partnership.

Chair Swearengin announced a Pacific Gas and Electric Company (PG&E) proposal for an enhanced economic development rate that would provide significant benefits for the San Joaquin Valley, noting, "This proposed rate provides a real opportunity for our entire region to see new jobs, more economic activity, more tax revenue and more skills in the local market".

PG&E has asked state regulators for the right to offer a competitive electric rate to attract employers to California and convince other employers already in the state to maintain or expand their operations rather than leave. To be eligible for the rate, existing businesses must be actively pursuing out-of-state locations or would otherwise close. This proposed rate has the potential to be a powerful incentive to help attract a range of businesses, especially those that are directly related to the agriculture food chain.

For counties in PG&E's service area with unemployment rates at least 25% higher than the state average, the proposed economic development rate would create a significant rate reduction. Eligible businesses would receive 35 percent off electric rates for five years.

To be eligible, a business would need to be a new enterprise locating in California for the first time or one that will expand existing facilities. The rate is intended for large companies; those with power loads of at least 200 kilowatts and other eligibility conditions will apply. The proposal also provides a lower rate reduction on similar conditions in the remaining parts of the utility's service area. The enhanced economic development rate would benefit 22 counties in PG&E's service territory, including all of the San Joaquin Valley counties that are served by the utility. Mr. Weber commented that the proposed rate will have no impact on other rate payers because PG&E is absorbing the cost of it.

Mr. Weber noted that formal support of the proposal is not an action item on the agenda and thus cannot be voted on today but did ask for a sense from the Board of the members' position on formal support of the proposal. In response to a question from Mr. Grupe, Ms. Swearengin noted the City of Fresno is coordinating the regional effort to gain support for the proposal.

Chair Swearengin noted there is a six to 12 month timing requirement so the City of Fresno has requested a fast track in the application process. Stating that more support up front is good for the application Chair Swearengin suggested this is a good time for the Partnership to consider weighing in.

Ms. Case stated her willingness to put the issue on the agenda of the Board of Supervisors and asked if there is anyone likely to object. Ms. Swearengin responded that DRA (Division of Ratepayer Advocates) and TURN (The Utility Reform Network) may well be concerned about the potential impact on low income users. Ms. Medina interjected that her office has a formal relationship with TURN and will inquire about any concerns the organization may have.

Ms. Ashbeck asked the City of Fresno to prepare a sample resolution of support for use by the Board of Supervisors, regional city managers and other elected officials.

Mr. Grupe asked if this rate applies to agriculture and was told it does. The rate is not related to any single industry and applies to any user at 200KWH or greater or pending expansion, retention or recruiting new business.

Mr. Parra asked who will certify potential applicants; GoBIZ (the Governor's office of Economic Development)¹. Proponents of the request have also recommended there be a local government office authorized to certify applicants to keep the application process moving.

Mr. Weber asked if the board members would consider support of the measure through the Executive Committee. In the absence of any objection, Ms. D'Adamo moved and was seconded by Ms. Ashbeck to authorize the Executive Committee to endorse the proposal on behalf of the Partnership.

IV. Review and Approval of Minutes

In the absence of comments or objections the minutes were approved as provided.

V. San Joaquin Valley Regional Policy Council

Blueprint Integration/Prop 84 Activities

Mr. Terry provided an update on the San Joaquin Valley Blueprint Integration Project², a Valley-wide program, funded through a Round 1 Prop 84 grant, to provide support to the 46 smaller Valley cities (populations under 50,000) in integrating Blueprint Smart Growth principles into their General Plans and planning policies.

The valley's eight regional planning agencies have contracted with URS Corporation to lead the effort with Fresno Council of Governments (COG) serving as the Project Manager. The URS Team includes three planning firms, all with excellent knowledge and experience working with and for communities throughout the Valley, to serve as Circuit Planners. These firms, Municipal Planning Services, Land Use Associates, and Collins & Schoettler, will be providing hands-on support to city representatives to integrate the appropriate Blueprint principles into local planning programs.

Similar to the Smart Valley Places program, the Blueprint Integration project seeks to communicate the benefits of applying Blueprint principles throughout the San Joaquin Valley. The two programs combine to reach all cities in the Valley and will complement other local and regional planning initiatives, including the Greenprint project. The Circuit Planners will work directly and in-person with representatives of the small cities seeking assistance, an approach that responds directly to interests expressed by smaller local agencies. While involvement is completely voluntary, the project's objective is to achieve full participation.

Mr. Terry noted that working with Smart Valley Places has been important and beneficial by allowing members to capitalize on each other's efforts and activities. On May 31 a Valley-wide workshop, including Smart Valley Places, is scheduled at the Modesto Convention Center.³

¹ <http://business.ca.gov/>

² <http://www.valleyblueprint.org/news/2012/04/10/blueprint-integration-project-aims-serve-valley-cities-populations-under-50000.html>

³ <http://www.smartvalleyplaces.org/2012/03/mid-flight-convention/>

Short Haul Rail and Transportation Update

In his update on short haul rail Mr. Smalley advised that proponents of SB 325 (Central California Railroad Authority) are moving forward with development of a Joint Powers Agreement and hope for a first Authority meeting this summer. The Councils of Governments are looking at the possibility of rail improvement grants through that authority.

During the recent One Voice Trip to Sacramento, there is a proposal to lower the vote threshold from 2/3 to 55% to pass a transportation sub tax. Ms. Case added that One Voice representatives met with a number of Assembly members and Senators as well members of the California Transportation Commission (CTC) who are focused on transportation issues because of the policy council. Ms. Case deemed the meetings good, with lots of insight into goings on, commenting that even with bond funding for Prop 1B, 54% of the investment in transportation will come out of local measures.

VI. Smart Valley Places Update

Ms. Dabbs and Ms. Espinosa, representing John Bramble, provided an update on Smart Valley Places (SVP).

Ms. McPeak noted the agricultural community is represented and asked about representation of Tourism in SVP. Mr. Dozier responded that CCEDC is looking at tourism as an agenda item and the Fresno-Clovis Visitor and Convention Bureau is involved at a local level. Each of the cities has their own tourism element but tourism is not a formal part of Smart Valley Places.

Observing that the San Joaquin Valley is the Tuscany of California, Ms. McPeak suggested an Ag tourism map for Merced County; adding the most immediate way to grow international trade jobs is through agriculture as Robert Tse has demonstrated over and over. When talking about SVP, Ms. McPeak continued, it is important to remember the importance of agriculture and ag tourism stating, "We need to have a stepped up role based on the revenue stream being generated by Ag tourism".

Mr. Grupe noted the expansion of ag tourism in San Joaquin County, the number of wineries has dramatically increased from 10 to 80. Mr. Grupe cautioned, "...they don't think of themselves as a development but the expansion of ag tourism has infrastructure implications". Mr. Dozier responded that the American Farmland Trust (AFT) is very involved with preserving ag land and maintaining boundaries, working with regional farmers who are trying to expand their operations to include elements like entertainment venues⁴.

VII. San Joaquin Valley Housing Collaborative

Ms. Kelly and Mr. Rutherford provided an update on the activities of the San Joaquin Valley Housing Collaborative⁵ highlighting the upcoming Affordable Housing Summit.

The Affordable Housing Summit will bring together professionals from around the state to bolster advocacy for affordable housing in the San Joaquin Valley, educate and empower each other on challenges and opportunities we face as a region, and build up traction for the San Joaquin Valley Housing Collaborative⁶

⁴ <http://www.farmland.org/>

⁵ http://www.sjvpartnership.org/uploaded_files/fck/SJV_Housing_Collaborative.pdf

⁶ http://www.sjvpartnership.org/static_pages.php?static_page_id=94&mn_id=169

Ms. Case observed this Summit will be a good opportunity to help integrate the efforts of the respective cities. With all the redevelopment agencies designating successor agencies, sixteen Fresno County alone, this is an excellent outreach opportunity.

Mr. Grupe stated that affordability is no longer the issue; it's the incomes of people who cannot afford to buy a home.

VIII. County Panel

Mr. Hendrickson, noting the dissolution of redevelopment agencies, said the impact on Merced County was limited due to the RDA being very new, but the impact on other cities has been great. The City of Merced is seen as a poster child for redevelopment by creating a very positive environment for the private sector to create jobs.

With the 1995 closure of Castle Air Force Base, the County of Merced began to plan for its redevelopment. 649 acres were transferred to the Federal Bureau of Prisons and in January 2007, the Air Force transferred the last 2,128 acres of the base to the County of Merced and five other entities.

Current and planned reuses include business parks, the prison, and an airport with premier aviation facilities with a large flight training school that opened in January 2007. In addition the plan includes two small residential housing areas, a park, and a research facility for the new University of California, Merced. Other reuse highlights include the potential for low income housing and a retirement village that includes a medical office building and pharmacy. At full build-out, it is projected that 14,000 new jobs will be created.

The airport parcel has a wide and long runway which makes it well suited for very large cargo plans and support logistics oriented toward global markets. The master plan also supports better collaboration with the City of Merced which has a commercial air facility.

Ms. Kirn, Merced County Association of Governments (MCAG) provide a detailed update on transportation projects throughout Merced including slides of some of the more dramatic improvements.⁷

In his update on AB 109, Realignment, Mr. Scott spoke of the community corrections partnership and plan. Mr. Scott reminded the audience that AB 109, Public Safety Realignment, among other changes, shifts responsibility for correctional custody and supervision of more than 20,000 lower-level felony offenders from the state to the county level. When realignment implementation went into effect October 1, 2011 counties began assuming responsibility for custody, corrections, reentry, and supervision of individuals convicted for specified felony crimes. Each county's implementation plan was developed by its local Community Corrections Partnership Executive Committee.

Mr. Scott noted that the communities were not expecting to get long-term inmates such as multiple-decade sentences and this is severely impacting the agencies' ability to provide appropriate health care.

Ms. McPeak asked for an assessment of realignment statewide and how Merced's experience contrasts with other counties. Ms. Case stated that Fresno County is already being challenged by inmates over the quality of the facilities and is seeing increased incidence of violence.

⁷ <http://www.mcagov.org/programs/trans/trans.html>

Chair Swearingin asked about the levels of success in Fresno and Kern counties. Ms. Case responded that Fresno is seeing a greater level of releases with no indication of changing behaviors. There are some legal challenges popping up due to inmates' level of expectation in terms of facilities and health care. Mr. Watson stated that the number of inmate returns to the communities from the state has far exceeded the original projections with some inmates much more dangerous than counties were led to expect. Fortunately there has not been an appreciable increase in the level of crime but the burden being placed on local government is much greater than the economic support received from the State.

Mr. Weber asked if there is a target and plan for reducing recidivism. Mr. Scott responded that there is a heavy focus on reentry services to minimize the recidivism rate; historical county-level recidivism is about 35%; the state recidivism rate is 67%.

IX. Leveraged Funds Report

Mr. Dozier provided an update to the Board about how the Partnership is able to leverage Board member participation to assist in meeting grant fund match requirements. Board members were provided with an individual leveraged fund contribution form reflecting their level of participation and asked to verify with signature.

X. Lunch

XI. High Speed Rail Update

Mr. Weber and Chair Swearingin led an open forum discussion about the current state and possible future of the California High Speed Rail (CHSR) project. In the wake of Roelof van Ark's resignation and the election of Dan Richard as the new California High Speed Rail Authority (Authority) Chair.

The project's price tag, concerns over the impact on San Joaquin Valley farm land, and the question of whether the project will require sustainment funding are fueling a vocal resistance across Valley counties. And the Authority's decision to begin construction in the Central Valley versus the "bookend" urban areas of San Francisco and Anaheim are being raised in the coastal and metropolitan areas outside Valley.

Mr. Weber paraphrased a recent quote from Senator Alan Lowenthal (D-Long Beach), "*... We are all supportive of high-speed rail, but it has to be high-speed rail done right, and decisions made against the best available evidence, use of money, and not based on political decisions*".

The federal American Recovery and Reinvestment Act has already committed \$3.3 billion in funds for the high-speed rail project in California. However, in public comments, some people expressed that they'd rather the State be cautious in its decision to move forward with the project even if it meant the potential loss of the \$3.3 billion, which could occur according to the Senate Select Committee if the project is delayed or indefinitely suspended.

The Authority expects to release a final business plan by month end and in April state lawmakers will discuss whether to approve \$2.7 billion in bond funds. Lawmakers balked at

the earlier draft plan, its price tag of \$100 billion and the decision to build the first phase in the Central Valley. Under the revised plan, trains could be running a lot sooner in Southern California and in the San Francisco Bay area than the anticipated ten years. The idea—called a “blended approach” — is to upgrade tracks already in use by freight trains and commuter rail systems so they can handle high speed trains.

A “blended approach” deal is in the works for Northern California, too, but critics question whether all this is legal. California voters authorized up to \$9 billion in state bond money to break ground on a high-speed rail system but the ballot measure, Proposition 1-A also sets limits on how that money gets spent. It is unclear whether the measure allows project managers to use high-speed rail bond money to fix up local rails but he says he thinks Californians ultimately will support the “blended approach.”

The High Speed Rail Authority says its revised business plan will also cost less than \$100 billion with part of the savings a result of the “blended approach” since it costs a lot less to upgrade rails already there than to lay down brand new ones. The Authority still plans to start building the bullet train system in California’s Central Valley, but the idea is to get money for upgrades to regional rail systems within a year or so.

The discussion concluded with an acknowledgment among members to defer any further action regarding High Speed Rail until the new business plan has been published and studied.

XII. San Joaquin Valley Regional Rail Commission

Ms. Mortensen provided an update on formation and activities of the San Joaquin Valley Regional Rail Commission⁸.

The San Joaquin Valley Rail Committee (established by SB 1118, Statutes of 1997), is comprised of elected officials and members of the public representing 13 counties along the San Joaquin train route which include: Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Mariposa, Merced, Sacramento, San Joaquin, Stanislaus and Tulare. The San Joaquin Valley Rail Committee meets quarterly at locations throughout the *San Joaquin* corridor to address current and future operational and safety issues, passenger services, rail facilities, and rail equipment needs along the corridor.

San Joaquin Valley Rail Committee Objectives

- Promote ridership on *San Joaquin* trains connecting the Sacramento and Bay area to Southern California via the San Joaquin Valley.
- Ensure *San Joaquin* train frequencies meet market demand.
- Foster Amtrak Thruway bus connections to and from *San Joaquin* trains not served by railroad.
- Work closely with the Caltrans Division of Rail and Amtrak to make recommendations regarding service improvements, scheduling, and equipment.
- Monitor and suggest legislation pertinent to passenger rail and the *San Joaquin* train service to state and federal representatives.

XIII. 2012 State Economic Summit

⁸<http://www.dot.ca.gov/rail/go/dor/san-joaquin-valley-rail-committee/index.cfm>

Mr. Weber provided an update on the California Economic Summit, being billed as, “*California's first-ever Summit harnessing the power of regional collaboration to spur economic innovation and growth*”. In preparation for the state level summit, the San Joaquin Valley is hosting a regional forum on March 29, 2012, 1:30 to 8:30pm at Pardini's in Fresno. The theme for this regional forum is *develop* a road map for Valley Ag Chain prosperity and assist in prioritizing high-impact policy recommendations that will be offered at the California Economic Summit. Topics will include: Regulatory Reform, Access to Capital, Infrastructure Needs, Workforce Issues, Ag Land Preservation and Sustainable Growth and Enhancing the Climate for Innovation, Entrepreneurship and Investment

Mr. Weber strongly urged Board members to participate and to encourage appropriate stakeholders to join the meeting as well.

XIV. Department of Labor C6 Initiative

Dr. Goldsmith proudly announced that a consortium of community colleges in the San Joaquin Valley has been tapped by the U.S. Department of Labor for the first round of funding in a \$2 billion federal program to train laid-off and dislocated workers. Each year, for the next four years, the program will distribute \$500 million to U.S. community colleges, funded as part of the Health Care and Education Reconciliation Act of 2010.

The proposal from the Central California Community Colleges Committed to Change⁹, also known as C⁶, is one of 32 programs selected by the Labor Department from over 200 applicants. C⁶ will receive \$20 million over three years to develop and implement credential and degree programs in conjunction with local industries to meet their needs for skilled workers. The consortium proposes to provide hands-on instruction to train more than 3,000 people for jobs in the region's up-and-coming and changing industries including alternative energy, agriculture, manufacturing, and health care

West Hills Community College District is taking the lead on the gran with twelve community colleges in the consortium, covering sixteen counties in the Central Valley. One of the foremost challenges is figuring out how to keep students in school long enough to get through the programs. Community colleges are plagued with dismal graduation and transfer rates; about 70 percent of students don't earn a credential or degree, or transfer to a four-year college. The C⁶ project is attempting to systematically change the way education is delivered, working to streamline the process so people can get in, take the courses they need to transfer or be career ready, and get out.

The consortium has established eight “guiding principles” that research shows have the best chances of keeping students in school by building in support services, using technology to help accelerate the courses and creating cohorts of students who go through the program together. In this first year the colleges is pulling together the industry partners to create a detailed strategic plan that will be sustainable long after the federal money is gone, and can be replicated at community colleges throughout the state and the nation.

In conclusion, Dr. Goldsmith commented that this is the largest, most comprehensive planning project she has seen.

⁹<http://c6.whccd.edu/Pages/index.aspx>

XV. California Education Policy Fund (CEPF) Update

Dr. Goldsmith provided an update on CEPF. The California Education Policy Fund (CEPF)¹⁰ was established in 2011 with a leadership gift from The William and Flora Hewlett Foundation and is intended to support a balanced ecosystem of nonprofit organizations working on education policy in California.

With annual grant making levels of approximately \$3.0 million, CEPF builds on the Hewlett Foundation's long-term leadership and deep commitment to education in California by supporting nonprofit organizations with strong track records and well-developed plans to reform state policy in ways that will boost student achievement and college success, especially for disadvantaged students.

CEPF will invest in partners working on statewide policy in one or more of the following areas of interest: Standards and Accountability, Data Systems, Effective Teaching, College Readiness, Pre-Kindergarten, Kindergarten-12, and/or Community College Finance Reform, Other Evidence-Based Policy Reforms

Dr. Goldsmith noted the C6 initiative is an excellent fit with the CEPF with its focus on the misalignment between high school curriculum, standardized placement exams and college coursework, and conflicting board governance policies creating barriers to student success.

XVI. California Forward Update

Mr. Weber advised that on March 1, 2012 the Public Policy Institute of California hosted three members of the Think Long Committee for California at their 2012 Speaker Series on Rebooting California's Government where general policy, tax measures, and Think Long's partnership with the California Forward Action Fund were all discussed.

The panel featured Think Long founder Nicolas Berggruen and others speaking about the creation of Think Long's Blueprint to Renew California and detailed its prescriptions for both the short and long-term reformation of California. One key reform that Think Long is actively pursuing by partnering with the California Forward Action Fund is putting the Government Performance and Accountability Act on the November 2012 ballot.

XVII. Work Group Updates

No updates provided.

XVIII. Secretariat Report

Mr. Dozier referred participants to the Secretariat Report included in the Board package.

XIX. Public/Board Comment

No public or Board comment.

XX. Adjournment

In the absence of any further public or board comment the meeting adjourned at 3:05pm.

¹⁰ <http://www.rockpa.org/cepf>