

Association of California Cities ORANGE COUNTY INNOVATION AND PERSEVERANCE THE PATHWAY TO GOOD PUBLIC POLICY



TOP TEN 2012 HIGHLIGHTS



- Launch of eHub your online staff analyst
 (page 10)
- 2. Statewide, regional and local advocacy successes (pages 5-6)
- 3. Strong fiscal stewardship (pages 13-14)
- 4. Leadership on Successor Agencies and Oversight Boards (page 9)
- 5. More than 20 meaningful, relevant and insightful education and networking programs (pages 11-12)
- 6. Established a regular TV program, Cox Government Spotlight, to feature city innovation across the region (page 7)
- 7. Launched customized online legislative tracking to save your city time and money (Page 10)
- 8. Established ACC-OC as a clearinghouse for legislative proposals concerning local government from legislators across the state (Pages 5 & 11)
- 9. More than 3,000 hours or a full 129 days of volunteer service on behalf of city governance (pages 15-16)
- 10. Inaugural Golden Hub of Innovation Awards led by our Innovation Committee (page 7)

These are some of our highlights achieved on behalf of Orange County cities. But there's much more. Join us as we preview the successes and achievements on behalf of local control in 2012.

CEO'S WELCOME



t's been a rollercoaster year for cities: the elimination of redevelopment, pension reforms from Sacramento, a sluggish economic recovery...l could go on. But despite these ups and downs, one constant remains: **Orange County cities are the hub of innovation, perseverance and good public policy.**

This makes the Association of California Cities – Orange County's work on behalf of you, our elected city officials and staff members, so rewarding.

We have been able to accomplish a tremendous amount on your behalf in 2012. These successes have saved cities money, helped streamline city operations and refined public policy. We've carried the message of "increased local control" to Washington, D.C., Sacramento and across California. We've fought and won for your issues, whether they were large legislative proposals or regional regulations.

But these achievements pale in comparison to what Orange County cities have achieved on behalf of their taxpayers. However, in today's 'gotcha' political and media environment, these achievements are so often ignored – or worse, misinterpreted.

That is why we're proud to have launched our Local Government Innovation Committee and the inaugural Golden Hub of Innovation Awards (Page 7). These programs celebrate your innovative ideas across all departments and services. You've been able to accomplish so much – balanced budgets, improved technology, safe cities and economic development – in the face of such adversity. For that, cities must be commended.

We're proud of what the ACC-OC and Orange County's cities have accomplished this year. We now look forward with great optimism for what we can collectively achieve in 2013 and beyond.

Yours in Service,

Lacy Kelly

Lacy Kelly



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LACY KELLY *CEO* ACC-OC

ADVOCATING FOR LOCAL CONTROL



Protecting and Restoring Local Control

Our mission is simple: protect and restore local control. In 2012, the ACC-OC took this message to the halls of Congress, Sacramento and to locales across California to advocate for this ideal. Through legislative and regulatory advocacy, policymaker education, and relationship development with local, state and federal lawmakers, the ACC-OC's efforts have demonstrably advanced the voice of local governments.

State Highlights

- Support for city-friendly legislation:
 - o AB 890 (Olson) Environment: CEQA exemption: roadway improvements SIGNED
 - o AB 1098 (Carter) Vehicle license fees: allocation VETOED
 - o AB 2224 (Smyth) Public employees' retirement FAILED
 - o AB 2308 (Torres) Land use: housing element: regional housing need SIGNED
 - o SB 659 (Padilla) Community redevelopment FAILED
 - o SB 1176 (Huff) Public employees' retirement FAILED
- Oppose local control-infringing legislation:
 - o AB 542 (Allen) Land use: housing element FAILED
 - o AB 845 (Ma) Solid waste: place of origin SIGNED
 - o AB 904 (Skinner) Local government: parking standards: minimum requirement – **FAILED**
 - o AB 1178 (Ma) Solid waste: place of origin FAILED
 - o AB 1248 (Hueso) Local public employees' retirement: City of San Diego SIGNED
 - o AB 1551 (Torres) Insurance: public safety employees: accidents FAILED
 - o AB 1692 (Wieckowski) Bankruptcy FAILED
 - o AB 1831 (Dickinson) Local government: hiring practices FAILED
 - o AB 2231 (Fuentes) Sidewalk: repairs FAILED
 - o AB 2298 (Solorio) Insurance: public safety employees: accidents SIGNED
 - o SB 580 (Wolk) State parks FAILED

Regional Highlights

- SCAG's Regional Transportation Plan and Sustainable Communities Strategy
- AQMD's Air Quality Management Plan
- Misguided lawsuit against SANDAG's RTP/SCS
- South OC Reliability Enhancement Project
- Cadiz Valley Water Conservation, Recovery and Storage Project
- Development of Syphon Reservoir
- Anaheim Regional Transportation Intermodal Center
- Federal Affordable Housing Initiatives
- Worked with stakeholders to ensure that statewide propositions, including Proposition 31, protected cities

Federal Highlights

- Impactful meetings with the nation's key leaders, including:
 - o Senator Dianne Feinstein
 - o Senator Barbara Boxer
 - o Congressman Paul Ryan
 - o Congressman Bill Shuster
 - o Congressman Darrell Issa
- Initiated national-level dialogue to improve affordable housing climate for cities with the National Housing Conference



CELEBRATING CITY LEADERSHIP A Different Kind of Advocacy



Protecting local control from Sacramento's grip is important – it's perhaps the most important task of the ACC-OC. But too often, the good being done right here at home can be overlooked or misconstrued. That's why the ACC-OC is constantly celebrating the extraordinary leadership and innovation of OC's cities through the press and other communications vehicles.

Golden Hub of Innovation Awards: In 2012, the ACC-OC held the inaugural Golden Hub of Innovation Awards to celebrate the extraordinary ingenuity found right here in Orange County. Visit www.accoc.org to view a comprehensive compendium featuring extraordinary innovations from more than 30 local government agencies and cities from across Orange County.



Cox Government Spotlight: Along with our partner Cox Communications, the ACC-OC is now producing a regular TV segment called Cox Government Spotlight. The purpose of the segment, hosted by ACC-OC CEO Lacy Kelly, is to promote the innovative ideas being implemented by cities across the county.

Media Relations: The ACC-OC is no stranger to the Fourth Estate. We constantly work to educate the press on the importance of cities and advocates for local control. Sample articles and columns this year include:

- Successor Agencies: The New Form of Government No One is Talking About o OC Register
 o OC Realtor Magazine
- Leading the Way: A Look at City Government in Orange County o OC Realtor Magazine
- OC Cities Lead the Way on Government Innovation o Voice of OC

- Cities Join Fight Against State Money Grab o OC Register
- ARTIC Right for Anaheim (in conjunction with OCBC and OCTax) o OC Register
- After Years of Red Ink, City Budgets Stabilizing o Voice of OC
- Pension Reform Hits the Capital o 870AM
- San Juan Votes to Continue the Brown Act o OC Register



• Community Editorial: To Sell the Public on Transit, Add a Large Dose of Fun o Voice of OC

Voice of OC Editorial Board: This year, ACC-OC CEO Lacy Kelly was invited to join the Editorial Board of the Voice of OC to bring her perspective on city government and innovation in Orange County.

City Leader Interviews: These in-depth interviews feature city leaders, either elected or staff, to discuss the ingenuity found in city halls. These videos appear on channels across the county and are promoted by the ACC-OC.

Community Engagement: This year, ACC-OC presented to more than 2,000 individuals across a broad spectrum of communities, including businesses, non-profit organizations, environmental advocates, transportation and housing leaders, and the general public.

The Hub (eNewsletter): Our semi-monthly newsletter is on pace to reach nearly 10,000 inboxes this year, delivering city government news and advocacy updates.

Countywide Polling: With our polling partners Probolsky Research, the ACC-OC tested opinions on taxation, government confidence, service delivery and economic development across Orange County.

CSUF Board of Advisors: ACC-OC CEO Lacy Kelly was selected to sit on the Board of Advisors for the CSUF Center for Leadership to bring her perspective on civic leadership.

Social Media: Have you joined us on Facebook and Twitter yet? Hundreds of your city leaders peers have!

THE HUB FOR GOOD PUBLIC POLICY Your Voice, Your Ideas, Your Solutions



At its core, the ACC-OC is the Hub for Good Public Policy. Our role is to convene city leaders – both staff and elected – alongside a diverse and comprehensive array of stakeholders from business, non-profit, labor, and environmental communities to help generate concepts to help cities. These ideas – generated by cities for cities - are then promoted as best practices across California. The following are a sample of policy products produced by our leaders this year.

Successor Agency and Oversight Board Guidelines

Goal: Protect taxpayer investments and the integrity of our communities

Consensus-based guidelines developed with the input and feedback of comprehensive set of stakeholders, from labor to business, education leaders and special districts. These principles were distributed to all successor agencies to establish consistency and clarity countywide.

Economic Development and Job Creation Guidelines

Goal: Identify economic solutions to create jobs in your city

This Four-pillared Plan to Prosperity was developed by the Economic Development & Job Creation Committee to help your cities attract and retain business, encourage progress and help you keep jobs close to home. The ACC-OC collaborated with business leaders, financial experts and municipal leaders to ensure a consensus-based, comprehensive plan.

Brown Act Compliance Resolution

Goal: Affirm through resolution OC cities' commitment to transparency

Even though the state dropped certain provisions of the Brown Act, the ACC-OC produced a series of principles and resolutions to help OC cities send the message that transparency is vital to local government, regardless of the state's actions.



Pension Reform Principles

Goal: Identify policies cities can implement TODAY to reduce pension liabilities

More than 20 cities are incorporating all or significant portions of the ACC-OC's pension reform principles. Additionally, the REAL Coalition (a statewide economic development group) used much of the ACC-OC's principles as the benchmark for statewide reforms.

eHub – Your Virtual Staff Analyst

Goal: Provide a central resource for cities to obtain and analyze other city policies

A hallmark achievement for 2012, this online resource compiles thousands of various policies and research to make governing easier for OC's elected leaders and city staff. More than 1,000 documents can be found on this incredible online resource.

Local Government Innovation Compendium

Goal: Highlight and Encourage Sharing of Innovative Governing Strategies Being Employed by OC Cities

This compendium looks at nearly 50 innovative policy ideas carried out right here in OC. The ACC-OC will now carry these ideas across the nation, showing hundreds of cities how OC is leading the way in innovative ideas.

100% Connectivity – Wireless Workshop

Goal: Educate the public and elected leaders on the importance of wireless connectivity

This DVD workshop was produced to help cities strike a balance between the benefits of wireless and tradeoffs of not having access. The public safety and economic development benefits of wireless are just too important to piecemeal together a comprehensive and long-lasting cell tower plan.

Customized Legislative Tracking

Goal: Save cities money by having ACC-OC track your legislation

Cities are busy and legislation moves fast. ACC-OC's legislative tracking software allows you to track your specific issues up to the minute without wasting time or money. Just let us know your issues and ACC-OC does the rest.

POLICY FORUMS & EDUCATION The Place Policy Wonks Come to Thrive

n 2012, the ACC-OC hosted dozens of substantive, heavy-hitting discussions on the issues that matter to you most. City leaders also joined with other organizations to carry our message of local control across the state and nation. The following is a partial list of the audiences, speakers and organizations ACC-OC worked with to educate and inform our members:

Policy Discussions & Advocacy Meetings

- Senator Dianne Feinstein, California
- Senator Barbara Boxer, California
- Congressman Paul Ryan, Wisconsin
- Congressman Bill Shuster, Pennsylvania
- Congressman Ken Calvert, California
- Congressman Darrel Issa, California
- Congressman Ed Royce, California
- State Senator Darrel Steinberg
- State Senator Michael Rubio
- State Senator Bob Huff
- State Senator Mimi Walters
- State Senator Lou Correa
- State Senator Doug LaMalfa
- Assemblywoman Connie Conway
- Assemblywoman Cathleen Galgiani
- Assemblywoman Diane Harkey
- Assemblyman Jose Solorio
- Assemblywoman Kristin Olsen
- Assemblyman Don Wagner
- Assemblywoman Linda Halderman
- Mayor Ashley Swearengin, Fresno
- Chairman John Moorlach, 2nd District, Orange County Board of Supervisors
- State Controller John Chiang
- State Finance Director Ana Matasantos
- CalTrans Director Michael Dougherty
- Mark Stivers, Chief Consultant, Senate Transportation & Housing Committee



A special thanks to our friends at OCBC for convening business and local government for many of these discussions.



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2012 Events & Policy Forums

- Tough Choices: How to Navigate Tough Staffing and Service Delivery Choices
- Surviving in the New World: Finding new funding sources post-RDA elimination
- Using Humor as a Leadership Tool
- City Leader Receptions
- Inaugural Golden Hub of Innovation Awards: Celebrating City Ingenuity
- Washington D.C. Advocacy Trip
- Sacramento Advocacy Trip
- Orange County Housing Summit: Innovate for Abundance
- City Infrastructure Summit
- District Attorney Sex Offender Ordinance Discussion
- OCTA Chairman's Goals and Objectives
- Driving Government Performance: Tools that Produce Results (with Harvard University's Dr. Behn)
- Ambiguities of AB 1x26: What's the Legal Story?
- Charter Cities: Pros and Cons
- Ballots and Breakfast: The 2012 Election
- Understanding What the County Treasurer Does for Cities



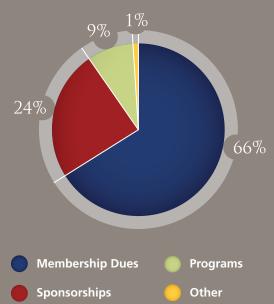


USING YOUR RESOURCES WISELY

he ACC-OC prides itself on being excellent stewards of member dues. In fact, our Board has once again voted to keep dues the same for 2013, marking the third consecutive year of static dues. Additionally, for every one dollar in city dues, the ACC-OC has secured another \$0.41 in private and non-profit sector funds to ensure we can continue the high level of service provided to our members. This reality demonstrates that a broad spectrum of stakeholders are invested in the success of local governments and the work done locally to protect local control.

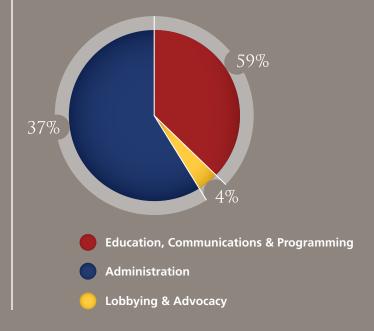
ACC-OC Revenue

Membership Dues	66%
Sponsorships	24%
Programs	9%
Other	



ACC-OC Expenses

Administration	37%
Lobbying & Advocacy	4%
Education, Communications & Programming	59%





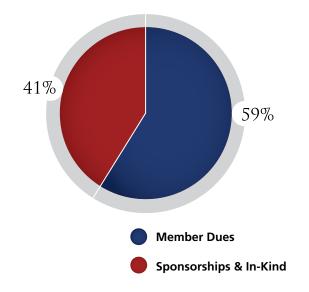
Leveraging City Resources

Member Dues	59%
Sponsorships & In-Kind	41%

In 2011, our first year of operation, the ACC-OC was able to secure more than \$0.40 in private, non-profit and other governmental agency resources for every \$1 of city dues. This number is expected to be at or near \$0.75 by the end of 2012.

This means that the region's leading enterprises are invested in the success of Orange County's cities. From The Disneyland Resort, to OCTA, to Parsons Corp., OCBC and the Children and Families Commission, Orange County's leaders believe in our mission to protect and restore local control.





THE LEADERS WHO GET IT DONE



The ACC-OC could not operate if not for the dedication and tireless work of the dozens of volunteers participating in eight policy committees, Board of Directors and dozens of programs and events each year. These leaders have combined to volunteer more than 3,000 hours – a full 129 days - of service to the empowerment of local cities.

Legislative Committee

Robert Ming (Chair), Laguna Niguel

Al Murray, *Tustin* Al Ethans, *Stanton* Devin Dwyer, *Huntington Beach* Frank Ury, *Mission Viejo* Fred Smith, *Buena Park* Gary Capata, *Laguna Niguel* Leroy Mills, *Cypress* Scott Nelson, *Placentia* Scott Voigts, *Lake Forest* Steve Jones, *Garden Grove* Kyndell Paine, *Disneyland Resort* Frank de Lima, *California Policy Advisors*

Successor Agency Taskforce

Jerry Amante (Chair), Tustin Al Murray, Tustin Dave Shawver, Stanton Frank Ury, Mission Viejo Joe Carchio, Huntington Beach John Taylor, San Juan Capistrano Kris Murray, Anaheim Laura Freese, San Juan Capistrano Leroy Mills, Cypress Ralph Rodriguez, La Palma Steve Berry, Buena Park Steve Jones, Garden Grove Tom Lindsay, Yorba Linda Christine Shingleton, Tustin Hilda Veturis, Costa Mesa Jim Vanderpool, Buena Park John Woodhead, Anaheim Robin Roberts, Westminster Todd Ament, Anaheim Chamber Bryan Starr, OCBC Kate Klimow, UC Irvine Martina Guilfoil, OC Housing Trust Meredith Vivian, Senator Lou Correa

Pension Reform Committee

Devin Dwyer (Chair), Huntington Beach

Beth Swift, Buena Park Frank Ury, Mission Viejo Keith Curry, Newport Beach Larry Crandall, Fountain Valley Michael Henn, Newport Beach Robert Ming, Laguna Niguel Scott Nelson, Placentia Steve Hwangbo, La Palma Wendy Leece, Costa Mesa Tim Casey, Laguna Niguel Paul Boyer, Rancho Santa Margarita Barbara Delgleize, Huntington Beach Greg Burt, Senator Mimi Walters Supervisor Todd Spitzer, County of Orange

Government Innovation

Keith Curry (Chair), Newport Beach

Devin Dwyer, Huntington Beach Frank Ury, Mission Viejo Jeffery Lalloway, Irvine Jeremy Yamaguchi, Placentia Kris Murray, Anaheim Scott Voigts, Lake Forest Tita Smith, Orange Wendy Leece, Costa Mesa Dennis Wilberg, Mission Viejo Paul Boyer, Rancho Santa Margarita Tim Casey, Laguna Niguel Tom Hatch, Costa Mesa Troy Butzlaff, Placentia Keith Richter, OCFA Lance Larson, OCTA

RHNA Reform Committee

Carolyn Cavecche (Chair), Orange

John Anderson, Yorba Linda John Nielsen, Tustin Miller Oh, Buena Park Nancy Gardner, Newport Beach Rhonda Reardon, Mission Viejo Sam Allevato, San Juan Capistrano Tim Shaw, La Habra/Senator Bob Huff CJ Amstrup, Anaheim Claire Flynn, Costa Mesa Dana Smith, Newport Beach Elizabeth Binsack, Tustin Jeff Hook, San Clemente Laura Stokes, San Juan Capistrano Pam Stoker, Yorba Linda Tracy Sato, Anaheim Bryan Starr, OCBC Dave Simpson, OCTA/OCCOG Frank de Lima, California Policy Advisors Joseph Carreras, SCAG Kate Klimow, UC Irvine Ma'yan Johnson, SCAG

100% Connectivity – Countywide Wireless

Tim Brown (Chair), San Clemente

Leslie Vartanian, *Verizon Wireless* Richard Porras, *AT&T* Ryan Turner, *OCFA* Tony Ingegneri, *ATS Communications*

Economic Development & Job Creation

Robert Ming (Chair), Laguna Niguel

Al Murray, *Tustin* Frank Ury, *Mission Viejo* Jeffery Lalloway, *Irvine* Jesse Petrilla, *Rancho Santa Margarita* John Taylor, *San Juan Capistrano* Laura Freese, *San Juan Capistrano* Scott Voigts, *Lake Forest* Wendy Leece, *Costa Mesa* Dennis Wilberg, *Mission Viejo* Tom Hatch, *Costa Mesa* Peter Naghavi, *Costa Mesa* Jennifer Vaughn, *The Gas Company* Justin Wallin, *Probolsky Research* Meredith Vivian, *Senator Lou Correa* Todd Ament, *Anaheim Chamber*

City Managers Committee

Jim Vanderpool (Chair), Buena Park

Angie Avery, Los Alamitos Bob Wingenroth, Anaheim Dave Kiff, Newport Beach Eddie Manfro, Westminster Ellen Volmert, La Palma Fred Wilson, Huntington Beach Jeffrey Parker, Tustin Jim Box, Stanton Tom Hatch, Costa Mesa

Emeritus Members

Hon. Dick Ackerman Allan Roeder Cheryl Brothers Curt Pringle Don Lamm Doug Davert Supervisor Todd Spitzer

TESTIMONIALS





"We're pleased that ACC-OC welcomes Orange County's business community to its table of local government leaders. This truly positions ACC-OC as a go-to place for tackling issues with cutting-edge solutions, setting a new standard for excellence and innovation."

Lucy Dunn CEO, OCBC



"There's no other organization like ACC-OC in the state. Their relentless pursuit of smart public policy, from the ground up makes the resulting policy solutions more relevant to our region, and positions the ACC-OC to be an effective advocate for our city."

Jim Vanderpool City Manager, City of Buena Park



"ACC-OC convenes local leaders on issues impacting our communities and local control. I know I can count on them when I want feedback or input on important legislative issues."

Senator Lou Correa 34th Senate District



"ACC-OC is exactly what our cities need to help protect Orange County taxpayers and enhance the collective voice of our cities. I also appreciate the enhanced resources that ACC-OC offers its members."

Senator Mimi Walters 33rd Senate District



"It's refreshing to see the ACC-OC's unique approach to public policy. I am proud of the work they are doing across Southern California and I encourage them to continue working on smart public policy for California's cities."

Mayor Ashley Swearengin City of Fresno



"We're proud to partner with ACC-OC to ensure that Orange County's transportation needs are effectively communicated to decision makers in Sacramento and Washington D.C."

Will Kempton CEO, OCTA



"I trust the ACC-OC as a policymaker because of their focus on the issues that are important to our city, county and greater region. Through ACC-OC policy committees and programs, city leaders collaborate to develop and implement better public policy. I applaud ACC-OC for their vision and leadership in Orange County."

Councilwoman Kris Murray City of Anaheim



"The ACC-OC has been an instrumental leader for cities at all levels. The ACC-OC has stepped up and broadened its mission to include a wide range of high-quality services and innovative resources that are uniquely timely while incredibly practical and user friendly. The ACC-OC has made it easier to learn from other Orange County cities and specifically helped Costa Mesa be a better and more efficient city organization."

Tom Hatch CEO, City of Costa Mesa

TO OUR PARTNERS AND FRIENDS, THANK YOU FOR A WILDLY SUCCESSFUL 2012.

Affiliate Members





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