

City of Brisbane

Agenda Report

To: City Council via City Manager

From: Stuart Schillinger, Administrative Services Director

Subject: Approve Agreement with Manatt, Phelps, and Phillips to provide Legislative Assistance related to public policy and regulatory developments by the State of California as it relates to the Brisbane Baylands.

Date: December 8, 2016

Purpose:

To ensure the City of Brisbane is aware of any policies or regulations being discussed at the State level regarding the Brisbane Baylands, and is able to provide accurate and timely information as part of the discussion.

Recommendation:

Approve the agreement with Manatt, Phelps, and Phillips, LLP for services related to the Brisbane Baylands.

Background:

The City has previously used the firm of Manatt, Phelps and Phillips to work with our Congressional delegation in securing specific language which enabled the City to receive federal funding for water and sewer projects, as well as some police equipment.

Discussion:

Recently the San Francisco Board of Supervisors passed a resolution which called for the exploration of annexing the Brisbane Baylands to the County of San Francisco. Under current law there is not a path for this to take place. Land can only be annexed from one County to another if both the adjacent properties are unincorporated land. In case of the Baylands neither property is in an unincorporated area. Therefore, if there is going to be a change in County lines there would need to be a legislative process to change the law.

Another alternative for state legislation would be a change in law which limited the city's ability to control its own zoning regulations as it relates to housing.

The law firm of Manatt, Phelps, and Phillips and Thomas McMorrow in particular is familiar with the legislators, their staff, and other advocacy groups that would be part of the discussion concerning these issues. He has represented a number of cities throughout California in front of the Legislature on a variety of issues.

The proposal is for the firm to change its efforts depending on the level of attention these issues receive in Sacramento. If legislative and regulatory officials defer to Brisbane's established local

planning process with respect to the Baylands there will be more of a hands off monitoring process. If on the other hand State officials focus on or seek to influence Brisbane's decision-making process the firm will work to represent and protect the City's interests in Sacramento.

The cost of their services are tiered depending if there is active legislation or regulatory issues which need to be addressed or not. If the State allows the City to go through the planning process unencumbered by new laws or regulations the cost for the City will be \$60,000. If on the other hand the State takes an active role in our planning process the anticipated cost is a minimum of \$150,000.

Fiscal Impact:

This is a cost that was not anticipated at the time the budget was created. The City Council originally budgeted \$283,000 in the City Attorney's budget. Through the end of September we have paid less than \$35,000. At this rate there will be enough savings in this account to cover the cost of the smaller contract amount. If the higher amount is needed staff will inform the City Council and recommend where the additional funding will need to come from. If there is unanticipated City Attorney time needed the remainder of this year staff will bring back appropriate recommendations for funding during the mid-year budget process.

Measure of Success


There is no change to the City's land use decision authority

Attachments:

Proposal from Manatt, Phelps, and Phillips.



Stuart Schillinger
Administrative Services Director



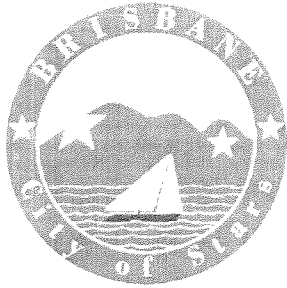
Clay Holstine
City Manager

MANATT, PHELPS & PHILLIPS, LLP

Statement of Work

City of Brisbane, California

Presented on October 21, 2016



Manatt, Phelps and Phillips, LLP (“Manatt” or “we”) submits this proposed Statement of Work to the City of Brisbane (“Brisbane” or the “City”) with respect to potential public policy and regulatory developments by the State of California (the “State”) regarding the Brisbane Baylands.

A. Background

The proposed Brisbane Baylands (“Baylands”) development plan encompasses approximately 660 acres of the City. The site includes a former municipal landfill and a rail yard, which has required millions of dollars and years of remediation to address legacy contamination. The Baylands plan provides for open space and trails for residents’ use at the remediated site, as well as new sustainable development to enhance Brisbane’s economic health, social diversity and environment.

Brisbane’s City Council is in the process of reviewing the Baylands plan as approved unanimously by the City’s Planning Commission. The Council is committed to a transparent and comprehensive planning process. The Council is dedicating one meeting a month through at least May 2017 to ensure due public consideration of the Baylands plan. After completing its comprehensive review, with the benefit of public input throughout, the Council will vote on how to proceed with the Baylands.

B. Project Specific Qualifications & Tailored Work Plan

Brisbane’s goal is to secure a knowledgeable, trusted and proven State advocacy services partner to help represent the City on the targeted issue of helping to protect local control of the process and outcome of the Brisbane Baylands development project.

1. *Project Specific Qualifications*

Manatt’s Sacramento team includes professionals with decades of experience representing clients before the California Legislature, the Governor’s Executive Office, and numerous agencies and departments of the Executive Branch. Most of our team has served on legislative and executive staffs or in other senior positions in State government. We have developed and nurtured relationships with elected officials and appointed policymakers, including Governor Brown, the bipartisan legislative leadership and caucus leadership.

Our experience and relationships include the Executive Branch offices that may take an interest in the Brisbane Baylands, including the Natural Resources Agency, the Office of Planning and Research, the California Strategic Growth Council, the State Lands Commission, the Bay Area Conservation and Development Commission, and the Office of the Attorney General.

Similarly, our legislative relationships include the chairs and vice chairs and key staff to the legislative committees that would likely have jurisdiction over any legislative effort impacting the Baylands plan. These include the Local Government Committee and the Housing and Community Development Committee in the Assembly, and the Governance and Finance Committee and the Transportation and Housing Committee in the Senate.

2. *Engaging with and Tailoring Our Advocacy for the City of Brisbane*

Manatt proposes to engage on behalf of Brisbane to ensure that the City is aware of and appropriately involved in conversations respecting the Baylands with interested State leaders and decision-makers in the State Legislature, the Brown Administration, relevant constitutional offices, and independent boards and commissions.

Manatt proposes to modulate our efforts on Brisbane's behalf in accordance with the attention level given to the Baylands by State officials. If legislative and regulatory officials defer to Brisbane's established local planning processes with respect to the Baylands and do not focus on the plan at the State level, we will not ask them to. If State officials focus on or seek to influence Brisbane's decision-making process respecting the Baylands, however, we will work to represent and protect the City's interests in Sacramento.

We propose to begin our work on this project with the City by holding a strategic planning session where we can be briefed on the Brisbane Baylands and jointly identify and discuss related policy considerations and priorities.

We will use the planning session as a foundation for our building an engagement and communications plan for State outreach and communications that reflects Brisbane's interests and expectations. The plan will address many aspects of our work together, including how we propose to monitor and promptly report on legislative and regulatory developments, and our developing written materials, in conjunction with Brisbane, to supplement direct and indirect interactions with the Executive Branch, the Legislature and appropriate regional planning commissions. We will also address potential work with third-party interests who share Brisbane's interests and priorities, including other cities, as well as meetings between the City and State officials if appropriate.

We will schedule a conference call or meeting, as desired by the City, to present our proposed plan and to identify and address any questions the City may have.

We will only begin to implement the plan after City approval.

C. *Professional Fees*

We propose a two tiered fee structure for this engagement.

If State officials do not take an active interest in the City's decision making respecting, or take steps to influence the City's local control over, the Baylands project, our professional fee for this engagement will be fixed at \$60,000, payable in 12 monthly installments of \$5,000 beginning October 17, 2016.

If State officials, whether executive or legislative, take an active interest in and/or take steps to influence the City's local control over the Baylands project, our fee for this engagement will be increased to a minimum of \$150,000. Our fee shall be paid in three monthly installments of \$5,000 starting October 17, 2016 (including November 17, 2016 and December 17, 2016), followed by nine monthly installments of \$15,000 beginning January 17, 2017 thru and including September 17, 2017.

Our professional cover our services only. Direct expenses incurred on the City's behalf shall be billed in addition to our fees. We do not anticipate incurring significant expenses on this matter.

We developed this fee proposal by reviewing our work on similar projects in the past. We would be pleased to discuss the proposal directly with you.

D. Staffing

The table below identifies Manatt's proposed core project team and our professionals' respective project responsibilities generally. We intend to address individual roles and responsibilities with greater particularity in our proposed work plan.

Resource	Roles & Responsibilities
Tom McMorrow, <i>Managing Partner</i>	Tom will serve as the lead lobbyist and have overall responsibility for the project including developing the overall engagement strategy.
Steve Coony, <i>Manager Director</i>	Steve will serve as the project manager, providing local government knowledge and strategic contacts within the Legislative and Executive Branches.
Che Salinas, <i>Counsel</i>	Che will provide strategic knowledge and on-the-ground lobbying support within the Legislative and Executive Branches.
Alfredo Medina, <i>Legislative Advisor</i>	Alfredo will provide strategic knowledge and on-the-ground lobbying support within the Legislative and Executive Branches.
Delilah Clay, <i>Legislative and Regulatory Advisor</i>	Delilah will provide legislative and regulatory research as well as on-the-ground lobbying support within the Legislative and Executive Branches.
McKay Carney, <i>Legislative Advisor</i>	McKay will provide legislative and regulatory support services, including providing strategic contacts, tracking legislation and other developments at the State level, as well as on-the-ground lobbying support within the Legislative and Executive Branches.