



# California Policy Issues Annual

## THE YEAR IN REVIEW



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California State University, Los Angeles

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# CALIFORNIA POLICY ISSUES ANNUAL

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## THE YEAR IN REVIEW

*This report was based on the*

***15<sup>th</sup> Annual California Policy Issues Conference***

(Convened November 2007)

***2007 California Agenda Lecture Series***

and

***2007 Policy Issue Briefs***

VOLUME 9

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## ACKNOWLEDGMENTS

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The 2007 California Agenda Public Policy Lecture Series, the 15<sup>th</sup> Annual California Policy Issues Conference and this 2009 edition of the California Policy Issues Annual (CPIA), was made possible by the generous support of our hosts and sponsors.

The primary goal of our lecture series and annual statewide conference is to bring together leaders and experts from across the sectors to discuss, dialogue and debate leading public policy issues impacting California and its urban and suburban communities. Our chief goal in publishing the CPIA, which contains various policy briefs, applied scholarly manuscripts and expert presentations made throughout the year, is to have it serve as an expanded policy tool for state, regional and local legislators; public and private agencies; community leaders and policy centers.

The generosity and vision of our sponsors allow us to realize these goals while also exemplifying the public, private and community collaborations that were so central and vital to the broad theme of the 2007 California Agenda, Conference and this 2009 edition of CPIA: *The Year in Review*.

On behalf of the Pat Brown Institute and the many public policy, community and higher education readers of this journal, we would like to take this opportunity to thank and acknowledge the following funders: *The James Irvine Foundation, AT&T, Southern California Edison, SEIU Local 721, Washington Mutual, The Walt Disney Company, California Federation of Teachers, International Brotherhood of Electrical Workers, State Building and Construction Trades Council of California, Center for California Studies, and GCG Rose and Kindel.*

We are deeply appreciative.

Jaime A. Regalado, Ph.D.  
Executive Director

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# 15<sup>TH</sup> ANNUAL CALIFORNIA POLICY ISSUES CONFERENCE

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## **Building a Framework for Equitable Urban Growth**

The convening plenary panel, moderated by Mr. David Abel, of Abel & Associates, asked panelists to offer their perspectives on sustainable and inclusive development and address environmental, economic, political, and social issues that are often intertwined with urban growth and the physical development of a city.

Mr. Dan Walters, of the Sacramento Bee, began the panel discussion by focusing on political and economic issues confronting California. He noted that there is one constant in California, an immigration-driven population growth. Mr. Walters stressed that as the population continues to grow, California will experience an insatiable demand for commercial services and housing as well as an active, growing labor force.

Mr. Greg McWilliams, from Newhall Land and Framing Company, moved the discussion to environmental issues impacting cities. He stated that AB 32, legislation related to climate change, had peaked cities' interests. Cities are moving toward policy related to climate change, he noted, but due to lack of comprehensive policy, they cannot move forward. Mr. Robert Balgenorth, from the California Building and Construction Trades Council, also discussed environmental issues. He posed the following question: What is going to happen to Californians? He stressed that California needs to make smarter investments related to infrastructure and simultaneously think about how these actions will impact Californians' lives.

Mr. Michael Woo, of the Los Angeles City Planning Commission, used Los Angeles and its current challenges as an example of how "real" urban planning looks in practice. He stated that the rules of growth once used for the city were drawn for a different world—based on the assumption that the area would finance its own infrastructure and that goods such as gas would be affordable. Currently, the city is considering new principles for growth, such as building housing near transit centers and places of employment and constructing additional energy efficient buildings.

The panel collectively agreed that California's government structure and political system are in crisis. As a result, policy decisions are in gridlock. Mr. Walters noted that with the given structure of required checks and balances and consensus, two outcomes are possible: (a) decisions are not made or (b) policy is created that satisfies all constituent groups and clears political hurdles, but the policy becomes distorted and collapses. According to Mr. Walters, the state needs to design a political system to work for the twenty-first century, such as a parliamentary system.

## Building Smart

Dr. Scott Bowman, of California State University, Los Angeles, moderated the panel titled “Building Smart.” He asked panelists to focus on “smart growth” and discuss issues regarding energy, efficiency, ideal urban forms and practices, green buildings, and other issues associated with development.

Dr. Jennifer Wolch, of the University of Southern California, discussed available methods for building smarter. For example, when developers implement transportation and land use balance, retrofitting older communities and disadvantaged areas can be explored to better utilize existing structures. In addition, building smart can be complemented by utilizing performance measurements, such as carbon footprints and carbon taxes for buildings and housing, and by implementing green building codes. We also need to consider building smaller developments and adapting for predictive conditions, such as climate change and air quality.

Mr. Carl Guardino, from the Silicon Valley Leadership Group, identified three ways to practice building smarter:

1. Present smart data to answer to stakeholders;
2. Develop smart partnerships and alliances to build smart;
3. Have a “smart heart” to effectively change approaches to developing and gain the buy-in of sought after entities.

Ms. Lula Ballton, of the West Angeles Community Development Corporation, discussed social issues impacting communities as a result of smart growth. She cautioned that communities, particularly disadvantaged ones, fall victim to smart growth for various reasons. When implementing smart growth practices, it is critical to monitor the distribution of resources and land to ensure that it is done equitably. She stressed that those involved in smart growth, such as developers and academics, need to keep issues related to class, gender, and race at the forefront in order to make informed decisions.

Mr. Rick Cole, city manager of Ventura, focused on growth related to the downtown Los Angeles area. He noted that development is occurring west of downtown; however, population growth is occurring in areas to the south and east of downtown. Cities have a responsibility to make their city attractive and, more important, livable. Mr. Cole also emphasized the importance of including leadership from various sectors in creating a sustainable vision and updating a city’s general plan.

## **Inclusive Development: Getting a Fair Share**

Mr. Bill Pitkin, from the United Way of Greater Los Angeles, asked panelists to address issues of equity as they relate to low-income housing, inclusive zoning, and other important factors. Panelists agreed that there is both a housing crisis and inequity concerning which populations are best served by housing developments.

Panelists looked at existing problems regarding urban development in relation to the issue of class. Mr. Tony Salazar, of McCormack Baron Salazar, noted the occurrence of housing segregation by various levels of earned income. Mr. Ruben Lizardo, of PolicyLink, agreed. He stated that public interests must be accounted for. For example, public interests can be fulfilled when building new developments through mechanisms such as equitable public investment. Ms. Mary Leslie, of the Los Angeles Business Council, said the city of Los Angeles is currently at a disadvantage because it has not properly planned for residents' needs. She noted that because housing has fallen to the bottom of the list, residents at every economic level have been affected.

Mr. Paul Turner, from CitiBank, directly related housing inequities to lack of community empowerment. As a result, communities cannot prevent concerns such as gentrification from occurring in their respective neighborhoods.

Finally, the panelists turned the discussion to solutions. They recognized that development is expensive and supported the creation of a streamlined process that would include increasing capital in financing. Mr. Salazar mentioned that economic integration stabilizes communities. He suggested providing incentives to developers, such as density bonuses, and enforcing inclusionary zoning requirements. Mr. Turner recommended an increase in entry-level housing production. In addition to these solutions, Dr. Gilda Haas, of the University of California, Los Angeles, stressed that we need to think differently about housing to reduce current inequalities and, even more important, to challenge current thinking.

## **Investing in the Future of Livable Cities in California**

Ms. Kathleen Brown, from Goldman Sachs and Co., delivered the luncheon keynote presentation. Her presentation focused primarily on the fiscal framework shaping California's future.

Ms. Brown began her presentation by posing the following question: How will the State of California continue to pay for infrastructure given the inevitable growing population? Her perspective is that investments in infrastructure are essential to a stable population growth. Moreover, such investments must be made to maintain Californian's quality of life and the

state's economic competitiveness. She pointed to Argentina as an example of a country with great wealth that has dissolved into disarray. Argentina fell when its thriving economy underwent fiscal mismanagement, including failure to invest in infrastructure and intellectual capital coupled with political hubris. Likewise, California must deal with its challenges in an open way if it will prevail. Ms. Brown stressed that the state must be innovative and pull together resources in order to reinvent itself for this century.

Ms. Brown also discussed the state's fiscal structure and current forms of revenue. General obligation bonds (i.e., borrowed funds to pay for current assets) are an important first step in Governor Schwarzenegger's strategic growth initiative. However, they are not sufficient to pay for the state's infrastructure. California needs to look at its budget sheets differently to ensure longevity of such measures.

Ms. Brown urged us all to apply innovative thinking. We need to think about unlocking the equity in assets such as those that taxpayers finance. These can be utilized as a source for new capital for investments. The mayor of Chicago, for example, generated new sources by monetizing toll roads to pay off city debt and by selling parking lots to private parties, which allowed for investments in parks. The governor of Indiana implemented similar practices by leasing current toll roads and used the generated capital to build a new toll road. California has similar opportunities to generate new revenue, for example, by utilizing the state lottery. Ms. Brown also noted that the state could generate capital for infrastructure by implementing tolled "hot lanes."

Los Angeles Mayor Antonio Villaraigosa also provided remarks during the luncheon keynote presentation. He began by detailing Governor Brown's original vision and accomplishments regarding the state's infrastructure, such as aqueducts and highways, and then discussed the state's present conditions and need to strengthen infrastructure. With the expected population growth and challenges in the state, we need a vision that will sustain our prosperity. For example, Los Angeles has implemented a long-term vision that includes steps to raise service fees and add transportation projects, such as a subway to the sea. In addition to maintaining principles to maintain this long-term plan, the Mayor encouraged us to implement smart and green growth.

## **Sustaining Sustainable Growth**

Dr. Roger Caves, from San Diego State University, asked panelists to suggest measures for sustainability that can be nurtured and maintained within contemporary political, economic, environmental, and sociocultural atmospheres.

All panelists agreed that Californians need to change their current vision of how we live and sustain our cities. Ms. Holly Scroeder, of the Building Industry Association of Greater

Los Angeles/Ventura, called for a sustained vision regarding different ways of developing cities and our collective behavior. She noted that leadership is needed to carry out such a vision from conception to fruition. Equally important is identifying the source of such leadership. For example, the Building Industry Association of Greater Los Angeles/Ventura serves as a leader to work with entities such as government, nonprofits, and academia. Ms. Linda Daniels, of the city of Rancho Cucamonga, agreed. She stressed that cities need to reexamine how they currently live, change their vision, and embrace change, such as mixed-use developments and high-density housing.

Dr. Manuel Pastor, of the University of Southern California, recommended approaches to help developers reduce poverty. He suggested strategies to include economic growth, training and development, and basic community standards.



## 2007 CALIFORNIA AGENDA LECTURE SERIES SUMMARIES

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### **'The Boom of Transit-Oriented Development Along Metro Rail'**

Mr. Roger Snoble, CEO of Los Angeles County Metropolitan Authority

January 31, 2007

Transportation, introduced the CEO of the Los Angeles County MTA, Mr. Roger Snoble, is part of the puzzle that makes great communities. Though there are many components to Los Angeles County's long range transportation plan, Mr. Snoble highlighted transit-oriented development (TOD) because it exemplifies the interconnectedness between land use and transportation. In addition to many other types of transportation projects, TOD in Los Angeles County, described Mr. Snoble, is intended to address the increasing number of people (2-3 million) and jobs (1 million) the County will incur over the next 25 years. Transit-oriented development, he described, uses existing land and infrastructure more efficiently to enhance livability around transit stations.

Without a regulatory role, the MTA must use planning and design strategies, such as TOD, to reduce auto use, promote and enhance non-car trips, and to increase Metro's value through a fair market return on public investment. The guiding concepts behind the MTA's TOD projects, described Mr. Snoble, include the integration of commercial space and housing; the building of affordable and mixed housing; prioritizing high-density and high quality-of-life development; nontraditional land-use; retaining and enhancing neighborhood character. Mr. Snoble gave numerous County-wide examples of both existing and future TOD projects.

### **'The State of Education in Los Angeles II'**

**Moderator:** Dave Bryan, Political Reporter, KCAL9/CBS2

**Panel:** David L. Brewer III, Superintendent, LAUSD

Hon. Marlene Canter, President, LAUSD Board of Education

Maria Casillas, President, Families in Schools

Ray Cortines, LA Deputy Mayor, Education, Youth & Families

A. J. Duffy, President, UTLA

February 21, 2007

The education debate within the nation's second largest school was revisited today, a year after Mayor Antonio Villaraigosa's ambitions to takeover the school district were unveiled. Moderator Mr. Dave Bryan of KCAL9/CBS2 introduced the context of the debate, referring to the Los Angeles Unified School District (LAUSD) as "ground zero" in the educational war

over who should control the schools. Given that the LAUSD must carry on in the midst of the governance battle while still trying to address the lack of resources, prevalent youth violence, and a high drop-out rate, Mr. Bryan posed the question, “Where do we go from here?”

Ms. Marlene Canter, President of the LAUSD Board of Education and Mr. A. J. Duffy, President of the United Teachers of Los Angeles, both described the education agenda in Los Angeles as moving forward based on the events of the past year. The most influential and controversial education catalyst of the last year described Mr. Duffy, was Mayor Villaraigosa’s educational governance reform legislation, Assembly Bill 1381. “Conflict is not always bad if it leads to new partnerships over change” he said. Though Ms. Canter argued that legislation is unnecessary for collaboration, she referred to the past year as a “milestone conversation” in education because of the attention on reform. Another reason for hope said Ms. Canter is the exciting leadership of the new LAUSD Superintendent, Mr. David L. Brewer III and the new partnerships that are already forming.

Others on the panel described the future of education in the LAUSD as contingent upon converting the “best practices” into a district-wide approach. Mr. Ray Cortines the Los Angeles Deputy Mayor of Education, Youth & Families argued that he has seen some of the best practices in the LAUSD schools and charters, but what is lacking is a “systematic approach” for the implementation of these exemplary methods. Mr. Brewer shared a similar sentiment, proclaiming that many of the successful educational methods and tools are known but not yet replicated across the district. As new Superintendent, he said that he will “shock the system” into action by having the tough conversations and embedding the system with “innovations of vision.”

Mr. Brewer also discussed his agenda for increasing community ownership of both the problems and success of their schools. He described the Belmont Pilot School project as an example of this communitycentered model. Ms. Maria Casillas, President of Families in Schools, also expressed the need for community ownership at the local level through emphasis on clusters of schools. She argued that everyone in these clusters must be held accountable for the success of their schools and neighborhoods. Increased control at the local, community level—a widely favored strategy—was adopted in 2000, said Mr. Cortines, but it has never been implemented due to the district bureaucracy. The lack of transparency and excessive bureaucracy, argued Mr. Cortines, is a major barrier to educational success in the LAUSD. Another barrier to education reform that resonated with those in attendance was the perceived lack of cooperation and collaboration between the Mayor, the Superintendent, and the LAUSD. The panel agreed that a future dialogue between the major players would set the stage for education improvements in the district.

## **‘California: Challenges and Opportunities’**

Ms. Elizabeth Hill, California Legislative Analyst

March 21, 2007

Ms. Elizabeth Hill, California’s Legislative Analyst joined us from Sacramento to share the challenges and opportunities facing California’s budget. The Governor’s 2007-2008 budget, said Ms. Hill, will spend \$350 million a day—or \$3,400 per man, woman, and child—in California over the course of the year. She then proceeded to review some of the critical factors her office considers when balancing the check book of the 8th largest economy in the world. For example, Ms. Hill discussed the implications of a growing and changing demography in California. Over the next five years the 45+ segment of the population will experience the highest level of increase, followed by the college-age cohort, while the K-12 age group is expected to experience negligible growth. Personal income tax is the largest contributor to the state general fund, explained Ms. Hill, and the age composition of the population influences income levels. The Legislative Analyst’s Office must consider other risk factors, in addition to age and income, such as the housing and energy markets, state spending for retiree health care, and pending state litigation. Different estimates of risk factors can alter the outcome of budget analysis, she explained. According to the Governor’s administration, the 2007-2008 budget will end the fiscal year with a \$2.1 million surplus, while the Legislative Analyst’s Office projects a \$726 million deficit. Ms. Hill attributed the sizeable budget discrepancy to different estimates of tax revenue, tribal gaming revenue, and spending for higher education. Ms. Hill concluded with recommendations for the legislature and Governor to reduce spending, increase resources, and take a long-range view of the California budget.

## **‘Air Quality and Environmental Justice Issues in the South Coast Air Basin: Major Challenges Ahead’**

Mr. Wayne Nastri, Regional Administrator for Region 9, U.S. Environmental Protection Agency

April 24, 2007

“Necessity is the mother of all invention,” began Mr. Wayne Nastri, the U.S. Environmental Protection Agency’s (EPA) Regional Administrator for Region 9, in reference to the development of environmental leadership in Southern California. The most desirable qualities of Southern California, continued Mr. Nastri, have always been our greatest challenges; a strong economy; attractive climate and topography; ideal proximity to the Pacific Rim. Though we have made great strides in environmental protection, such as our much improved our air quality since the 1940s; Mr. Nastri raised some of the current concerns for the EPA, one of which is ensuring environmental justice is integrated into all projects. Mr. Nastri provided examples of current EPA projects in Southern California working toward reducing ozone and particulate matter emissions that will greatly benefit communities who

are down-wind or in close proximity to polluting activities. For example, the newly proposed engine and fuel standards for locomotive and marine vessels, he described, will have tremendous health and monetary benefits. The most successful strategy employed by the EPA to leverage funding and gain political support for these types of projects, said Mr. Nasri, is collaboration at the regional scale and between sectors, especially the private sector and community groups.

### **'Health and Violence Panel Discussion'**

**Moderator:** Ms. Patricia Giggans, Executive Director, Peace Over Violence

**Panel:** Hon. Steve Cooley, Los Angeles County District Attorney

Ms. Connie Rice, Co-Director, The Advancement Project

Dr. Robert Ross, President and CEO, The California Endowment

May 31, 2007

While policy efforts to halt gang violence are increasingly prioritized at the regional and national scales, discussions on the origins of violence are connected to the very local; the health of neighborhoods, families, and children. This panel, moderated by Ms. Patricia Giggans, Executive Director of Peace Over Violence, set out to explore the interconnectedness between the local causes of violence and the regional approach needed to solve it. Connie Rice, Co-Director of The Advancement Project, posed one of the toughest and most candid questions early on, "why is the city of Los Angeles stuck on stupid in ending la Vida Loca?"

According to Ms. Rice, "domestic violence is the Petri dish for gang violence" which she argued develops out of specific circumstances (educational failures, negative peer networks, etc.), not happenstance. In order to address these complex circumstances that create violent communities, said Ms. Rice, a 24 hour, seven day a week, wraparound strategy that encompasses employment assistance, educational training, safe recreation and housing options, healthcare access, and other services is paramount. This massive reorganization of city and state resources is proven to be the only effective strategy to reduce violence in gang-run communities. The only barrier to its implementation in violent "hot spots", stated Ms. Rice, is political will.

As Los Angeles County District Attorney, Hon. Steve Cooley added a broader perspective to the intersection of violence and health. With the crime rate for Los Angeles County at an all time low compared with the last 50 years, Mr. Cooley expressed reason for optimism. He cited the more sensitive and sophisticated methods of crime fighting as contributing factors to the reduction of crime in the county. This paradigm shift, said Mr. Cooley, away from simply suppression to a focus on prevention has meant that new strategies are increasingly employed. For example, using a health model to understand that crime is analogous to

cancer has helped to prevent and reduce the harm—physical, psychological, and emotional—incurred from violence. Mr. Cooley emphasized that these new thought processes, and the reduction in crime, indicate that we are in a new—and better—era of crime fighting.

In regards to the science of violence, from a public health perspective, President and CEO of The California Endowment, Dr. Robert Ross identified some of the critical physiological implications of violence in an effort to underscore the necessity of a 24-7 wraparound strategy. For example, children repeatedly exposed to violence, said Dr. Ross, have a neurological imprint in their brains that is detectable by CAT scan in children as young as four years old. For adults, continued Dr. Ross, studies have shown that African American males exposed to violence have developed post-traumatic stress disorder symptoms on par with those of soldiers who have undergone battle. This combination of domestic, community, and media violence on a daily basis in specific communities, said Dr. Ross, causes physiological damage that can only be treated by intensive, holistic, “24-7” care sustained over a period of 5 to 10 years.

Ms. Giggans concluded by asked the panelists what real leadership on the issue of violence would look like in Los Angeles. There was general consensus on the panel that the proposed appointing of a “gang czar” is a tremendous step in the right direction because the violence crisis that exists in many communities can only be addressed when someone is charged with and given the authority to unite the disparate community-based and city organizations already providing services. They also emphasized that this potential leader can only be successful if she or he is given the necessary authority over other agencies and their budgets to coordinate the range of support and services necessary for a sustained, 24-7 wraparound approach in violent “hot spot” communities.

### **‘Political Potpourri: A Review of California’s Political Reform Issues’**

Robert M. Stern, President of the Center for Governmental Studies

June 21, 2007

I have titled my talk Political Potpourri: What is a potpourri?

A miscellaneous collection or medley.

The following are Reflections of a Political Reformer.

What is the Center for Governmental Studies or CGS? Founded by my colleague, Tracy Westen, 24 years ago.

We study the issues I am going to discuss with you today and we issue recommendations on how to improve the governmental process and provide more information to voters.

Generally and unfortunately it takes a scandal to enact major reforms.

Nixon, Los Angeles Mayor Tom Bradley, Connecticut Governor John Rowland, Arizona Governors Fife Symington and Evan Meecham.

For each of the topics I am going to present:

Problems: Recommendations

Note: the recommendations are mine and do not necessarily reflect the views of other CGS staff members or the board of directors.

### **Disclosure of Campaign Contributions and Expenditures**

Disclosure is the keystone for all reform.

Problem trying to be addressed: voters want to know who is financially supporting and opposing candidates and ballot measures. While they may not look up the information on-line, they want to know that the press, opponents and other interested parties can access financial information in case anything does not appear to be right.

California law requires disclosure of campaign contributions and expenditures of \$100 or more.

If you hide a \$500 contribution or try to launder it, the press is far more interested in that story than you if publicly disclose a \$50,000 contribution.

We have excellent campaign finance disclosure in California; not perfect but very good. Political Reform Act (Prop. 9) enacted by a 70% vote in 1974 enacted a disclosure law. Based on legislation introduced in 1973 at the request of Secretary of State Jerry Brown.

Disclosure today is even better because of electronic filing and posting of contributions and expenditures on-line.

Los Angeles City has one of the best on-line systems in the country and it is even selling its program to other cities and governmental jurisdictions for a very nominal fee.

Cases challenging disclosure: Indian tribes say they are a sovereign nation and thus don't need to comply with state laws. Conservative groups say it is an invasion of privacy and a violation of the Free Speech clause of the U.S. Constitution's First Amendment. So far the courts have upheld disclosure, but challenges are continuing. I am an expert witness in Colorado case where anti-annexation people in a county spent \$2,000 fighting

annexation without filing disclosure reports.

Money laundering cases would not be uncovered unless there is disclosure: An intern in the Los Angeles City Ethics Commission noted that several people were giving \$500 each on the same day. These people listed their occupations as student, flight attendant, gardener, and unemployed. He called them and asked why they gave, and they confessed that someone had given them the money. This case resulted in an \$895,000 fine against the Evergreen Corporation for money laundering.

CGS is part of the Campaign Disclosure Project that has written a model disclosure law, has a data base of all the states' disclosure laws and grades the states on how good their disclosure program is. California's disclosure law has ranked 1st or 2nd each year.

We need more than disclosure. Frankly, when we were writing the disclosure laws in the 70s, we assumed that the disclosure would reveal such egregious conduct (although legal) that the public would be clamoring for more reform and that the legislature would have to respond. We were wrong.

Recommendation: Make the electronic data more user-friendly and require the Secretary of State to resume publishing summaries of data after each election.

Problem: disclosure does not reduce the influence of money.

Contributions go to winners, to both parties, and are used to influence governmental decision making, not just elections.

In my opinion, 90% of campaign money given to incumbents and winners comes from people or groups who want something from government.

So what else do we need in terms of campaign finance reform?

### **Contribution Limits**

Problem: Contribution limits are necessary because most elected officials do not have competition and are able to raise unlimited funds even when they don't need the money.

As indicated by the CMA example, interest groups want to give money to politicians because they are making decisions that are affecting these groups.

California's contribution limits are among the worst in the country.

They are so high as to be meaningless. \$24,100 for governor is over 10 times what you can give a Presidential candidate. Even the legislative limits of \$3,600 are higher than the \$2,300 limitations for Presidential and other federal candidates.

Whenever you have contribution limitations (no matter how small or large), you will have independent expenditures. Explain independent expenditures

Independent expenditures will only be made in competitive races. We have few competitive races unfortunately.

But because they are not controlled by the candidates, people, particularly incumbents, get very upset.

Under U.S. Supreme Court decisions, you cannot limit independent expenditures, only require disclosure.

The Supreme Court has equated campaign money with speech and you can't limit speech under the First Amendment, it says. However, it limits speech: if you want to argue a case before the court, your time is limited to 30 minutes (sometimes an hour.) The court does not allow you to buy more time if you have the resources.

Recommendation: California's contribution limits should be lowered so that they are the same as the federal limits: \$2,300 per election.

### **Off Year Contribution Bans**

Problem: it is primarily incumbents who raise campaign money in the non-election year.

Recommendation: Enact off year bans on raising campaign contributions, such as in the City of Los Angeles: two years for city wide and 30 months for council.

### **Expenditure Ceilings**

Problem: People believe that too much money is spent in elections.

But we can't have spending limits because of a decision by the U.S. Supreme Court.

Landmark U.S. Supreme Court decision: Buckley v. Valeo.

Recommendation: The only way to limit spending is by public financing.

## Public Financing of Elections

Problem: Disclosure by itself, contribution limits by themselves and the lack of constitutional support for spending limits all call for a comprehensive solution that must include some sort of incentive for candidates to accept restrictions.

Need public financing to free candidates from fundraising pressures, to reduce influence by special interests and to allow underfunded candidates to run such as: Jan Perry and Ed Reyes running for city council in Los Angeles.

Public financing also allows candidates to spend more time campaigning and less time dialing for dollars.

LA and older systems have matching funds: contribute up to \$250 and your contribution is matched one to one in LA and up to four to one in NYC with public funds.

Newer systems are clean money or full public financing.

Arizona and Maine have the best new systems.

Clean money is a concept developed just 15 years ago.

Certain number of \$5 contributions gets a candidate full public financing so that they don't have to raise any more funds. IEs and wealthy candidates are matched.

Have to be a serious candidate and face a serious candidate before receiving any public funds. Serious candidate is defined by raising a certain amount of money.

Napolitano and her Republican opponent in Arizona.

Marc Spitzer, former elected Public Corporations Commissioner and former Republican Majority Leader of State Senate, is the best spokesperson.

Used to be that the political parties printed up the ballots for voters. We decided over 100 years ago that the state should print the ballots at public expense. We fund our elections, but not the parties or private individuals.

We need to fund the campaigns, the way it is done in other countries and other states.

Can you imagine a system where I am voting on legislation every day and while I am considering the legislation the people who are directly and financially affected by the

legislation give me money? Public officials say that the money has absolutely no impact on their decisions; it just gives the contributor access. Access is worth a lot. Can anybody really believe that money has no impact? If so, why is it given?

But there are problems: where to get the money. Arizona has a creative funding source. In Arizona, a 10% surcharge is added to every criminal and civil fine. Easy to pass because criminals don't have PACs and did not oppose this tax. The public financing program in Arizona is awash in money.

In Connecticut, they take unclaimed property after 10 years and use the sale of the property to fund their program.

One concern: public is so turned off to all the TV ads, the mailers and the negativity of campaigns that they are not that interested in providing more resources to candidates.

Recommendation: enact a bill that experiments with public financing in a couple of legislative races and one statewide race, such as Secretary of State.

### **City and county campaign finance experiments**

100 cities and counties have tougher rules than the state law.

San Diego has the toughest law in the country: contribution limits are \$270 for city council and \$320 for city wide races, but only contributions from live human beings: no corporate money, no union money, no PAC money.

However, San Diego has some very sophisticated three year olds who are making \$270 contributions out of their weekly allowances.

But legislature is constantly trying to rein in local laws.

No public financing, no more disclosure for state committees, and now no limits on parties sending out information to their members.

AB1430 is pending in the State Senate.

Recommendation: allow cities and counties to adopt their own laws and stop passing laws that supersede these local laws.

## **Ballot Measure Committees Controlled by Officeholders**

Problem: Governor and legislators raising unlimited funds for ballot measure committees. What is the difference between raising funds for candidate campaign and raising it for ballot measure campaign that candidate controls?

Recommendation: Need limits on what an officeholder can raise for ballot measure committees controlled by the officeholder.

I have been working on campaign finance for over 35 years and have accomplished some of my goals, but not everything. In fact, my wife calls me the Sisyphus of campaign finance.

### **Voter information**

Television now is the most efficient way to communicate with voters particularly in statewide elections, but television is expensive and out of reach for legislative or local elections because it communicates with more voters than in a particular district.

Some people will ask: why not mandate that TV and radio stations provide free air time to all legitimate candidates?

Here's the problem: a very powerful group is against it: namely, incumbents.

When the Federal Communications Commission announced that it was going to study whether TV stations should provide free time to federal candidates, they faced an angry Congress, which threatened to cut their entire budget if the FCC dared study this proposal.

You have to remember: incumbents hate competition. That is why you will often see incumbents and the front runners ducking out of debates.

I am amazed that all the major candidates for President have appeared in all the televised debates thus far.

14 years ago, my colleague Tracy Westen and I were at lunch talking about the most effective way to reach the voters. I said: "Door to door campaigning. Talking to voters and answering their questions."

But almost impossible to accomplish because of the huge districts.

In LA County, a candidate for county supervisor runs in a district that has 2 million people. If the candidate wanted to talk to two voters at a time for 10 minutes, it would take the candidate 50 years to walk her district.

So after Tracy and I talked, he came up with the Democracy Network. It was an interactive television system where voters could use their remote control to choose which candidates and which issues they would like addressed. We actually convinced almost all the major candidates running for governor in 1994 to participate. So you could choose Pete Wilson and he would talk about crime for a minute. The nice part: you could stop the candidate anytime with your remote control.

We also taped editorial writers talking about their papers' positions on ballot measures (LA Times and Sacramento Bee), we had interest groups talking about why they endorsed certain measures, we ran TV ads and then taped reporters analyzing the true parts and the misleading aspects of the ads.

Interactive TV didn't succeed because the super information highway of 500 channels at a high speed was not developed and something called the Internet came along at about the same time. So we shifted our focus to the Internet but all of our projects had to be text based since the Internet didn't have the speed to show video—until now.

So we have developed video voter, several projects for the internet and for cable TV.

### **Voter minutes**

I participate in a coffee klatch each election where 25 of us gather at someone's home and discuss the ballot measures for about 2 hours.

At the last coffee klatch, instead of my summarizing the measure, I used CGS's voter minute.

Channel 36 professionally produced a one to two minute statement on each of the state propositions.

You can go to [videovoter.org](http://videovoter.org) and see some samples of what is possible.

### **Candidate statements**

We have worked with New York City, Santa Monica and the California Channel (explain the California Channel) in Sacramento to provide the opportunity for candidates to tape two minute statements describing themselves. At least one of the candidates in NYC

taped half the statement in English and half in Spanish. This allows the voters to see and hear the candidates.

These statements were shown on local access cable stations.

### **Interviews with Candidates**

Along with the California Channel, we interviewed each of the statewide candidates for 20 minutes and these interviews were shown several times on the California Channel during the campaign. I interviewed two Supreme Court justices who were up for reelection or confirmation on the ballot.

One of the Lt. Gov. candidates I interviewed actually drove up to Sacramento from Los Angeles so that he could be interviewed. After the interview, he got in his car and drove back.

### **Description of the office and issues**

Channel 36 did a video on describing what an LA mayor does and the mayor's race.

This could be a prototype for each office up for election.

Video voter.org

In addition, we have an internet project called:

### **Health Vote.org**

For voters who want in depth knowledge of the ballot measures that affect health issues, we have a web site that provides the pros, cons, contact info, TV ads, analyses of the ads, and campaign disclosure information before each election. So last year, we posted info on the parental notification measure (Prop. 83), and the tobacco tax increase measure (Prop. 86).

Problem:

Here is the problem: you can offer all of these wonderful voter information tools, but if the voters don't know where to find them or if they are not interested in taking the time to watch them, you have accomplished only half the battle. You will only reach the voters that are seeking out the information.

That is why TV commercials are so effective: they catch voters when they are not

looking for political ads. Of course, TIVO and other DVRs are reducing the effectiveness of ads because now we can skip the ads. (I think I am the only person in this audience who uses his TIVO who skips the show to look for political ads.)

Recommendation: The Secretary of State should design a web site that allows voters to see videos on candidates and ballot measures.

## **Redistricting**

What is redistricting? US Constitution requires Congressional districts to be redrawn every 10 years after the census to take into account population shifts. It is also done for state legislative districts.

Problem: simple phrase: voters should choose the politicians; the politicians should not choose the voters.

I was the committee consultant to the Assembly Elections and Reapportionment Committee and attended meetings where legislators begged the Chairman to make sure they would not be subject to possible defeat because of the drawing of a competitive district.

Discuss redistricting done by the legislature in the 80s and 2000s v. redistricting done by the Supreme Court in the 70s and 90s. Almost everyone agrees that the Court did a far better job: more competitive districts, fairer districts, etc.

No California legislator has lost his or her seat since 2002; only one Congress member has lost.

Four major proposals now pending in the legislature to establish an independent commission:

Redistricting proposals from the Senate Democrats, the Senate Republicans, the Assembly Democrats and the Assembly Republicans.

And the governor is pushing the legislature to put an independent commission measure on the ballot.

But, California voters have consistently defeated redistricting measures since 1982.

CGS has issued a report called Redrawing Lines: An Analysis of California's Redistricting Reform Proposals.

One controversial question: should Congressional lines be drawn by the commission or by the legislature?

Concern: California could be put at a disadvantage in terms of seniority if other state legislatures continue to redistrict the state.

Other reason: the California Congressional delegation is likely to spend millions of dollars to defeat a commission just as it did in 2005...

Recommendation: California should have an independent commission do restricting for the state legislature and board of equalization but it should only redistrict California Congressional seats if a majority of Congressional seats across the country are also districted by a commission. This would encourage other states to set up commissions and not put California at a disadvantage.

California voters may have the chance to vote for redistricting reform at the February, 2008 election.

### **Initiative process**

Problem: people are very concerned that initiatives are poorly written and are controlled by the special interest groups

Initiative challenge: name an initiative has passed that today would be repealed by the voters or one where a majority of the voters felt they made a mistake. I can think of one or two since 1964.

When you ask voters what they have more confidence in: the legislative process or the initiative process, two-thirds prefer the initiative process.

But in my view, the legislative process at its best is clearly better than the initiative process.

The legislature and the governor had a good 2006: green house emissions, infrastructure bonds, prescription drugs, budget on time, and the minimum wage.

Some things legislature cannot do: campaign reform, term limits, property tax relief, drug diversion, etc.

1974 example: Legislators making lobbyists out of reporters

Indirect initiative: what is it? Once a measure qualifies for the ballot it goes to legislature for consideration. If the legislature passes it, it is taken off the ballot.

Had it until 1964 but was not used because the legislature only met every two years.

Indirect initiative: have in fact, not in law. Workers comp, charter schools, lemon law, local budget sharing.

Recommendation: Indirect initiative should be adopted only with the proviso that the proponent must agree with what the legislature does.

Here is the controversial part: after the legislature has considered the proposal and turned it down, let the proponent amend the initiative provided that the amendments further the purposes of the measure.

Problem: Once you turn in an initiative to the Attorney General and his office titles it, you can't change a single word.

No one can write a perfect initiative.

Example of Prop. 212 in 1996.

So proponents should be allowed to correct mistakes.

### **Limits in Ballot Measure Campaigns**

Set records in California: last year's measures spent well over \$250 million; one measure, Prop. 87 (oil severance tax), had \$156 million spent on it alone. But Supreme Court has ruled that you don't corrupt ballot measures, so can spend as much as you want.

We think \$100,000 contribution limits would improve the system. But unlikely to be approved by this court.

### **Circulation of initiatives**

Another problem: if you have a million dollars, you can qualify almost anything for the ballot.

Circulating petitions by gathering signatures may be the worst way to qualify an initiative. But all my solutions for this problem are not accepted.

Recommendations:

Polling: collect 50,000 signatures to show that you are serious and then pay the state \$50,000 to conduct a poll asking if your measure should be put on the ballot.

Paying the state \$1 million.

Give me your ideas.

### **Term Limits**

California has the shortest term limits in the country, along with Arkansas: 6 years in the Assembly and 8 years in the State Senate. And we have a lifetime ban. Once you have served the maximum terms, you can't come back.

Problem: It is difficult to acquire the experience needed to be an effective legislative leader.

But people like term limits: they like new blood in the legislature. They don't like people staying in office forever (although if it is their legislator, they may not mind.)

Recommendation:

Extend term limits to 12 years in either house and allow legislators to come back after 4 years away: a sabbatical.

Voters may have the opportunity to vote for this proposal (minus the sabbatical) in February.

### **Lots of Other Reforms**

Will not touch on a number of other issues: lobbying, conflicts of interest, economic interest statements, judicial elections, budget reform.

Too many offices on the ballot: does not anyone know the difference in what the state treasurer and the state controller does?

Too many elections.

Instant run off voting in nonpartisan elections.

Trips paid for by non profits.

Inauguration committees.

Using campaign funds to pay for staff in governor's office.

No elected official should take campaign funds from other campaigns.

Taxpayers Protection Act: Pasadena.

## Challenge

Here is the challenge: how do you get a wide variety of persons and groups interested in these topics?

Some fabulous organizations working on them (and many are here) but these groups tend to be dominated by older white persons (like me.)

We need to reach out to the younger voters and to emerging ethnic groups and let them know that these process problems affect all of their issues. That is a challenge that those of us in the reform community must address and meet.

But most importantly, we need to reform our current election and governmental system in order to increase faith in the process. Without confidence in the process of campaign financing, redistricting, or the initiative process, our democracy is in peril.

## My 10 Commandments to Reform California's Political Process

Note: the recommendations are mine and do not necessarily reflect the views of other CGS staff members or the board of directors.

1. Disclosure: Make the electronic data more user-friendly and require the Secretary of State to resume publishing summaries of data after each election.
2. Contribution limitations: California's contribution limits should be lowered so that they are the same as the federal limits: \$2,300 per election.
3. Off year contribution bans: Enact off year bans on raising campaign contributions, such as in the City of Los Angeles: two years for city wide and 30 months for council.
4. Public financing of campaigns: enact a bill that experiments with public financing

in a couple of legislative races and one statewide race, such as Secretary of State.

5. City and county contribution laws: allow cities and counties to adopt their own laws and stop passing laws that supersede these local laws.

6. Officeholder controlled ballot measure committees: need limits on what an officeholder can raise for ballot measure committees controlled by the officeholder.

7. Video voter: the Secretary of State should design a web site that allows voters to see videos on candidates and ballot measures.

8. Redistricting: California should have an independent commission do restricting for the state legislature and board of equalization but it should only redistrict California Congressional seats if a majority of Congressional seats across the country are also districted by a commission. This would encourage other states to set up commissions and not put California at a disadvantage.

9. Initiative process: the indirect initiative should be reinstated with the proviso that the proponent must agree with what the legislature does.

10. Term limits: extend term limits to 12 years in either house and allow legislators to come back after 4 years away: a sabbatical.

### **‘The Future of Race Relations’**

**Moderator:** Robin Toma, Los Angeles County Commission on Human Relations

**Panel:** Larry Aubry, Community Call to Action and Accountability,  
Rabbi Allen Freehling, Los Angeles City Human Relations Commission,  
Salam Al-Marayati, Muslim Public Affairs Council,  
Raphael Sonenshein, California State University Fullerton,

Nora Vargas, Latino Issues Forum

September 20, 2007

Almost four decades after the Watts Riots and fifteen years after the most recent urban riots in Los Angeles, the state of race relations remains at best problematic. Historically, problems associated with race and inter-group relations have mainly been discussed in terms of African American and White populations. But in the context of multicultural Los Angeles, inter-group dynamics have expanded our focus to include Latinos, Asians, and other immigrant populations. In the face of the emerging complex inter-group relationships that include both old and new challenges, this panel of experts engaged in a conversation that examined the nature of inter-ethnic, inter-faith, and inter-racial relations.

After a brief demographic presentation on the changing racial/ethnic landscape of Los Angeles County, the panelists discussed the changing nature of inter-group relations from the vantage point of various groups. Issues related to the continued marginalization of African Americans, ambivalent relations with the internally diverse Muslim community, inter-faith dialogue, immigrant experience in the U.S., and the nature of political leadership and Governance were discussed by various panelists.

### **'The Role of Philanthropy in Strengthening Los Angeles Communities'**

Ms. Antonia Hernández, President & Chief Executive Officer, California Community Foundation

October 24, 2007

Ms. Antonia Hernandez rounded out the California Agenda series in providing the 2007 PBI Distinguished Lecture on the evening of October 24 at the City Club in downtown Los Angeles. The topic of Ms. Hernandez's lecture, "The Role of Philanthropy in Strengthening Los Angeles Communities," foreshadowed the building livable cities for California's future theme of the PBI statewide policy conference in November.

In her talk, Ms. Hernandez spoke of the changing culture she was shaping at the California Community Foundation (CCF) since her arrival as president and chief executive officer over three years ago. Part of the new vision of the CCF was to bring philanthropy closer to people, their communities and their neighborhoods in metropolitan Los Angeles – home to 10 million residents. Within this context, much of the focus still unfolding at CCF is a commitment to holistic community development goals in targeted areas. Thematically, this includes housing, transportation, health and safety, education and other defining access issues. She stressed the concepts of social justice and inclusive development, particularly as she spoke of a novel ten-year, ten-million dollar focus in a San Gabriel Valley city (El Monte) on the eastern border of the city of Los Angeles. Housing, retail and school developments close to public transportation arteries and jobs were key ingredients in determining what the project would emphasize and how the site(s) would be determined. But Ms. Hernandez also stated that community leadership development was one of the goals of the initiative.

In doing so, she indicated that having long served as former president and general counsel of MALDEF and as a civil rights and immigrant rights attorney had honed her sensitivity and skills on such issues. She also stressed that it was the intended strategy of CCF to invest strategically and wisely in specific communities that would allow for additional partnered dollars to flow from other private and public sector sources. In concluding, she indicated that philanthropy cannot be the savior of communities in need, but it can be a great asset in focusing attention, creating and joining partnerships, and using money as a leverage and bully pulpit to help get things accomplished. After her presentation, Ms. Hernandez fielded

questions from a very active audience for an equal amount of time. Some of the questions were specific and challenging, such as why the city of El Monte was chosen to launch CCF's community development program when there are so many other cities and communities in more dire need. Additionally, some audience members questioned what the leadership development piece would look like, while indicating that the area already had grassroots leaders. Many other questions were asked and responded to by Ms. Hernandez.



## 2007 POLICY ISSUE BRIEFS

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### **Beyond Infrastructure: California's Social and Natural Environments**

Ali Modarres  
Jennifer Kitson  
March 2007

Governor Schwarzenegger's fight against global warming has drawn enormous attention to an environmental cause largely abandoned by the federal government. Beginning with his Executive Order issued June 1, 2005, which set greenhouse gas emission reduction targets in California, the Governor's promise to "make California No.1 in the fight against global warming" is becoming a reality. In July 2006, he signed an agreement with British Prime Minister Tony Blair to collaborate on new technology research and market-based mechanisms in an effort to control climate change. Most recently, in September 2006, the Governor signed Assembly Bill 32 (AB 32), the California Global Warming Solutions Act of 2006, introduced by Assembly Speaker Fabian Nuñez and Assemblymember Fran Pavley. This pioneering legislation incorporates regulatory and market mechanisms that will reduce California's greenhouse gas emissions by 25 percent by 2020.

Governor Schwarzenegger's effort to reduce greenhouse gases is a noble attempt to preserve our environmental heritage in California, while bringing our state into accord with the global community's environmental standards. If successful, Governor Schwarzenegger can add the Global Warming Solutions Act to his growing legacy for California. Largely responsible for spearheading the infrastructure bond package approved in November, the Governor's bipartisan spirit and strong leadership skills appear inexhaustible. As we begin to reinvest and rebuild California's physical infrastructure, the possibility exists under Governor Schwarzenegger's leadership, to unfold an agenda that is truly sustainable—environmentally, socially, and economically.

Frequently omitted from the recent public discourse on infrastructure are the reasons why infrastructure investment in California came to an abrupt halt in the 1970s. In addition to multiple economic and political factors in the late 1960s, environmental concerns and regulations brought an end to the infrastructure building era led by Pat Brown. Our waning collective memory may partly explain the current lack of public dialogue on new ways to prevent the environmental degradation and excessive growth associated with massive construction endeavors. Another likely barrier to genuine public discussion is the immense political will and leadership necessary to prioritize sustainability amid demand for economic growth.

Even now, all eyes are still focused on the Governor's promise of 750,000 new jobs over the next 10 years—not the environmental implications of the \$42 billion in infrastructure

bonds or if these jobs will pay living wages. Though California is desperately in need of infrastructure repair and expansion, as evidenced by the findings of numerous reports and studies, it would be a tragedy if these improvements came at great expense to the social and natural environments. At the Pat Brown Institute's 2006 Annual California Policy Issues Conference, titled "Elections 2006: Implications for Civic Engagement and Infrastructure Development in California," Ms. Elise Buik from the United Way of Greater Los Angeles delivered the morning keynote presentation, which advocated for the deployment of the physical infrastructure bond package to coincide with reinvestment in the social infrastructure. Without adequate educational and skill training opportunities, she argued, the California Dream cannot be realized for millions of Californians. This first round of infrastructure investment in California has the potential to go beyond building new structures while it builds new green industries and career opportunities. This policy brief outlines some of the ways in which social and environmental goals could be incorporated into infrastructure investment in California.

### **Building Our Future: Social Capital**

Due to new advances in technology since the Pat Brown era, infrastructure building, economic expansion, and environmental conservation do not have to be mutually exclusive. The Los Angeles Department of Water and Power and the Workforce Investment Board recently commissioned an investigation into the City's capacity to expand its "green" industry and technology sectors. The final report produced by the Economic Roundtable (January 2006), titled "Jobs in L.A.'s Green Technology Sector," inventoried Los Angeles' existing green goods and services and identified those industries with potential for growth and job creation. The report argued that expansion of green industry in Los Angeles has great benefits for the City's overall economy, including numerous employment opportunities with living wages, expanded educational and vocational career paths, economic "ripple effects," and more. Many of the green industries identified in the report as having great growth potential could also contribute to the rebuilding of California's infrastructure: water and sewage systems, construction, nondurable manufacturing (petroleum product recycling, cleaning compound manufacturing), durable manufacturing (HVAC and electrical equipment), durable goods wholesale, professional services (legal services, architecture, and engineering), waste collection, remediation, and management.

The green industry occupations studied in Los Angeles by the Economic Roundtable have a number of desirable characteristics that can build social capital while they simultaneously contribute to building the physical infrastructure. The report found that several of the green industry construction occupations (accounting for 25 percent of the jobs in green technology industries) have considerable wage increase opportunities between the typical entry-level and overall occupational average. Additionally, a cluster of green technology occupations was found to pay living wages and have low skill requirements. The report

also concluded that the green technology occupations in Los Angeles require diverse and distinct skill sets, creating a multitude of employment opportunities. Finally, the ethnic distribution of Los Angeles residents in green technology occupations was found to parallel that of the overall labor force. The expansion of the green industry presents considerable opportunity to connect skill training and educational opportunities to careers in a growing industry with significant career advancement. By interconnecting the infrastructure bond package to the expansion of the green industry in California, investment will be made in both the physical and social infrastructure of our State while simultaneously reducing greenhouse gas emissions.

### **Green Infrastructure**

As different agencies move forward with the implementation of the California Global Warming Solutions Act, an opportunity exists to explore ways the infrastructure bond deployment can bring the State closer to the designated emissions cap of the new law.

Recent legislation signed by Governor Schwarzenegger (in addition to the campaign against global warming) demonstrates his ability to intertwine both economic growth and environmental preservation, including the Hydrogen Highway, the Million Solar Roofs Plan, and investment in innovative technological research. His recent announcement that he will propose nearly \$95 million in the state budget for the creation of the Governor's Research and Innovation Initiative, which includes funding for solar technologies and alternative fuels, exemplifies this commitment to make California a global leader in both these capacities.

If some of these new technologies (e.g., solar, alternative fuels) were designed with infrastructure investment needs in mind, they might provide an immediate contribution to greenhouse gas reduction while also protecting communities in close proximity to the building of new roads, homes, levees, and schools. Issues of environmental justice are of critical concern because many communities may face worsening environmental conditions during the infrastructure repair and rebuilding. Those communities who are already disproportionately affected by industrial pollution in California may need to bear additional burdens when increased manufacturing is needed for construction efforts. In the same way that the California Global Warming Solutions Act mandates the formation of a Global Warming Environmental Justice Advisory Committee, the infrastructure bond spending should also proceed with the consideration of a similar advisory group.

In addition to greenhouse gas reduction, the repair and improvement to California's physical infrastructure provides the opportunity for the encouragement of new environmentally benign methods and technologies, such as deconstruction techniques; waste reduction, reuse, and recycling; sustainable building materials; and sustainable water management. Governor Schwarzenegger has already led this effort through Executive Order S-20-04, also known as the "Green Building Initiative." By adhering to the U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) standards, the Executive

Order and accompanying Green Building Action Plan mandate that state-owned buildings reduce energy use by 20 percent by 2015 (from a 2003 baseline).

By adopting the nationally recognized LEED standards for all new and renovated state-owned buildings, the Governor has prioritized sustainable building design, construction, and operation. Governor Schwarzenegger has also publicly praised organizations, such as the California Department of Transportation (Caltrans), for leadership in greenhouse gas reduction. Caltrans was a recent recipient of the U.S. Environmental Protection Agency's (EPA) innovation award for the agency's use of waste products in construction. The Los Angeles Community College District, also an EPA award recipient and exemplar of green planning, has integrated the LEED standards into their modernization project and master plan. The District's comprehensive adoption of these sustainable design and building principles and the size of the project have boosted the entire green building industry in California, including the demand for LEED-accredited professionals. Government sponsored competitions and incentives, such as awards and public recognition, can be expanded and directed toward the public and private sectors responsible for building our housing, roads, levees, and schools.

### **Concluding Remarks**

Governor Schwarzenegger has made bold strides to preserve and improve the State's natural environment. We commend his efforts to date and suggest some policy recommendations to ensure that California's infrastructure is built in ways that are environmentally and socially sustainable. As the infrastructure bond package is deployed, it should accomplish the following:

- Integrate the California Global Warming Solutions Act
  - o Prioritize California-based green technology and construction companies for Government contracts
  - o Research the predicted greenhouse gas pollution that infrastructure rebuilding will incur over the next 10 years
- Extend government incentives to use LEED standards to private industry
- Build social capital
  - o Promote educational and skill-training opportunities within the green technology and building industries
  - o Link training and education institutions to the green industry sector
- Ensure environmental justice/equity
  - o Form an Environmental Justice Advisory Committee to advise the deployment of the infrastructure bond package
  - o Ensure that input on social justice issues is obtained from local communities affected by infrastructure building

As attention to the previous items increases, and for the first time, it may be possible under the Governor's leadership for California to rebuild, improve, and expand our infrastructure—sustainably.



## **Technology and the Geography of Inequality: Assessing the Digital Divide in Los Angeles County**

Ali Modarres

April 2007

Prior to the popularization of the term digital divide in the mid-1990s, a number of authors had already documented the emerging disparities in access to digital technology. “Falling Through the Net: A Survey of the ‘Have Nots’ in Rural and Urban America,” a report produced in 1995 by the U.S. Department of Commerce National Telecommunications and Information Administration (NTIA), was one of the earliest studies that documented disparities in access to telephone and computer use. The report’s primary concern surrounding technology access was that an individual’s economic and social success is increasingly related to one’s ability to access, use, and disseminate information. As a result, the NTIA concluded that its primary goal—to ensure universal, affordable access to telephone service—should be applied more broadly, including other types of technologies. Since then, numerous studies (including additional NTIA reports) have confirmed and expanded upon the early NTIA conclusions: technology plays an invaluable role in determining life opportunity; the gap between those with technology access and those without has increased even while overall technology usage in the United States is on the rise; and definitions of the digital divide should be broadened.

Despite the tremendous progress in information technology, a significant number of communities remain disconnected and suffer from inadequate access to various modes of information acquisition and application. It has also been well documented that this digital divide corresponds with longstanding patterns of social and economic inequality. As a result, strategies to equitably distribute digital technology may need to be seamlessly incorporated into other urban and social service delivery systems. This will assure that existing patterns of social isolation are not further exacerbated by inadequate access to available technologies.

Recent efforts by cities across California and the country to provide free or low-cost Wi-Fi Internet service to their residents demonstrates the vital importance of access to digital technology and its critical role as an urban service. Mayor Antonio Villaraigosa’s recent proposal to build one of the nation’s largest Wi-Fi networks, which would cover all of Los Angeles’ 498 square miles, is based on the idea that universal access to digital technology improves economic opportunities both for individuals and the cities in which they reside. As cities and states prepare policies and strategies to increase access to digital technology, universal Wi-Fi being one approach, important questions are raised about who has—and does not have—access to different types of technologies and digital services within their municipal boundaries.

This policy brief summarizes the findings of a longer report (Modarres and Pitkin, 2006)<sup>1</sup> that explores both the geography of technology access in Los Angeles County and community perceptions of technology. Based on our findings, our policy recommendations are designed to help regions assess their own geography of access to technology, with the hope of enhancing the equitable distribution, access, and usage of relevant telecommunication technologies.

### **The Geography of Access to Technology in Los Angeles County**

As cities move toward policies and programs that attempt to correct and monitor current patterns of digital inequity, each region will need a methodology to identify neighborhoods and populations with limited technology access and usage. We have assessed Los Angeles County's traditional patterns of social isolation, as determined by socioeconomic indicators (e.g., levels of income, education) and levels of access to traditional services (e.g., public transportation, banking, education) compared with patterns of access to technology. To do this, we relied upon commercially available data. Such proxy data provide us with a basic understanding of the geographic inequities for numerous types of technologies (i.e., cable, DSL, dial-up, or wireless internet access; laptop or desktop ownership; cellular phone or wired phone ownership; satellite/cable subscription; Internet at home for work) in Los Angeles County. As our policy recommendations indicate, we advocate that actual technology subscription data be made available to researchers so that studies such as ours can be replicated.

Our evaluation of these traditional measures of inequity and access (as defined by usage/subscription) to technology at the census tract level indicates that even with proxy data, a clear relationship exists between socioeconomic status and level of access to technology. Corresponding with other research on the digital divide was the finding that overall educational attainment, employment status, median household income, and poverty status provided the best predictive ability to estimate the level of access to technology at the neighborhood level. Our analysis found that African American neighborhoods experienced lower levels of access to technology in every category, while the Asian/Pacific Islander community had access to technology at levels that were either at or slightly above the average for the County. In neighborhoods where Latinos constitute more than 75% of the residents, access to technology appears to be significantly below regional levels. In these tracts, access to technology is limited largely to local phone services and satellite/cable subscriptions.

<sup>1</sup> Modarres, Ali and Bill Pitkin. (2006). "Technology and the Geography of Inequality in Los Angeles". Edmund G. "Pat" Brown Institute of Public Affairs.

Available at: [http://www.patbrowninstitute.org/publications/documents/CTF\\_Report.pdf](http://www.patbrowninstitute.org/publications/documents/CTF_Report.pdf)

This research and publication were made possible by a grant from the Community Partnership Committee through its Applied Research Initiative on access to telecommunications services in California's underserved communities, with support from the Community Technology Foundation of California. The Community Partnership Committee was formed by eight coalitions of 134 community-based organizations and SBC (now AT&T), to serve underserved communities throughout California after the SBC/Pacific Telesis merger in 1997.

Of primary concern is that traditional patterns of social and economic isolation are in fact reproduced by the geography of access to technology. Figures 1 and 2 illustrate the geographic relationship between socioeconomic status and access to technology. Clearly, inner-city neighborhoods—as well as other low-socioeconomicstatus census tracts in the East San Fernando Valley, the South Bay communities, and the heart of the San Gabriel Valley—have some of the lowest levels of access to technology. Moreover, certain neighborhoods are without access to phones, public transportation, and vehicles and thus physically and virtually further disconnected from others. This finding confirmed our original expectation that, in some cases, access to technology simply conforms to existing patterns of isolation rather than alleviates them. In some neighborhoods with low socioeconomic status, however, access to technology and its usage was actually found to be on par with some middle-class neighborhoods. These unexpected variations raise important questions about the complexity of the digital divide and the multiple meanings of technology in different communities.

### **Beyond Access: Redefining Technology**

To more deeply investigate the dynamics of social and technological isolation and access, we conducted focus groups in four neighborhoods in Los Angeles County. While all focus groups were held in neighborhoods with low-socioeconomic status, two were held in neighborhoods with low-technology access and two in those with high-technology access. This strategy enabled us to explore multiple barriers to technology access and usage, including—but also beyond—cost. For example, when asked for their personal perceptions of technology, the focus group participants responded with varied responses, ranging from technology as a favorable and necessary part of life to fear that technology creates new types of risks (e.g., identity theft).

A wariness of technology was expressed by participants in several ways: a sense that companies are trying to take advantage of them; Internet content is inappropriate for children; and the risk of identity theft is high. This concern was especially high among monolingual Spanish speakers and those with little knowledge of or experience with technology. The younger and better educated participants in our focus groups were clearly more comfortable with technologies and saw the value in them. They also were more likely to speak English, another barrier, and less fearful of the technologies. Education level and age proved to be significant determinants of residents' abilities to access information and communication technologies.

Our focus groups highlighted the fact that residents of socially isolated neighborhoods face similar challenges (i.e., economic, educational, cultural, and linguistic) in accessing technology. The relative high cost of technological services is prohibitive for residents of these communities, and they are often overwhelmed by the complicated service plans of

telecommunications companies. In particular, long-term contracts of cell phone and Internet companies were cited as problematic given the insecure economic situations of most residents. Cell phones, however, were the most common technology used by the participants of the focus groups. The majority of participants said they had cell phones and they preferred this type of technology because of its flexible, mobile abilities. Cell phones were viewed as an ideal way to conduct business for the self-employed, and parents viewed cell phones as the most reliable way to keep in touch with children. Even if the digital infrastructure were universally available, the results of our focus groups underscore several prerequisites for technology usage. For a specific technology to be adopted, it must overcome several critical barriers to access in that it must be affordable, user-friendly, and socially and culturally appropriate.

### **Toward a Policy of Equity in Access to Technology**

In every step of our study, we clearly witnessed the relationship between socioeconomic status and access to various forms of technology. Beyond our quantitative analyses, community focus group meetings confirmed that the main concerns for the low-income population are access, price, and content. As market goods, technological services can easily become media for further differentiation of the population by the existing social class structure. For example, given the degree to which race and ethnicity are mapped against socioeconomic class in our society, it is not surprising to see how access to technology corresponds with racial and ethnic concentrations. In Los Angeles County, we were able to illustrate how African American, but particularly Latino, neighborhoods were affected by low levels of access to technology. Therefore, it appears that current geographies of inequity are simply reproduced by the geography of access to technological services.

In a multiracial, multiethnic, and multicultural society, where complexities of social class have been intricately mixed with (and reproduced by) various urban services and amenities, new innovations, especially those that can improve one's socioeconomic status, cannot be expected to vanish the observed differences overnight. More likely, a laissez-faire approach may simply reproduce and expand the current patterns of social differences. The myth of the market works only so far as the upper-class and the middle-class populations are concerned. In our research, the census tracts with low-socioeconomic status will not benefit from current levels of technological innovation, whether due to their social, education, cultural, linguistic, or economic condition. Markets will bypass these neighborhoods if interventions through spatial targeting are not adopted. Without policies that ameliorate the current patterns of inequity, we should expect that every wave of technological innovation, especially those that affect economic conditions (e.g., employment and working practices), will further marginalize and isolate those who can afford it least.

As we look to the future of California, and indeed the nation, it is clear that equitable access to technology will become the fundamental cornerstone of our economic and community development. To that end, we need to consider the adoption of procedures for monitoring our progress and dealing with problems as they occur. We view our research as a case study with a prototypical database. While we are comfortable with the methodology, our interpretation is limited by the geographic scope and datasets we used. To move toward adopting area-based policies, we recommend that a similar methodology be used in examining other places, both urban and rural. However, this new set of analyses should rely on actual subscription and technology usage data.

We strongly believe that the creation of a centralized database for census tract level subscription and usage can help monitor patterns of inequity and methodologies to ameliorate them. While technology providers hope to reach all communities, regardless of their socioeconomic status, the task of research and monitoring of access patterns may lie elsewhere. The availability of spatially aggregated (uniform) customer data from individual technology providers is critical for organizations (e.g., the Community Technology Foundation, the Public Utility Commission) and researchers to meaningfully monitor and analyze access to technology and its usage. This would protect the anonymity of individual customers while allowing researchers to monitor the changes in access to specific groups of technology over time. This database would also allow us to target specific neighborhoods for equity considerations in pricing and priority for access. In the years to come, we should attempt to improve our research and policy agenda on all fronts, while remaining committed to the inclusion of community voices and the basic principles of equity and social justice.

In an effort to prevent the worsening of the digital divide and minimize the compounding influence of existing socioeconomic and geographic disparities, we advocate policy makers in California to do the following:

- **Conduct statewide annual or biannual spatial assessments of technology subscription patterns**
  - o Not unlike current methods that monitor banks and their lending practices, annual or biannual spatial assessments of subscription patterns could help us improve and expand the needed infrastructure, as well as design programs that improve the level of regional equity in access to technology.
- **Urge the private sector to make its subscription data available for researchers to conduct a statewide study identifying real technology isolation**
  - o Given that our analysis relied on commercially available data, we recommend that similar analyses be conducted within all metropolitan areas, as well as the entire state (i.e., to understand also the needs of rural areas), by employing actual information on subscription and utility.

- **Monitor and integrate community-based definitions of technology**
  - o We argue that community-based definitions of technology would gauge the level of affordability and knowledge of specific forms of technology in various communities. This qualitative information would also help define the meaning of technology and its perceived application to everyday life in a community. In the end, the sociocultural context for understanding access and the use of technology is as important as the economic context and quantitative measures of social class structures.
  - o A community-based approach to increasing access to technology should include socially and culturally appropriate programs that provide training on technology acquisition, technology usage, and content creation.
  - o In order to expand the usage of relevant technology in underserved communities, price, speed, mobility, and content must be monitored on a continuing basis.
  
- **Adopt area-based policies that ensure equitable access and distribution of digital technology**
  - o Throughout our analysis, we recommend that issues of social justice and equity should be combined with area-based policies that address infrastructural needs of specific communities. The goal of further diffusion and adoption of technology should include the voice of the community as well as the degree to which access to employment, urban services, and socioeconomic mobility are defined by the application and utility of technology.
  
- **Promote adaptable technology with the ability to supersede geographic barriers**
  - o Many types of technologies (e.g., cellular, Wi-Fi) lack the physical constraints, both in terms of infrastructure and usage, of older technology. Investment in these technologies may increase access and usage because of their mobile abilities and because they better reflect the needs of the users.

Without policies that ameliorate the current patterns of inequity, we should expect that every wave of technological innovation, especially those that affect economic conditions (e.g., employment and working practices), will further marginalize and isolate those who can afford it least. A democratic society will surely shun such results, favoring higher levels of prosperity and improved quality of life for every person and every community.

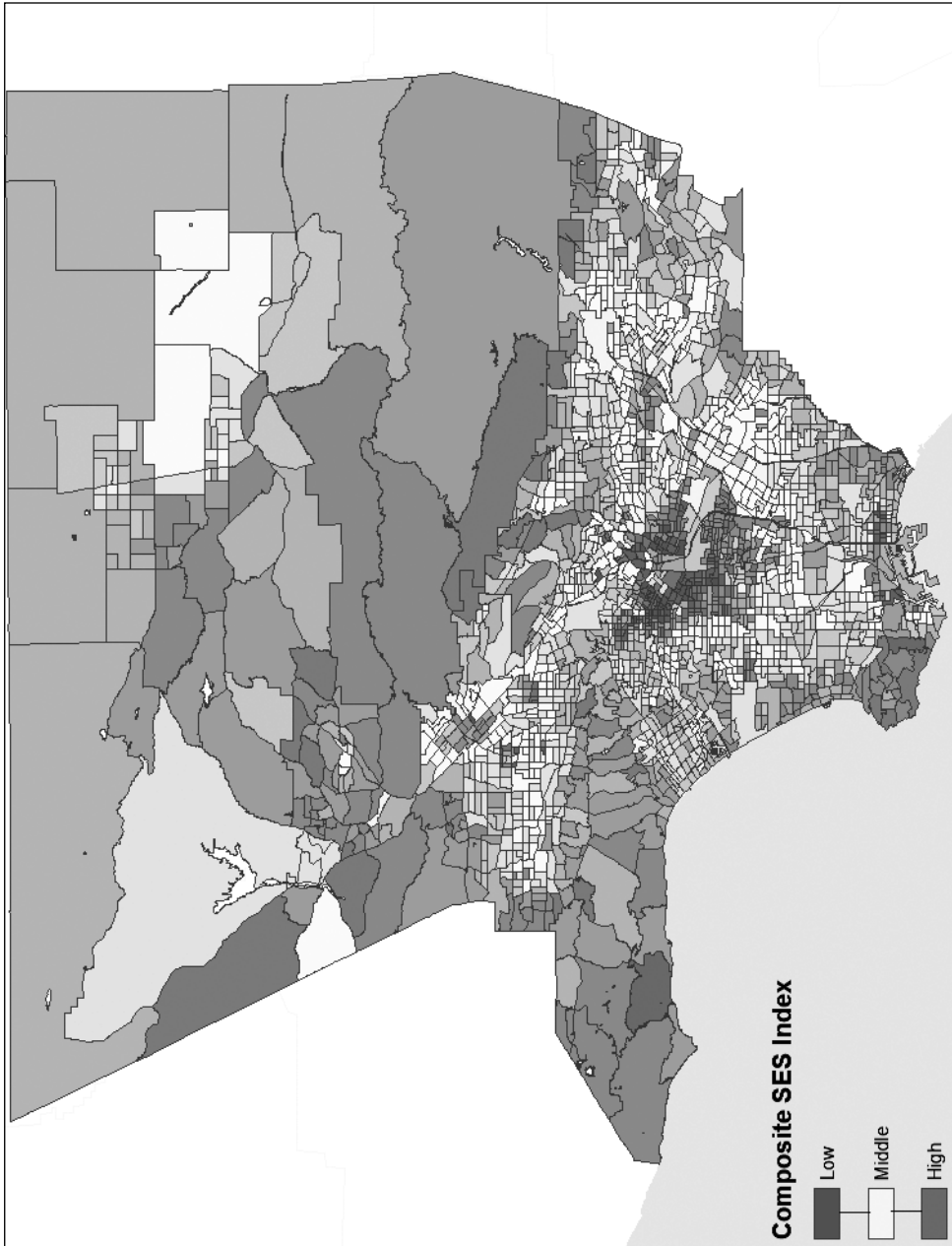
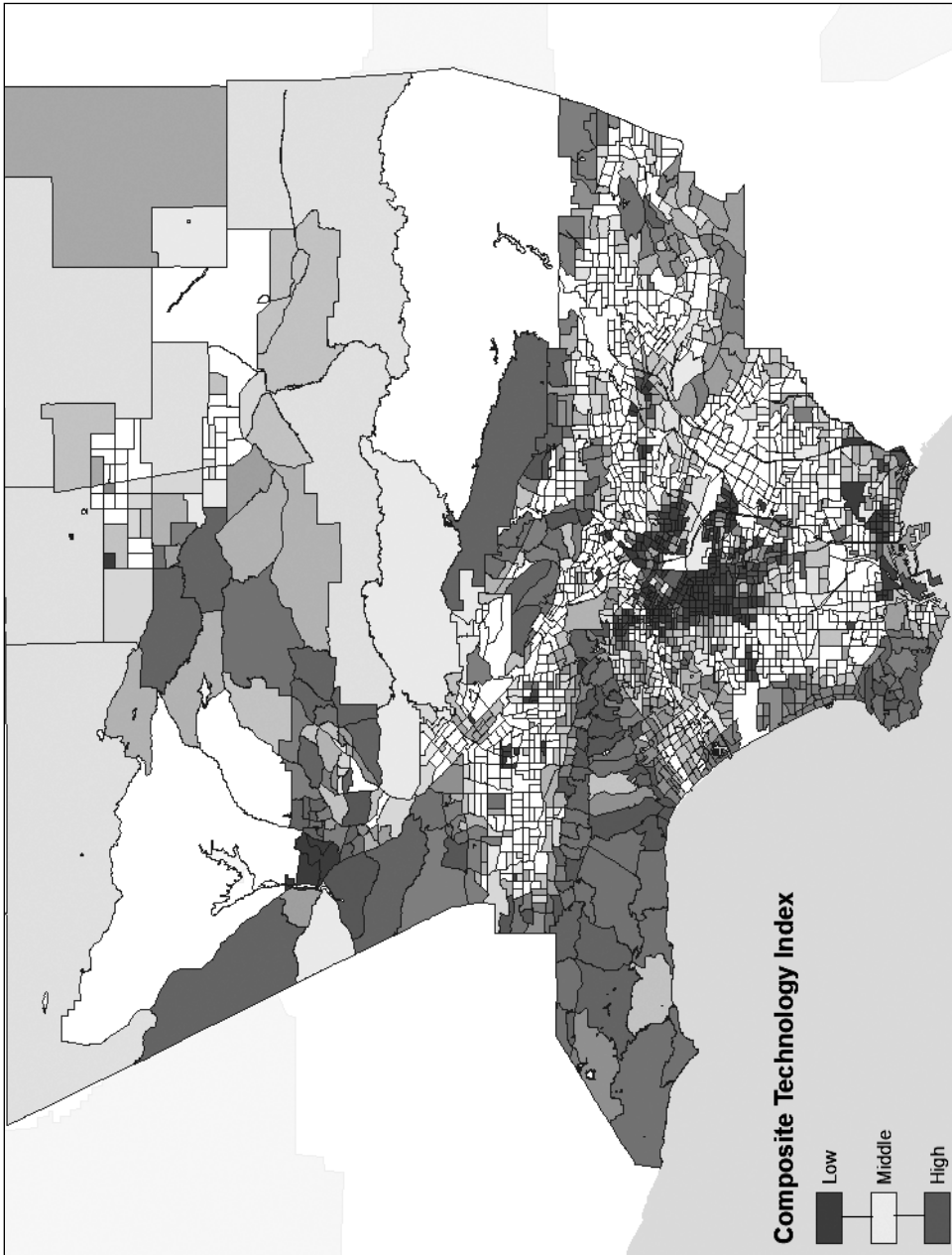


Figure 1 - 2005 Estimated Composite Socioeconomic Index (Source: Claritas, Inc., 2005; Processed and Mapped by Authors)



**Figure 2** - 2005 Estimated Composite Technology Index (Source: Claritas, Inc., 2005; Processed and Mapped by Authors)

## BIOGRAPHIES

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(collected at the time of lecture and/or report)

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