

*City of Arcata Committee on Democracy and Corporations (CDC)*  
*2010 Annual Report*

Committee on Democracy and Corporations  
Arcata, CA  
2-02-11

To the Arcata City Council:

This report consists of two different sections. The first section describes the projects that the CDC has worked on during the year 2010. The second section describes the committee's proposed future projects, pursuant to approval by the city council.

**Section I.**

- 1) The committee is continuing to work on a Formula Retail Ordinance similar to one passed in Coronado, California. The Coronado ordinance has withstood legal challenges at the State Supreme Court level. Since our last report to the council the committee has decided to include formula services in the proposed ordinance. Rather than banning formula retail and service businesses outright, any business deemed to fall under the category of formula retail or service will be subject to review under the Use Permit process. Members of the committee, Kathy Marshall in particular, met with the Economic Development Committee on November 3 of 2010 to seek feedback concerning the proposed ordinance.
- 2) In the spring of 2010 the committee submitted an ordinance seeking to reform the Campaign Contributions Limitations Ordinance. The council, as a whole, did not accept most of our proposed amendments; however, the council did vote to submit our proposed inclusion of ballot initiatives, referenda, and recall elections as subject to the contribution limitations to the city attorney for review. Currently, we are still awaiting this legal opinion.
- 3) In 2010, the committee, spearheaded by Kathy Marshall, submitted a letter to the council to be forwarded to the US Congress in support of a single payer health care plan.

## **Section II.**

The Committee on Democracy and Corporations is planning to pursue the following issues and wishes to inform the City Council under the “prior approval” clause found in Title II, section 13, of the Arcata Municipal Code:

- 1) Amending the ordinance describing the duties and responsibilities of the CDC, in order to remove projects that have been completed, provide a philosophical framework for future projects and propose future projects.
- 2) Promoting the use of local water resources and limiting the use of water sold in plastic water bottles.
- 3) Creating a website for the CDC, including a Facebook account, or similar online social networking site, which could be used to inform the citizens of Arcata about CDC projects, as well as to receive input on possible future CDC projects.
- 4) Holding a townhall meeting to receive public input on future CDC projects and agenda items.
- 5) Placing CDC members on local radio programs to inform the public concerning issues pertaining to the CDC.
- 6) Holding a film series, approximately once a month to educate and inform the public about a wide range of corporate issues.
- 7) Creating budgetary funding, so that the CDC can implement its education and other functions.
- 8) Limiting the use of plastic bags in the city of Arcata and researching legal issues pertaining to these types of restrictions, especially as it relates to California municipalities.

The CDC believes that item 1, which involves amendments to the duties and responsibilities of the CDC, is necessary because some projects described in the original ordinance have been completed and the current language of the ordinance should reflect this fact. In addition, the CDC wishes to add language describing ways in which corporations impinge on the democratic process. The CDC further believes that Items 2-7 are justified under the providing of educational opportunities cited in sections D and F of the Arcata Municipal Code Title II, section 13, which describes the duties and responsibilities of the CDC (see below). Furthermore, items 2 and 8 are consistent with the language in section D, since both plastic bags and bottles and other aspects of commercially bottled water “have negative social and environmental impact[s]”.

Sincerely,  
The Committee on Democracy and Corporations  
Sly Holladay, Rick Greene, Kathy Marshall, Michael Canning

### **History:**

The City of Arcata Committee on Democracy and Corporations was created by the City Council in April 2000, as the final implementation phase of ‘Measure F: The Arcata Advisory Initiative on Democracy and Corporations.’ The voters of Arcata passed Measure F in November 1998.

### **Arcata Municipal Code, Title II, section 13**

- A.** To research and present to the City Council, Commissions or City staff as appropriate options on how our community is taking action to control “pattern restaurants” from moving into downtown areas.
- B.** To cooperate with other communities that are working on socially responsible investing and procurement policies.
- C.** To advise the City Council, Commissions or City staff as appropriate and provide educational opportunities to the citizens of Arcata on ways to promote “free and fair trade” and to oppose and provide alternatives to the World Trade Organization and any other global trade treaties that subvert democracy.
- D.** To advise the City Council, Commissions or City staff as appropriate, and provide educational opportunities to the citizens of Arcata in matters relating to ordinances and actions our community can take regarding corporations that have negative social and environmental impact.
- E.** To recommend a policy that the City Council can implement to do business with corporations that demonstrate ethical and exemplary civic practices, and which do not violate fair labor standards or have conviction for violating environmental laws.
- F.** To advise the City Council, Commissions or City staff as appropriate and provide educational opportunities to the citizens of Arcata, with prior City Council approval, regarding policies procedures and regulations which foster and sustain locally-owned businesses, publicly, or locally owned services, and worker-owned cooperatives and collectives.