

HOUSING, COMMUNITY & ECONOMIC DEVELOPMENT POLICY COMMITTEE

Friday, April 13, 2018

Sheraton Fairplex Hotel & Conference Center, 601 West McKinley Avenue, Pomona

ATTENDANCE

Members: Ed Spriggs (Chair), Stacey Mattina (V. Chair), Denise Athas, LaTanya Bellow, Tasha Boerner Horvath, Gary Boyer, Raymond Casey, Carla Condon, Debra Dorst-Porada, Marilyn Ezzy Ashcraft, Theresa Fuentes, Juan Garza, Marshall Goodman, Rich Harpole, Don Harrison, Gary Huisingh, Cecilia Hupp, Kayla Jones, Lou La Monte, Mina Layba, Bob Link, Leslie Little, Steve Manos, Yanely Martinez, John Masson, Margaret McAustin, Blanca Pacheco, Peter Pirnejad, Derek Robinson, Sr., Betty Sanchez, Cori Schumacher, Cindy Silva, Arne Simonsen, Thomas Small, Nancy Smith, Claudette Staton, Troy Strange, Fred Strong, Eric Tsao, Eric Vail, John Valdivia, Chad Wanke, Monica Wilson

League Staff: Jason Rhine, Johnnie Pina

I. State Budget and Issues Briefing

The April 2018 Policy Committee meetings began with a general session briefing and an introduction from Rich Garbarino, League President, Council Member, South San Francisco. President Gabarino gave a brief welcome highlighting the importance of the League's 2018 Strategic goals and thanking everyone for their attendance. He then introduced League Deputy Executive Director/Legislative Director, Dan Carrigg, to discuss state budget and legislative issues.

Mr. Carrigg and Michael Coleman, the League's Fiscal Policy Advisor, provided an update on the Governor's budget. Mr. Coleman gave a brief presentation regarding the makeup of California's budget and discussed the projected surplus of an estimated \$6 billion.

Mr. Carrigg stated that the Governor's first commitment with additional funds is to fill California's 'Rainy Day' reserve fund to its constitutional limit. With several billion more in additional funds available, in addition to supporting additional funding to address homelessness, the League is making three budget requests: \$100 million for disaster equipment pre-positioning; \$100 million for the Transformative Climate Communities program; and \$100 million for organic waste recycling infrastructure.

Mr. Carrigg gave an update on the major ballot issues coming up in 2018, including the California Business Roundtable Initiative, which would limit the ability of cities to raise taxes and fees to provide essential services to their communities. He gave a background on the measure and stated that the League and a strong coalition of local government and labor associations are opposed and will continue to fight this initiative. Finally, he gave a brief overview of other initiatives that may be on the ballot ranging from rent control to splitting California into three states. He then introduced League's lobbyists to discuss their respective major issue areas.

Rony Berdugo, Legislative Representative, discussed the League's strategic goal of protecting existing transportation funding for local priorities and the ongoing SB 1 repeal effort. He described the League's campaign to protect SB 1 dollars and presented cities with several ways they can do their part to protect the funding. He also discussed Proposition 69, on the June ballot, which will ensure that the revenue created by SB 1 is constitutionally restricted for transportation purposes. For cities looking to join in the League's advocacy efforts, both to oppose any gas tax repeal effort and to support the constitutional protections on the June 2018 ballot, please visit <https://fixcaroads.com/> to learn more.

Next, Jason Rhine, Assistant Legislative Director, briefed members on the issues surrounding affordable housing, homelessness, and land use. Mr. Rhine focused on the housing affordability and availability challenges throughout the state. He noted that even with the passage of last year's 15-bill "housing package," housing legislation continues to be a high priority for the Legislature this year.

Mr. Rhine discussed the League's opposition to SB 827 (Wiener), which would exempt certain housing projects from locally developed and adopted height limitations, densities, parking requirements, and design review standards. He also discussed the large number of bills introduced this year that touch on nearly every aspect of the current housing law. Also outlined were: HCD's projected milestones for SB 2 and the revenue that it will generate, homelessness funding, the Veterans and Affordable Housing Bond Act of 2018 and No Place Like Home funding. Mr. Rhine went on to discuss the Joint Task Force Report on Homelessness and its findings. The report can be found here: [Homelessness Task Force Report - Tools and Resources for Cities and Counties](#)

Dane Hutchings, Legislative Representative, provided an update on pensions and other labor and governance issues. He gave an overview of what will be happening on pensions this year and referenced the League's [Pension Survey Report](#). Mr. Hutchings stressed that cities are struggling with increasing costs and securing additional flexibility. He described the reality of attempting to find a solution to the pension issue in Sacramento and explained the League's strategy. Additionally, Mr. Hutchings discussed the League's opposition to AB 1912 (Rodriguez), which would apply prospective and retroactive joint and several liability to agencies who have entered into a JPA for all retirement related liabilities for any public retirement system. This measure would not just apply to CalPERS but any county retirement system as well. Mr. Hutchings also briefly described a CalPERS divestment bill.

Erin Evans-Fudem, Legislative Representative, highlighted evolving environmental and community issues. She discussed the importance for cities to engage in discussions about several issues including organic waste recycling regulations, disaster relief and wildfire response legislation, offshore drilling, and clean drinking water legislation. Specifically, she discussed Propositions 68 and 72, which are on the June ballot. Proposition 68 is the park and water bond which will bring more funding to maintain parks and protect water storage and infrastructure. Proposition 72 would give a tax exemption to those who install a rainwater capture system on their property. She also elaborated on the League's several budget requests: \$100 million for fire prevention; \$100 million for waste diversion; and \$100 million for the Transformative Climate Communities program.

With the current absence of a public safety legislative representative, Dan Carrigg provided an update on public safety and revenue and taxation. Mr. Carrigg gave a brief update on the public safety initiative sponsored by the California Police Chiefs Association and the Grocers Association that attempts to address issues of chronic retail theft and violent crime. Having initially thought that the amount of cannabis legislation would slow down after last year, he reported that there are a large number of bills introduced attempting to change laws surrounding cannabis. He also briefly touched on drones as an emerging policy area.

Mr. Carrigg continued his presentation on revenue and taxation and an update regarding some important initiatives that may make their way onto the November ballot. He gave an update regarding tax increment tools and redevelopment. Mr. Carrigg went on to describe the various tools available to cities and the potential for redevelopment to come back. The League will

continue working with Legislators to continue to expand the options for local agencies. He briefly discussed legislation regarding annexations and incorporations.

II. Public Comment

No public comment.

III. League/CSAC Joint Homelessness Task Force – Final Report

Melissa Kuehne, Institute for Local Government, joined the committee to present on the [League/CSAC Joint Homelessness Task Force Report](#). This document was handed out to all committee members. The report has already been downloaded thousands of times in the past three months.

Following the presentation, the committee asked Melissa several questions about the report and had a brief discussion regarding homelessness and the report's findings. Committee members asked how small cities and counties can best collaborate to provide services. Melissa encouraged cities to start small and begin to engage in a dialogue with your county to see how you can best work with them. Other members of the committee echoed these comments. Some committee members have monthly meetings with all of the mayors in their county to better coordinate. There were also committee members who suggested having events such as "homeless day" to improve community outreach on the issue.

Committee member also had questions and discussed topics such as the locations of homelessness supportive housing facilities, the potential legislative cause of the homeless crisis, conservatorships, and mental health.

IV. 2018 Legislative Agenda

[AB 3171 \(Ting\)](#) and **[SB 912 \(Beall\)](#) Homelessness Funding Proposals**

League Staff briefed the committee on the two homelessness funding proposals pending in the Legislature. League staff expressed their interest in receiving feedback from the group regarding the proposals. League staff discussed the differences in the proposals. AB 3171, backed by the Big 11 Mayors, is asking for \$1.5 billion dollars in matching funding for cities to address the homelessness crisis. The other proposal, SB 912, is asking for \$2 billion dollars but is allocating more money towards counties.

Committee members expressed their concern in having to provide matching funding in order to receive money. They stated that cities are already under increasingly high cost pressure and having to provide matching funding would be a challenge for many cities. Other committee members expressed that it would be preferable to simply be given the money through a grant program but if they had to put up matching dollars, they said that they could do so.

There was no action taken on this item however, League staff was directed to pursue as much funding for homelessness as possible. In addition, the committee favored the issuance of grants rather than matching funds

[AB 2162 \(Chiu\)](#) Planning and Zoning: Supportive Housing

League staff informed the committee that this bill was amended the day before the policy committee meeting so the analysis reflects the prior version. League staff explained that this bill would likely be linked to the homelessness funding proposals much like how affordable housing money was attached to streamlining in 2017.

Some committee member expressed very strong opposition to this bill and motioned to oppose very quickly. In the spirit of wanting to have a more thorough conversation about the bill, the committee chair asked to extend the conversation before we took an official vote.

Some committee members wanted to seek amendments to AB 2162 that would only apply the bill's provisions to cities that received funding from AB 3171 or SB 912.

The committee voted to recommend an **Oppose** position on AB 2162.

SB 1045 (Wiener) Conservatorship: Chronic Homelessness: Mental Illness.

The committee had several questions about this bill regarding how someone would be released from the conservatorship. The committee also noted that this bill is unclear about where those in a conservatorship would be housed. There was a sense from the committee that this bill only goes half way with no funding attached to it. The committee also noted that this bill needs more details regarding who the conservator can be.

The committee voted to recommend a **Support if Amended** position on SB 1045.

The amendments are as follows:

- 1) Expand the procedures to allow for better city/county coordination
- 2) Identify available funding
- 3) Require the person under conservatorship to remain in the community of origin
- 4) Require a social worker to be involved in the investigation to determine conservatorship
- 5) Insure that people of color are not disproportionately placed into conservatorship.

SB 827 (Wiener) Transit: Rezoning

League staff informed the committee that the League is in strong opposition to this bill and that the League plans to remain in strong opposition. However, League staff asked to have a conversation about possible alternatives to SB 827.

The committee all agreed and discussed how much they disliked this bill. Committee members stated that many cities are already working towards some of the goals outlined in the bill. However, other committee members acknowledge the fact that some cities have not done a good job of approving housing and that cities that do not do a good job are the reason for these kinds of over reaching bills.

The committee did not formally vote on this item.

SB 946 (Lara) Street Vending

SB 946 would limit the flexibility cities currently have to regulate street vendors. Members of the committee expressed their concerns. Committee members mentioned public safety concerns in particular. Committee members also expressed that they believe that this would give an unfair advantage to street vendors over brick and mortar businesses and restaurants who often have higher overhead costs than street vendors do.

The committee voted to recommend an **Oppose Unless Amended** position.

The amendments are as follows:

- 1) Delete the requirement that cities must allow street vending
- 2) On the third violation, a person may be charged with a misdemeanor.

Housing, Community and Economic Development Policy Committee		
*SB 912 (Beall)	Housing: Homelessness Programs and Affordable Housing	No Action. The committee did not take a formal vote on either of these two proposals. However, League staff was directed to pursue as much funding for homelessness as possible. Also, the committee favored the issuance of grants rather than matching funds.
*AB 3171 (Ting)	Homeless Persons Services Block Grant	No Action. The committee did not take a formal vote on either of these two proposals. However, League staff was directed to pursue as much funding for homelessness as possible. Also, the committee favored the issuance of grants rather than matching funds.
*AB 2162 (Chiu)	Planning and Zoning: Housing Development: Supportive Housing	OPPOSE The motion passed with three no votes.
SB 1045 (Wiener)	Conservatorship: Chronic Homelessness: Mental Illness	SUPPORT IF AMENDED. The amendments are as follows: 1) expand the procedures to allow for better city/county coordination; 2) identify available funding; 3) require the person under conservatorship to remain in the community of origin; 4) require a social worker to be involved in the investigation to determine

		conservatorship; and 5) insure the people of color are not disproportionately placed into conservatorship. The motion passed with two no votes and two abstentions.
*SB 827 (Wiener)	Transit: Rezoning	Discussion. This item was not formally voted on by the committee. Committee members discussed possible alternatives to SB 827 that would still achieve Senator Weiner’s desired outcome. At this time, no action is needed by the Board.
*SB 946 (Lara)	Street Vending	OPPOSE UNLESS AMENDED. The amendments are as follows: 1) delete the requirement that cities must allow street vending; 2) on the third violation, a person may be charged with a misdemeanor. The motion passed on a unanimous vote.

State Fire Response and Disaster Relief Draft Policy

League staff presented draft policies regarding the insurance aspect of state fire response and disaster relief policy. These policies will help guide League positions on 2018 post-disaster legislation.

There was no discussion on this topic. The committee unanimously voted to recommend a **support** position.

V. 2018 Legislative Update

League staff highlighted several bills of interest that the League is actively working. The priority bills that were highlighted are listed below:

Planning and Zoning Bills

SB 827 (Wiener) Planning and Zoning: Transit

AB 2923 (Chiu, Grayson, Mullin) BART: TOD

Regional Housing Needs Assessment (RHNA)

SB 828 (Wiener) Land Use: RHNA

AB 1771 (Bloom) Regional Housing Needs Assessment

Accessory Dwelling Units

SB 831 (Wieckowski) Accessory Dwelling Units

SB 1469 (Skinner) Accessory Dwelling Units

AB 2890 (Ting) Accessory Dwelling Units

Homelessness

AB 2162 (Chiu) Planning and Zoning: Supportive Housing

AB 3171 (Ting) Homeless Persons Services Block Grant

SB 912 (Beall) Homelessness and Housing

Miscellaneous

AB 2598 (Quirk) Nuisance Abatement

AB 3162 (Friedman) Alcoholism or Drug Abuse Recovery or Treatment Facilities

VI. Next Steps on Tax Increment: AB 3037 (Chiu) & Other Bills

Dan Carrigg, Deputy Executive Director/Legislative Director joined the committee and gave a presentation regarding tax increment tools and redevelopment. Mr. Carrigg went on to describe the various tools currently available to cities and the potential for redevelopment to come back. The League will continue working with Legislators to continue to expand the options for local agencies.

Next Meeting: Friday, June 8, Sacramento Convention Center, Sacramento