HOUSING, COMMUNITY & ECONOMIC DEVELOPMENT POLICY COMMITTEE
Friday, January 24
10:00 a.m. – 2:00 p.m
Hyatt Regency, 1209 L Street, Regency F, Sacramento

AGENDA

SPECIAL ORDER: State Budget and Issues Briefing for all policy committee members
10:00 – 10:45 a.m., Regency EF, Hyatt Regency
Upon adjournment, individual policy committee meetings will begin

I. Welcome and Introductions

II. Public Comment

III. Overview of Parliamentary Procedures and Roberts Rules (Attachment A) Informational

IV. Committee Orientation (Attachment B) Informational

V. Department of Housing and Community Development (HCD) Update Informational
   • Speaker: Paul McDougall, Housing Policy Division, HCD
     o AB 101 Planning Grant Allocations
     o SB 2 Planning Grants
     o Technical Assistance

VI. League Strategic Priorities for 2020 (Attachment C) Informational

VII. Adoption of 2020 Work Program (Attachment D) Action

VIII. Update of Existing Policy & Guiding Principles (Attachment E) Action

IX. SB 50 (Wiener) Housing Development Incentives. (Attachment F) Action
   • Speaker: Jason Rhine, Assistant Legislative Director, League of California Cities
     o Housing Working Group Update
     o League Amendments/Alternative Proposals

X. 2020 Legislative and Budget Update (Handout) Informational
   • Speaker: Jason Rhine, Assistant Legislative Director, League of California Cities

Next Meeting: Friday, April 3, Sheraton Park Hotel, 1855 S Harbor Blvd, Anaheim

NOTE: Policy committee members should be aware that lunch is usually served at these meetings. The state’s Fair Political Practices Commission takes the position that the value of the lunch should be reported on city officials’ statement of economic interests form. Because of the service you provide at these meetings, the League takes the position that the value of the lunch should be reported as income (in return for your service to the committee) as opposed to a gift (note that this is not income for state or federal income tax purposes—just Political Reform Act reporting purposes). If you would prefer not to have to report the value of the lunches as income, we will let you know the amount so you may reimburse the League.

Brown Act Reminder: The League of California Cities’ Board of Directors has a policy of complying with the spirit of open meeting laws. Generally, off-agenda items may be taken up only if:
1. Two-thirds of the policy committee members find a need for immediate action exists and the need to take action came to the attention of the policy committee after the agenda was prepared (Note: If fewer than two-thirds of policy committee members are present, taking up an off-agenda item requires a unanimous vote); or
2. A majority of the policy committee finds an emergency (for example: work stoppage or disaster) exists.
A majority of a city council may not, consistent with the Brown Act, discuss specific substantive issues among themselves at League meetings. Any such discussion is subject to the Brown Act and must occur in a meeting that complies with its requirements.
Informational Items: Any agenda item listed for information purposes may be acted upon by the Policy Committee if the Chair determines such action is warranted and conforms with current League policy. If the committee wishes to revise League policy or adopt new policy for an item listed as informational, committees are encouraged to delay action until the next meeting to allow for preparation of a full analysis of the item.
Parliamentary Procedure Basics Relating to League Policy Committees
(adapted from Robert’s Rules of Order Newly Revised)

Note: This document is designed to provide practical examples of common procedural matters encountered by League policy committees. It strives to provide guidance to foster productive and efficient meetings; it is not meant to be an exhaustive or comprehensive discussion of Robert's Rules. As always, it is the role and discretion of the chair to provide helpful guidance to individuals that may digress from the appropriate form and substance related to the conduct of meetings and the presentation of motions and other procedural matters set forth below.

I. COMMON MOTIONS

1. Main Motions
   Purpose: To introduce items to the committee for their consideration.
   Example: "I move the staff recommendation to support AB 123."

2. Motion to Amend
   Purpose: Retains the main motion under discussion, but changes it in some way.
   Example: "I move to amend the (presented main) motion to support AB 123 if amended."

"Friendly" Amendments
   Purpose: To offer an amendment to the main motion that is still supportive of the main motion.
   Example: If there is currently a motion to support AB 123 on the floor and a committee member makes a "friendly" amendment to support AB 123 and also request that staff report back after contacting the sponsor for clarification on specific language.

Note: This is commonly mishandled procedurally. Often the individual that seeks to offer the "friendly" amendment will inquire if the maker of the original motion will "accept" the amendment, and if so the chair will treat the motion as amended. This is not the proper way to handle such an amendment. It is not the discretion of the mover of the original motion (or the chair) to accept or decline the amendment, rather it must be adopted by the committee.

However, if it appears to the chair that an amendment (or any other motion) is uncontroversial, it is proper for the chair to ask if there is "any objection" to adopting the amendment. If no objection is made, the chair may declare the amendment adopted. If even one member objects, however, the amendment is subject to debate and vote like

any other, regardless of whether its proposer calls it "friendly" and regardless of whether the maker of the original motion endorses its adoption.

3. **Substitute Motion**

   *Purpose:* Removes the motion under discussion and replaces it with a new motion.

   *Example:* When there is a main motion on the floor to support a bill, a substitute motion would be, “I move a substitute motion that the committee oppose AB 123.”

**Addressing Multiple Motions**

The following examples provide guidance relating to how multiple motions are handled, and the impact failed substitute motions have on original (main motions) and any proposed amendments. The last motion presented should be considered first.

*Note:* Substitute motions commonly occur during policy committee meetings, yet Robert's Rules does not make a distinction between motions to amend and substitute motions. However, motions to amend must be considered prior to a main motion. Because the use of "substitute" motions is fairly widespread, the label as it is reflected in practice is used in the examples below. Rosenberg's Rules of Order do reference substitute motions and their impact is also reflected below.

**Example 1**

Committee Member 1: "I move that we support AB 123."
Committee Member 2: "I move that we support AB 123, if amended."
Committee Member 3: "I move a substitute motion that we oppose AB 123."

**Characterizing the Motions:**

In the above example:
Committee Member 1 has made a (main) motion.
Committee Member 2 has made an *amendment* to Committee Member 1’s motion.
Committee Member 3 has made a *substitute* motion to Committee Member 1’s motion.

**Order for Consideration and the Possible Outcomes**

Committee Member 3’s motion is considered first. If Committee Member 3’s motion *fails*, Committee Member 2’s motion will be considered next. If Committee Member 2’s motion *fails*, Committee Member 1’s motion will be considered. If Committee Member 2’s motion *passes*, there is no need to consider Committee Member 1’s motion.

If Committee Member 3’s motion *passes*, there is no need to consider Committee Member 1’s motions because Committee Member 3’s motion replaces Committee Member 1’s original motion. There is also no need to consider Committee Member 2’s motion since it is an amendment to Committee Member 1’s motion that has been replaced by Committee Member 3’s substitute motion.

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Example 2
Committee Member 1: "I move that we support AB 123."
Committee Member 2: "I move a substitute motion that we oppose AB 123."
Committee Member 3: "I move that we oppose AB 123 unless amended."

Characterizing the Motions
In the above example:
Committee Member 1 has made a (main) motion.
Committee Member 2 has made a substitute motion to Committee Member 1’s motion
Committee Member 3 has made an amendment to Committee Member 2's substitute motion (sometimes referred to as a substitute to a substitute motion).

Reviewing the Possible Outcomes
Committee Member 3’s motion should be considered first. If the motion fails,
Committee Member 2’s motion is considered.
If Committee Member 2’s motion passes, it is not necessary to consider Committee Member 1’s motion because Committee Member 2's motion substitutes for it.

If Committee Member 3’s motion fails, Committee Member 2’s motion is considered. If Committee Member 2’s motion fails, the substitute motion for Committee Member 1’s motion fails, and Committee Member 1’s motion is considered.

If Committee Member 3’s motion passes, it is not necessary to consider Committee Member 1’s motion because Committee Member 3's motion substitutes for it.

Example 3
Committee Member 1: "I move that we support AB 123."
Committee Member 2: "I move a substitute motion that we oppose AB 123."
Committee Member 3: "I move a substitute to the substitute motion that we take no position on AB 123."

Characterizing the Motions
In the above example:
Committee Member 1 has made a (main) motion.
Committee Member 2 has made a substitute motion to Committee Member 1’s motion
Committee Member 3 has attempted to make a substitute to Committee Member 2's substitute motion (sometimes referred to as a substitute to a substitute motion).

Reviewing the Possible Outcomes
While procedurally permissible, in an effort to avoid confusion Committee Member 3’s motion should not be entertained by the chair until Committee Member 1 and Committee Member 2's motions have been discussed and voted upon.

Committee Member 2's motion should be considered first. If the motion fails
Committee Member 1’s motion is considered. If Committee Member 1's motion fails, then Committee Member 3’s may make the motion to "take no position on AB 123."

If Committee Member 2’s motion passes, it is not necessary to consider Committee Member 1’s motion because Committee Member 2's motion substitutes for it.
4. **Motion to Withdraw**  
*Purpose:* To withdraw an item from discussion.

*Making the Motion to Reconsider:* Only the individual that made the initial motion can make a motion to withdraw an item from discussion. The individual may interrupt a speaker (after being recognized by the chair) to withdraw the motion under discussion at any time.

*Note:* This type of motion typically occurs following some debate by the committee that may provide additional information that influences the mover to reconsider continued debate on the original motion presented. Another member may subsequently make the same motion after it has been properly withdrawn.

*Example:* “Madame Chair, I move to withdraw my motion to support AB 123.”

5. **Motion to Reconsider**  
*Purpose:* To revisit discussion of an issue.

*Making the Motion to Reconsider:* A motion to reconsider must be made by an individual that previously voted in the majority of the original motion. A motion to reconsider made by an individual that previously voted in the minority must be characterized as out of order.

*Timing:* A motion to reconsider must be made at the same meeting where the original motion was discussed, or the next meeting of the body. Motions for reconsideration following the next meeting are out of order.

*Example:* “I move to reconsider the committee’s position to support AB 123.”

6. **Motion to Table**  
*Purpose:* This motion is often used in the attempt to "kill" a motion by setting it aside. The option is always present, however, to "take from the table," for reconsideration by the committee.

*Note:* This type of motion should be reserved to temporarily set an item aside if agreed upon by a majority of the committee to take up an item of immediate urgency. However, in practice it is sometimes used as an option to end debate and prevent a vote, and not typically to take up an item of immediate urgency. This is technically improper procedure (or out of order) under Robert's Rules.

*Example:* “I move that the committee table the motion to support AB 123.”

7. **Call for the Question**  
*Purpose:* To refocus the committee on the agenda in the event there is sentiment that the discussion has drifted. The individual seeking to end debate must first be recognized by the Chair, make the motion and the motion must receive a second. The motion must be adopted by a 2/3 vote or unanimous consent.

*Example:* “I move the previous question.”
Note: The above procedure is consistent with Roberts Rules, however, in practice when an individual calls for the question a vote is not usually taken. The motion simply serves as an indicator to the chair that the debate may have drifted from the agenda, and the chair should remind the committee to return to the agenda. If there is a sense that the current discussion is productive the chair may elect to ask for a vote relating to the motion to call for the question, or the chair may propose continued discussion for some short period to allow individuals that wish to speak the opportunity.

8. **Motion to Appeal**

*Purpose:* To appeal a ruling made by the chair. A committee member may move to appeal a ruling by the Chair, but it must be seconded and receive a majority vote to be reversed.

*Example: "I move to appeal the Chair’s ruling that the committee approved support of AB 123.”*

9. **Adding an Item to the Agenda for Consideration**

*Purpose:* To have the committee discuss an item that is not on the prepared agenda before them. Because the League is committed to complying with the legal requirements and spirit of the Brown Act additional agenda items may be considered only if they fall within any of the below exceptions:

- An item may be added to the agenda by circulation to the committee members and posting on the League website at least 72 hours prior to the meeting.

- An item may be placed on the agenda at the meeting if the majority decides that it is an “emergency situation.” An emergency situation includes work stoppage, crippling disaster, or any other activity that impairs public health safety or both.

- Two-thirds of the committee members present (or all of the members if less than two-thirds are present) must determine that there is a need for immediate action, and the need to take action arose subsequent to the circulation of the agenda.

If an item does not fall within one of these exceptions it may not be discussed and acted upon, but may be added to a subsequent agenda.

*Note: This procedure is typically used when there is a supplemental agenda that is distributed at the meeting that was not mailed to the committee prior to the meeting.*

II. **OTHER ITEMS**

1. **Point of Privilege**

*Purpose:* To draw attention to an item that interferes with the comfort of the meeting.

*Example:*
Committee Member: “Point of privilege.”
Chair: “State your point.”
Committee Member: “Madame Chair, may we inform the hotel staff that the room is uncomfortably hot and request that the air conditioning be adjusted.”
2. **Point of Order**  
*Purpose:* To draw attention to inappropriate conduct at the meeting.

*Example:*  
Committee Member: “Point of order.”  
Chair: “State your point.”  
Committee Member: “Madame Chair, the motion was approved without opportunity for debate.”

3. **Public Comment**  
In the spirit of the Brown Act an opportunity for public comment is included on all agendas. The chair should exercise discretion in determining the appropriateness and extent of public comment during committee meetings setting reasonable limits as needed.

III. **HOW TO PRESENT A MOTION**

1. Obtain the floor by raising your hand and wait to be recognized by the chair.
2. Make your motion.
   a. Speak clearly and concisely.
   b. Always state a motion affirmatively. For example, "I move the staff recommendation that we support AB 123..." rather than, "I move that we do not take a position ...".
   c. Avoid comments unrelated to the subject of the motion.
   d. Avoid making any arguments supporting your motion at this time, simply state the motion.
3. Wait for someone to second your motion.
4. Another member will second your motion or the chair will call for a second.
5. If there is no second to your motion it is lost and no vote will be taken by the committee.
6. If there is a second to your motion the chair should re-state the motion, or ask League staff to re-state the motion.
   a. The chair will say, "it has been moved and seconded that we ..." This places the motion before the committee for consideration and action.
   b. The committee then either debates the motion or may move directly to a vote.
   c. Once a motion is presented to the committee by the chair it becomes "committee property," and cannot be changed by the maker of the motion without the consent of the committee.
7. At this point the individual making the initial motion (the mover) may elect to expand on the motion. For example, this would be the appropriate time for the mover to present an argument in support of the motion.
8. The chair should always recognize the mover first.
   a. All comments and debate must be directed to the chair.
   b. Keep to the time limit (if any) for speaking that has been established.
   c. The mover may speak again only after other speakers are finished, unless called upon by the chair.
9. **Putting the Question to the Committee**
   a. The chair asks, "Are you ready to vote on the question?"
   b. If there is no more discussion, a vote is taken on the motion.
   c. If the motion passes, the committee moves on to the next item on the agenda.
d. If the motion fails, and no other motion is on the floor, then a new motion is in order.

Note: If a motion to support AB 123 fails, this does not mean that there is opposition to AB 123 by default. A separate motion to oppose AB 123 or some other formal motion must be made and voted on by the committee.

IV. VOTING ON A MOTION

1. Voting is Conducted by Voice
   The chair asks those in favor to say, "aye," those opposed to say "no." If the outcome is unclear by voice, a hand vote may be taken. Any member may move for an exact count. Following the vote, the chair should announce the outcome.

   Example:
   Chair: There is a motion and a second to support AB 123. All those in favor say, "aye." All those opposed say, "no." If the outcome by voice is clearly in support the chair would announce that, "The motion to support AB 123 passes." If the outcome results in opposition to the motion, the chair would announce that, "The motion to support AB 123 fails." If the outcome is unclear the chair, or another member may ask for a hand count.

V. QUORUM

1. Presumption of a Quorum
   The presence of a quorum is presumed unless the issue is raised.

   Note: It is not necessary, and is disfavored for the chair to routinely begin a meeting inquiring about the presence of a quorum.

2. Calculating the Presence of a Quorum
   If the issue of whether a quorum is present is raised, a quorum consists of a majority of all appointed, voting members of a policy committee. A majority simply means more than half, not fifty percent plus one.

3. Votes Taken Prior to the Question of Whether a Quorum is Present Are Valid
   If a vote(s) is taken prior to the question of whether a quorum was present is asked, and it is later determined that a quorum was not present when the vote(s) was taken, the action taken is still valid.

4. Votes Taken in the Absence of a Quorum are Advisory
   A vote may be taken on matters even if a quorum is not present, but all votes taken by that body will be advisory to the League Board or the General Resolutions Committee, and the Board or the General Resolutions Committee must be advised that a quorum of the body was not present. The vote count should also be noted and communicated.
HOW LEAGUE POLICY COMMITTEES WORK

Role and Responsibility of Committee Members
The strength of the League’s policy process and ability to effectively engage in the legislative process is based on the active involvement of and the expertise of city officials. We rely on your technical and policy knowledge, thoughtfulness, strategic thinking, and political savvy. Your role is to engage in thoughtful discussions at the meeting. Members should review the agenda and background material prior to the meetings, attend each meeting, and stay for the entire duration of the meeting.

The League has seven (7) policy committees, each with their own subject matter jurisdiction. Each policy committee plays a role in directing the League’s engagement at the local, state, federal, and regulatory levels by adopting positions on relevant policy. These recommendations are then referred to the League’s Board of Directors. Once approved, these positions are adopted as formal League policy and become part of the League’s compilation of existing policy entitled, “Summary of Existing Policy and Guiding Principles” (Summary). This document will be updated in April 2020 and every two years thereafter. The Summary, in its entirety, is located on the League’s Web site at www.cacities.org/advocacy. Individual sections are located on each policy committee’s Web page, which are available at www.cacities.org/polcomm.

Policy Committee Legislative Agenda Items
League policy committees review bills or regulatory proposals on issues for which the League does not have existing policy, or for which staff members feel a policy discussion needs to occur for greater clarity or background on an issue. Staff will lobby legislation, funding proposals, or regulatory changes where existing policy provides clear direction.

Committee Recommendations on Positions on Bills
The committee’s actions or positions are a recommendation to the League Board of Directors for a formal League position. Possible committee recommendations can be:

- Support
- Oppose
- Support-if-amended (as appropriate, specific amendments may be requested)
- Oppose-unless-amended (as appropriate, specific amendments may be requested)
- No position
- Neutral

There are nuanced differences between some of these positions. For example, “support-if-amended” sends a very different message than “oppose-unless-amended.” Both positions might seek the same change but the support-if-amended position means that the League would be listed with the “supporters” of the bill in most legislative analysis. In addition, “no position” and “neutral” have different meanings and require different actions from staff. Selection of one or the other depends in part upon what type of message or political posture the League needs to take. Staff will advise the committee about the implications of each on a case-by-case basis.
Approval by League Board Needed for All Committee Recommendations
All committee actions are recommendations to the League Board, which has the final say on all positions. Under no circumstances are individual committee members nor the committee itself authorized to speak on behalf of the League. When a committee action is supported by a large majority (e.g., 32 to 3), the recommendation is placed on the Board’s consent calendar. When the committee vote is split (e.g., 15-13), the item will be presented as an action item for the Board’s discussion. Staff will also provide information about the reasons behind the committee’s recommendation to the Board.

Most of the time, the Board adopts the recommendation of the policy committee. When the Board adopts a different position, staff will notify the committee members of the reason for the different position.

Some issues cut across more than one committee. When this occurs, staff will coordinate and bring a bill to more than one committee for review and recommendation. The recommendations are then forwarded to the League Board and if there is a different recommendation, the League Board resolves the difference.

Role of the Committee Chair
The chair’s role is to balance the often competing needs of the membership to have a full and thoughtful discussion on the issues within the very real time constraint. The chair will often limit debate – either in the number of speakers or the amount of time each speaker has – in order to ensure that we can move ahead on our agenda and cover the items included. We ask that when you make comments on issues before the committee that you be brief and concise and that you not repeat what has already been stated. Also, if you have already spoken on an issue, the chair may ask you to hold your comments until after new speakers are able to share their comments.

Committee Schedule and Process
Committees generally meet three times a year (January in Sacramento, April in Anaheim, and So. San Francisco in June), plus an abbreviated meeting at the Annual Conference (October in Long Beach) to review resolutions if any are assigned to it. (The October meeting schedule will be announced in mid-August). Meetings begin at 10:00 a.m. and conclude by 3:00 p.m. and are scheduled on Thursdays and Fridays. Please note that each policy committee will rotate which day it will occur on a yearly basis, so plan accordingly prior to submitting future applications.

Agendas/Disseminating Information
A meeting notice is emailed to committee members about a month to six weeks in advance of the meeting, containing travel and logistical information. An agenda packet is emailed at least one week before a meeting and also sent via e-mail. Highlights that summarize committee actions are prepared by staff and provided to committee members about two to three weeks after the meetings. All materials are also available on the League’s Website: www.cacities.org/polcomm.

We encourage you to visit the League’s Web site: www.cacities.org. In addition to containing committee materials, the Website contains information on the League’s priorities and a link to track individual bills and the League’s position on them. You should also subscribe to the League’s electronic newsletter CA Cities Advocate.
For meetings that are heavy in legislative review (generally in April and June), staff will try to find a balance between getting the agenda packet out early and the need to delay finalizing the agenda packet in order to include as many legislative items as possible and in their most current version. At some meetings, staff may use a supplemental agenda for last minute legislative issues. We will use e-mail as appropriate to send out late-breaking information or to gather committee input throughout the year. It is important that we have your preferred e-mail.

**How to Get an Item on the Agenda**
Because staff prepares background material in advance of the meeting, and prepares the agenda in consultation with the Chair and Vice Chair, it is difficult to add items at the last minute. In addition, the League tries to comply with the spirit of the Brown Act in its meetings. If you wish to have the committee discuss an item, you should contact staff well in advance of the meeting in order to determine the feasibility of including it on the agenda, and if so, allow staff time to prepare the appropriate background material. Because of time constraints and a full work program before the committee, it may not always be possible to respond to such requests.

**Issues Should Have Statewide Impact**
Although some of you may represent your division, your department, your affiliate organization, or simply yourself, we should all keep in mind that the League must address issues of statewide impact and interest. Thus, while an issue or bill may be of interest to your city or region, if it does not have broader, statewide implications, the League likely will not engage in that policy discussion or take a position. You should keep this in mind if you wish to suggest an item for discussion.

**Brown Act and Roberts Rules of Order**
The League tries to comply with the spirit of the Brown Act. Thus, when the committee discusses items not already on the agenda (e.g., supplemental legislative agenda), the Chair will ask for a vote of approval to add that item to the agenda. The League also follows Roberts Rules of Order and provides a brief overview of key procedural steps in Roberts Rules as they apply to committees.

**Staffing for Committee**
Each committee has a staff lobbyist assigned to it. This individual is your main point of contact for logistics or questions about the agenda. Generally, each lobbyist has a “main” committee and will remain with the committee throughout the meeting. Occasionally he/she may leave the meeting to make guest appearances in other committees to discuss issues or bills. Additional staff may also be present to support the committee’s work.

**League Partners and Other Guests**
The League Partners have the ability to appoint up to two non-voting representatives to each policy committee and are seated at the table with other committee members. In addition, city officials, other members of the League Partners Program, and interested members of the public are welcome to attend the meetings. We provide an opportunity for our League Partners and other members of the public to offer comment on items before the committee during the designated public comment period on the agenda.
Throughout the state, city leaders – urban, suburban and rural – work hard every day to improve the quality of life for their residents. To meet this commitment to our communities, city leaders come together annually and set the League of California Cities strategic priorities, to strengthen our cities as vibrant places to live, work, and play. We stand ready to work collaboratively with the Governor, the Legislature and other stakeholders to accomplish these strategic priorities in 2020.

1. **Improve the supply and affordability of housing.** Provide cities with financial tools to increase construction of housing, particularly for vulnerable populations, reform state regulatory barriers, and ensure cities retain flexibility based on the size, geography, demographics, impact mitigation and land use needs of each community.

2. **Advocate for increased funding and resources to prevent homelessness and assist individuals experiencing homelessness.** Secure additional resources and flexibility to provide navigation assistance, emergency shelters and permanent supportive housing and strengthen partnerships with stakeholders to ensure mental health, substance abuse treatment, and wraparound services are available for adults and youth at risk of – or already experiencing – homelessness in our communities.

3. **Address cities’ fiscal sustainability to deliver essential services and meet pension obligations.** Raise awareness among stakeholders about the fiscal challenges cities face and work collaboratively to secure new revenue tools and flexible prudent policies to ensure cities are able to provide essential services to their residents while maintaining their ability to meet pension obligations.

4. **Strengthen community and disaster preparedness, public safety, and resiliency.** Improve community resiliency to disasters and environmental threats, and strengthen infrastructure stability and control, through expanding partnerships, including state and federal agencies, and securing additional resources and support for climate change adaptation, planning, preparedness, response, recovery, and sustainability in our cities.

5. **Address public safety concerns of California cities.**
   - Reform recently enacted criminal justice laws — enacted by both statute and initiative — that have eroded public safety protections of California residents through the passage of the Police Chiefs/Grocer’s-sponsored criminal justice reform measure eligible for the November 2020 state ballot, or by equivalent reforms achieved through legislative action.
   - Protect public safety by reducing access to firearms by the mentally ill.
   - Support additional tools and resources to address critical community challenges such as homelessness, mental health, domestic violence, drug rehabilitation, human trafficking and workforce development for ex-offender reentry.
To facilitate the development of the HCED Policy Committee’s 2020 Work Program, we are seeking your feedback in advance.

Please list the top three priorities for your city with regard to housing, land use, and economic development policy.

1. ________________________________________________________________

2. ________________________________________________________________

3. ________________________________________________________________

Please bring this form with you to the HCED Policy Committee meeting on Friday, January 24th.
Every two years, the League updates its “summary of Existing Policies and Guiding Principles” to reflect new League policy adopted during the past two years. The purpose of this update is not to develop new League policy or revisit existing League policy. The document provided indicates new policy adopted during the past two years in blue underlining or red strikeouts. This is new policy that has been adopted through Annual Conference Resolutions, League positions on bills approved by the League Board of Directors, or broad League policy approved by the League Board of Directors over the last two years.

Committee members should review the proposed update and consider whether it accurately reflects the actions taken by the policy committee (and League Board) over the last two years, and whether there are any missing policy items or errors in describing policy. Committee members who wish to propose new League policy or to revisit existing League policy should suggest that the issue be placed on an agenda for a future policy committee meeting, as opposed to attempting to modify the policy through this update.

Housing, Community and Economic Development

Scope of Responsibility

The principle behind the policies reviewed by the Committee on Housing, Community and Economic Development (HCED) is to foster local control of community planning decisions as they relate to land use and economic development. The issues within the purview of the HCED Committee include general plans and zoning, housing affordability, rent control, subdivision map act, residential care facilities, other land use regulation, development fees including school fee adequacy, annexation and incorporation policy, development agreements, building standards including seismic safety standards, economic development policy including redevelopment and enterprise zones, military base closure and reuse, mobile home regulation, and sign regulation.

Summary of Existing Policy and Guiding Principles

Planning And Zoning

General Plans
The League supports the use of the general plan as a guide to meeting community planning needs. A city’s general plan should guide the individual city’s land use planning and strategic decision-making. A city’s general plan should not be subject to mandatory review by regional or state agencies. General plan requirements should be flexible and provide guidance to local communities without requiring inappropriate levels of detail or mandating new topics or elements. The League supports guidance by expert state agencies in a consultation format but opposes granting mandatory review, certification or other approval authority to another level of government.

Water Supply and Land Use Planning
The League supports having the best information available on the reliability of water supplies when land use decisions are made by local agencies, while protecting and retaining local land use decision-making authority.

**Zoning**

The League believes local zoning is a primary function of cities and is an essential component of home rule. The process of adoption, implementation and enforcement of zoning ordinances should be open and fair to the public and enhance the responsiveness of local decision-makers. State policy should leave local siting and use decisions to the city and not interfere with local prerogative beyond providing a constitutionally valid procedure for adopting local regulations. State agency siting of facilities, including campuses and office buildings, should be subject to local notice and hearing requirements in order to meet concerns of the local community. The League opposes legislation that seeks to limit local authority over parking requirements.

**Housing Element**

Housing issues should be addressed in the general plan as other planning issues are. The housing element should be prepared for the benefit of local governments and should have equal status with the other elements of the general plan.

The projections of regional and local growth and the allocations of housing units should account for state and local planning factors and should be subject to a formal hearing and appeal process to ensure that they are realistic. Cities should be allowed to work together to allocate housing units among themselves within a subregion. Appeals should be heard by politically accountable officials at the state and regional levels. Allocated housing units are not a production requirement as cities do not construct housing.

Cities should focus their efforts on facilitating the production of below market rate housing units. Local government efforts should be subject to realistic performance standards, not to arbitrary state agency review of the housing element. Local government housing efforts should be rewarded by incentives. These incentives should include streamlining by not being subject to the Department of Housing and Community Development review, priority ranking for discretionary funds, and new discretionary funds available for general fund purposes.

The League supports and encourages legislation that implements comprehensive reforms to the housing element process that:

- Address conflicts between local growth projections and state regional housing need numbers;
- Resolve the problems associated with the distribution of RHNA units within a council of governments;
- Achieve improvements to the housing element review process;
- Develop a neutral dispute resolution process and fair enforcement alternatives to deal with disputes over questions of compliance;
- Require state laws and policies which affect housing and land use to be internally consistent;
- Establish additional legal protections to local agencies that approve affordable housing and that establish local pro-active affordable housing policies; and
- Authorize communities which achieve quantifiable affordable housing production levels to self-certify their housing elements without being subject to state review.

**Housing Finance**
The League supports legislation and state and federal programs that assist in providing financing for affordable housing, including the development of fiscal tools and incentives to assist local governments in their efforts to encourage housing and finance the infrastructure to support housing, as well as establishing an ongoing state commitment for funding affordable housing.

The League supports the re-establishment of federal tax incentives which were in effect prior to 1986 which encouraged private development and ownership of rental housing.

The League supports property tax assessment policies that match local affordable housing policies.

**Economic Development**

**Job Creation, Retention and Expansion**
The League supports legislation that will provide tangible and productive tools and incentives to support job creation and retention in housing-rich, jobs-poor communities, such as the awarding of direct grants to fund the development of infrastructure that results in the creation and retention of jobs; the elimination of matching dollar requirements for economic development and infrastructure state grants; the provision of grant funding for infrastructure planning and design and the creation of economic development strategies; and, allowing cities the maximum flexibility in the use of state funds toward local priorities that support job creation. The League also encourages the state to adopt policies and programs that establish a comprehensive solution to the infrastructure and jobs/housing needs of all communities within the state.

**Tax Increment Tools**
The League supports the enactment and expansion of tax increment financing authority for economic development, infrastructure, and community revitalization, including recently enacted Enhanced Infrastructure Financing District Law (EIFD), Community Revitalization and Investment Authorities (CRIA) and Annexation Development Plans.

The League supports the enactment and expansion of state tax incentives that assist city economic development and community revitalization efforts.

**Eminent Domain**
The League supports enactment of fair eminent domain reforms that protect homeowners, and opposes proposals that would cripple the ability of state and local agencies to manage development.

**Tenant Protections**
The League supports prohibiting landlords from discriminating against tenants who use housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 and other public assistance towards their rental payments.

The League also supports requiring landlords that seek to increase monthly rent greater than ten percent to provide tenants 90 day notice before the increase takes effect.

**Rent Control**
The League opposes legislation that restricts the ability of cities to enact rent control ordinances for mobile homes and stick-built housing that are tailored to meet local conditions and circumstances.
The League opposes legislation that would require a city to adopt a mobile home rent control ordinance.

**Subdivision Map Act**

The League supports maximizing local control over subdivisions and public improvement financing. Discretion over the conditions and length of subdivision and parcel maps should be retained by cities.

**Residential Care Facilities**

The League supports permitting cities to exercise review and land use regulation of group home facilities and residential care facilities in residential neighborhoods including the application of zoning, building and safety standards. State and county licensing agencies should be required to confer with the city’s planning agency in determining whether to grant a license to a community care facility. The League recognizes that better review and regulation of residential care facilities will protect both the community surrounding a facility and the residents within a facility from a poorly managed facility or the absence of state oversight.

The League supports state legislation to require a minimum distance of 300 feet between all new and existing residential care facilities. The League supports notification of cities about conditional release participants residing in group homes.

**Development Fees**

The League supports providing local discretion in the assessment, collection and usage of development fees. The state should provide infrastructure funding to help local communities meet California’s growth demands and to increase housing affordability. The League opposes limiting the ability of cities to levy fees to provide for infrastructure or services.

The League recognizes that school facilities are a component of a community’s infrastructure and must be maintained to foster positive outcomes for youth and economic development. The League supports maintaining city discretion over the extent to which legislative authority should be exercised to fully mitigate impacts from development to the adequacy of school facilities. Consistent with maintaining discretion, cities should maintain the ability to condition and deny projects that the city determines inadequately mitigate impacts to community schools.

The League opposes the elimination of any development fee or tax including excise taxes. Tax shifts and initiative measures have severely limited city abilities to provide for community needs. The state must ensure that cities have adequate revenues for local infrastructure and services.

**Annexation and Incorporation**

The League supports strengthening city control over urban boundaries. Sphere of Influence law should be modified to ban county development and to allow cities to annex logical growth. The Revenue and Taxation Code should not allow counties to block annexations in exchange for unreasonable property tax sharing agreements. In addition, cities should have expanded authority over adjacent lands outside of their sphere of influence regardless of jurisdictional lines so long as the land is not within another city’s sphere. Cities should not be required to incur costs for planning to meet infrastructure needs of unincorporated areas or leveraged to annex areas which would result in unfunded costs.
The League supports facilitating the incorporation of cities that have met procedural requirements and voter approval. The League opposes efforts by the Legislature to disincorporate a city for any reason, unless requested by the affected city.

**Development Agreements**

The League recognizes voluntary development agreements as one tool for providing flexibility in development approvals.

**Building Standards**

The League supports flexibility in the adoption and implementation of health and safety standards contained in the building codes. Statutes should maximize local control over standards applying to local conditions. The League opposes new standards imposed by statute rather than regulation.

The League opposes attempts to have multiple state agencies develop specific or subject related building standards. New building standards should be proposed through the California Standards Commission.

The League supports authorizing cities to adopt independent occupancy standards to prevent overcrowding and associated health and safety hazards, including fire-related fatalities.

**Housing for Homeless**

Housing and programs for homeless and other extremely low-income populations are necessary to ensure quality of life and economic viability for all Californians.

Homelessness is a statewide problem that disproportionately impacts specific communities. The state should make funding and other resources, including enriched services, and outreach and case managers, available to help assure that local governments have the capacity to address the needs of the homeless in their communities, including resources for regional collaborations.

Homeless housing is an issue that eludes a statewide, one-size-fits-all solution, and collaboration between local jurisdictions should be encouraged.

State and federal funding programs should be designed to reflect responsibilities imposed by state and federal law.

**Military Base Closure And Reuse**

**Base Closures and Reuse**

The League supports local decision-making over military base closure and reuse. The affected cities independently or subregionally should work together towards efficient reuse planning.

**Economic Reuse**

The League supports incentives for broad economic reuse of closed military facilities. Cities should work on a regional and interstate basis to maintain economic productivity. Economic reuse includes both reuse of military facilities and the retooling of related industries to continue to provide jobs for residents of California’s cities.

**Mobile Home Regulation**
The League supports initiatives that maintain cities as the enforcement authority for mobile home regulation.

The League supports the preservation of existing mobile home parks as an important source of affordable housing.

**Sign Regulation**

The League supports the authority of cities to regulate billboards and other signage. The League opposes mandatory local abatement programs.

**Principles for Smart Growth**

**Well-Planned New Growth**
Recognize and preserve open space, watersheds, environmental habitats, and agricultural lands, while accommodating new growth in compact forms, in a manner that:
- De-emphasizes automobile dependency;
- Integrates the new growth into existing communities;
- Creates a diversity of affordable housing near employment centers; and
- Provides job opportunities for people of all ages and income levels.

**Maximize Existing Infrastructure**
Accommodate additional growth by first focusing on the use and reuse of existing urbanized lands supplied with infrastructure, with an emphasis on reinvesting in the maintenance and rehabilitation of existing infrastructure.

**Support Vibrant City Centers**
Give preference to the redevelopment and reuse of city centers and existing transportation corridors by supporting and encouraging:
- Mixed use development;
- Housing opportunities for all income levels;
- Safe, reliable and efficient multi-modal transportation systems; and
- Retaining existing businesses and promoting new business opportunities that produce quality local jobs.

**Coordinated Planning For Regional Impacts**
Coordinate planning with neighboring cities, counties, and other governmental entities so that there are agreed upon regional strategies and policies for dealing with the regional impacts of growth on transportation, housing, schools, air, water, wastewater, solid waste, natural resources, agricultural lands and open space.

**Support High-Quality Education and School Facilities**
Develop and maintain high quality public education and neighborhood-accessible school facilities as a critical determinant in:
- Making communities attractive to families;
- Maintaining a desirable and livable community;
- Promoting life-long learning opportunities;
- Enhancing economic development; and
• Providing a work force qualified to meet the full range of job skills required in the future economy.

Build Strong Communities
Support and embrace the development of strong families and socially and ethnically diverse communities, by:
• Working to provide a balance of jobs and housing within the community;
• Avoiding the displacement of existing residents;
• Reducing commute times;
• Promoting community involvement;
• Enhancing public safety; and
• Providing and supporting educational, mentoring and recreational opportunities.

Emphasize Joint Use of Facilities
Emphasize the joint use of existing compatible public facilities operated by cities, schools, counties and state agencies, and take advantage of opportunities to form partnerships with private businesses and nonprofit agencies to maximize the community benefit of existing public and private facilities.

Support Entrepreneurial/Creative Efforts
Support local economic development efforts and endeavors to create new products, services and businesses that will expand the wealth and job opportunities for all social and economic levels.

Encourage Full Community Participation
Foster an open and inclusive community dialogue and promote alliances and partnerships to meet community needs.

Establish a Secure Local Revenue Base
Support the establishment of a secure, balanced and discretionary local revenue base necessary to provide the full range of needed services and quality land use decisions.

Residential Insurance Policy

The League believes homeowners should be insured for the value of rebuilding a home to current building standards. The League supports measures to increase transparency in insurance policies so that homeowners can make informed decisions.

The League believes residents who have experienced a wildfire or other natural disaster are entitled to fair residential property insurance practices that provide flexibility to rebuild, including that insured property owners should not lose insurance coverage during the rebuilding effort.

The League also believes residential property insurance policies should not be canceled based on weather-related claims or immediately following a disaster.

Note: The League will review new legislation to determine how it relates to existing League policies and guiding principles. In addition, because this document is updated every two years to include policies and guiding principles adopted by the League during the previous two years, there may be new, evolving policies under consideration or adopted by the League that are not reflected in the current version of this document. However, all policies adopted by the League Board of Directors or the League’s General Assembly become League policy and are binding on the League, regardless of when they are adopted and whether they appear in the current version of “Summary of Existing Policies and Guiding Principles.”
Key Elements of SB 50 as Amended 01/06/2020

- Allows developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, and parking requirements. These overrides are called “equitable communities incentives (ECI).” [Please see pages 2-3 for more detail].
- SB 50’s requirements are applied differently based on city population and the population of the county in which the city is located.
- Requires all cities to allow up to fourplexes in single-family neighborhoods, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.
- Allows “sensitive communities” identified by councils of governments to develop a community plan, as prescribed, and not be required to grant an ECI as long as the “community plan” achieves similar objectives and goals.
- Allows cities to develop a HCD-approved “local flexibility plan”, as an alternative to the requirements in SB 50.

The “Local Flexibility Plan:” Amendments adopted on January 6, 2020

The amendments offer an alternative: Cities and counties can adopt a “local flexibility plan” approved by HCD by January 1, 2023 or be required to grant ECI overrides of density, height and parking) of SB 50.

A “local flexibility plan” submitted on or after July 1, 2021 to HCD, must do all of the following:

- Affirmatively further fair housing, as that term is defined in Section 8899.50, to an extent as great or greater than if the local government were to grant an ECI.
- Achieve a standard of transportation efficiency as great or greater than if the local government were to grant an ECI.
- Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.

On or before July 1, 2021, OPR, in consultation with HCD, will develop guidelines for the submission and approval of a local flexibility plan. Rules, regulations and guidelines may be adopted with limited public process.

A local flexibility plan is an alternative to granting an ECI. A local flexibility plan does not exempt a city from ministerial approval of a fourplex in a single-family zone, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.

Comments Regarding the Amendments Adopted on January 6, 2020

- It appears that the intent of the amendments is to provide local governments with an opportunity to develop their own plans to meet the goals and objectives of SB 50. Unfortunately, the amendments, as drafted, raise the following concerns:
  - OPR and HCD are tasked with developing “rules, regulations, or guidelines for the submission and approval of a local flexibility plan” without sufficient Legislative direction. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- The elements of the plan are not clear: “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” SB 50 does not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- Without clearly identified criteria, we are unable to evaluate whether the “local flexibility plan” is actually an alternative planning option.

The Community Plan: Sensitive Communities
Unchanged by the amendments are SB 50’s alternative for “sensitive communities.” Sensitive communities are determined by councils of governments (or by MTC in the ABAG region). The ECI provisions of SB 50 will apply to a “sensitive community” after January 1, 2026 unless the community adopts a “community plan” aimed toward increasing residential density and multifamily housing choices near transit stops. The community plan must:
- Permit increased density and multifamily development near transit with all upzoning linked to onsite affordable housing requirements;
- Include provisions to protect vulnerable residents from displacement;
- Promote economic justice for workers and residents; and
- Be developed in partnership with a nonprofit or community organization.

Equitable Communities Incentives
City must grant an Equitable Community Incentive (ECI) to “jobs-rich” or “transit-rich” project on a site zoned to allow housing with certain site exclusions as described below unless city makes finding that incentive would have a specific, adverse impact on any real property or historic district. Project must comply with city’s conditional use or other discretionary permit approval process and with certain affordability requirements (or local inclusionary ordinance) and is subject to CEQA review.

Counts with a population less than or equal to 600,000: Cities with population OVER 50,000
- Equitable Community Incentive to a jobs-rich or transit-rich housing project located within ½ mile of a major transit stop with a minimum density of 30 units/acre in “metropolitan” community or 20 units/acre in “suburban” community:
  o 1 additional story or fifteen feet in height.
  o Waiver of 0.6 Floor Area Ratio.
  o Maximum 0.5 parking spots per units; and no minimum parking requirement if within ¼ mile of rail transit station in city with population greater than 100,000.
  o Waiver of maximum controls density.
  o Site exclusions: architecturally or historically significant district; special flood hazard area.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.
Counties with a population over 600,000: All cities (except those under 50,000 in the coastal zone)

- Equitable Community Incentive to a jobs-rich or transit-rich housing project:
  - Waiver of maximum controls on density.
  - 0.5 parking spots per unit.
  - Within 1/2 mile of a major transit stop – height up to 45 feet, Floor Area Ratio of 2.5, and no parking requirements.
  - Within 1/4 mile of a major transit stop – height up to 55 feet, Floor Area Ration of 3.25, and no parking requirements.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

**Key Definitions**

“Jobs-rich area” means an area identified by HCD in consultation with OPR that is high opportunity and either is jobs rich or would enable shorter commute distances based on whether, in a regional analysis, the tract meets both of the following:

- The tract is high opportunity, meaning its characteristics are associated with positive educational and economic outcomes for households of all income levels residing in the tract.
- The tract meets either of the following criteria:
  - New housing sited in the tract would enable residents to live near more jobs than is typical for tracts in the region.
  - New housing sited in the tract would enable shorter commute distances for residents, relative to existing commute patterns and jobs-housing fit.

HCD shall, commencing on January 1, 2021, publish and update, every five years thereafter, a map of the state showing the areas identified by the department as “jobs-rich areas.”

“Job-rich housing project” means a residential development within a jobs-rich area. A residential development shall be deemed to be within a jobs-rich area if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the jobs-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the jobs-rich area.

“Transit-rich housing project” means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within the radius if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“High-quality bus corridor” means a corridor with fixed route bus service that meets all of the following:

- It has average service intervals for each line and in each direction of no more than 10 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. to 7 p.m., inclusive, on Monday through Friday.
• It has average service intervals for each line and in each direction of no more than 20 minutes during the hours of 6 a.m. to 10 p.m., inclusive, on Monday through Friday.
• It has average service intervals for each line and in each direction of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.
• It has met the criteria specified above for the five years preceding the date that a development proponent submits an application for approval of a residential development.

“Major transit stop” means a rail transit station or a ferry terminal that is a major transit stop pursuant to subdivision (b) of Section 21155 of the Public Resources Code.

“Sensitive community” means either of the following:
• Except as provided in paragraph (2), an area identified pursuant to subdivision (b) of Section 65918.58.
  o (b) On or before July 1, 2023, sensitive communities in each county shall be identified and mapped in accordance with the following:
    ▪ The council of governments, or the county board of supervisors in a county without a council of governments, shall establish a working group comprised of residents of potentially sensitive communities within the county, ensuring equitable representation of vulnerable populations, including, but not limited to, renters, low-income people, and members of classes protected under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2).
    ▪ The working group shall develop a map of sensitive communities within the county, which shall include some or all of the areas identified as potentially sensitive communities pursuant to subdivision (i) of Section 65918.50. The working group shall prioritize the input of residents from each potentially sensitive community in making a determination about that community.
    ▪ Each board of supervisors or council of governments shall adopt the sensitive communities map for the county, along with an explanation of the composition and function of the working group and the community process and methodology used to create the maps, at a public hearing held on or before July 1, 2023.
    ▪ In the Counties of Alameda, Contra Costa, Marin, Napa, Santa Clara, San Francisco, San Mateo, Solano, and Sonoma, areas designated by the Metropolitan Transportation Commission on December 19, 2018, as the intersection of disadvantaged and vulnerable communities as defined by the Metropolitan Transportation Commission and the San Francisco Bay Conservation and Development Commission, which identification of a sensitive community shall be updated at least every five years by the Department of Housing and Community Development.
January 14, 2020

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
State Capitol Building, Room 2206
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning, Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Portantino:

The League of California Cities must continue to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 do not take into account our primary objections to SB 50. However, the League of California Cities is pleased to see that recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones. Unfortunately we can’t evaluate whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

It appears that the intent of the amendments are to provide local governments with an opportunity to develop their own plan to meet the goals and objectives of SB 50. Although the goal of increased density around transit is clear; the goal of the bill regarding a jobs-rich housing project is not. The amendments, as drafted, raise the following concerns:

• **Without clearly identified criteria, we are unable to evaluate** whether the “local flexibility plan” is actually viable alternative planning option.

• **Office of Planning and Research (OPR) and HCD are tasked with developing “rules, regulations, or guidelines”** for the submission and approval of a “local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.

• **Further legislative direction is required, the elements of the plan are not clear:**
  - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
- “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- SB 50’s “community plan” for sensitive communities provides a much clearer alternative and should be considered as a possible alternative planning process for all jurisdictions.

Remaining Objections to SB 50

If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers.

Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, the League has significant concerns with the following:

- **Wasting time and money.** SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly $130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional $250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?

- **Gives housing developers and transit agencies, who are unaccountable to local voters, the power to determine** housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit.
• **What is the full scope of SB 50?** As presently drafted, it is very difficult to determine what constitutes a “jobs-rich area” since the HCD and OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.

• **Greater density but no public transit?** SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled.

• **Two-tiered process that exempts** cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.

For these reasons, the League of California Cities must continue to oppose SB 50 unless it is further amended to address the above concerns. We continue to be committed to finding solutions to the housing supply and affordability crisis gripping many regions of the state and look forward to working with you and all other stakeholders in the coming Legislative Session. If you have any questions, please feel free to contact me at (916) 658-8264.

Sincerely,

Jason Rhine
Assistant Legislative Director

cc. Senator Scott Wiener
   Members, Senate Committee on Appropriations
   Mark McKenzie, Chief Consultant, Senate Committee on Appropriations
   Ryan Eisberg, Consultant, Senate Republican Caucus
January 14, 2020

Honorable Scott Wiener
California State Senate
State Capitol, Room 5100
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and zoning: housing development: streamlined approval: incentives.
Oppose Unless Amended (as amended 1/6/20) as recommended

Dear Senator Wiener,

I write to you today in response to your January 6, 2020 amendments to SB 50. In line with you and other legislative leaders, the Los Angeles County Division of the League of California Cities® (Division), representing 86 cities in the county, recognizes the urgent and unprecedented housing crisis that our state is facing and we commend you and other legislative leaders for your efforts to develop concepts to tackle this challenge. In this spirit, the Division has proactively made continued efforts to engage with you, beginning with our July 12, 2019 driving tour through Southeast Los Angeles County, to initiate consistent personal messages and most recently to produce our December 15, 2019 letter and white paper outlining our concerns with your bill. We offered viable and proactive solutions that could increase housing, provide affordability and sustain community services, in order to meet our state’s collective housing needs sooner rather than later.

Our Division Board was intentional and proactive in creating the SB 50 Working Group that developed our alternative proposal. Our group was comprised of mayors and council members with diverse backgrounds, political perspectives, professional disciplines, and represented different regions with varying populations in Los Angeles County. We invested an incredible amount of time and resources to demonstrate our genuine goal and sincerity to be a partner with you and provide viable solutions to the state’s housing crisis. Additionally, I took personal efforts to reach out to you with our proposal prior to distributing the letter to our Los Angeles Delegation and other stakeholders. This is why we are very disappointed that despite our efforts to create an open dialogue, our proposal, from the largest Division and group of cities in our state, was unanswered and not reflected in the amended version of your bill.

We are left with no alternative but to continue to oppose SB 50 unless amended not only on its lack of sound planning and real affordability measures, but because our good-faith efforts to work with you have not been reciprocated.

Our alternative proposal to SB 50 is updated below. We have also attached our white paper that includes an expanded discussion based on the proposed amendments.

**Recommended Locally-Led Alternatives to Addressing the Housing Crisis**

- **Create entitlement certainty for multi-family housing.** The “local flexibility plan” developed under the amended version of SB 50 is duplicative of existing
planning processes, and establishes hypothetical development baselines that depend on a city speculating developer interest in equitable community incentives. 

**Alternative:** A mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) could give certainty to the development community while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, could be replicated and required.

- **Density must be combined with long-term funding tools.** SB 50 does not provide funding for local governments to sustain exponential long-term density.

**Alternative:** Incentives should be offered that provide permanent, ongoing funding sources for multi-family and affordable housing projects to ensure their sustainability and success. These can include housing block grants or tax increment programs like SB 795 (Beall/Portantino/McGuire) that provide a long-term financing tool for cities to address increased vital services for infrastructure, park, public safety and other community priorities resulting from the greater demand for such services that occurs with new construction. We recognize the state’s effort to provide funding through SB 2 and AB 101/SB 102. However, those funding sources are either one-time uses or insufficient to sustain the state’s housing goals.

- **Affordability must be prioritized and sensitive communities must be protected from displacement.** SB 50 gives generous “equitable community incentives” to a developer within a specified radius of a “transit rich or “jobs rich” area. However, the affordability requirement in SB 50 does little to address rising housing costs that affect our communities’ most vulnerable residents.

**Alternative:** Multi-family housing developments must provide a minimum of 25% inclusionary housing, unless a local agency has enacted a higher minimum, to receive any development incentives and entitlement certainty incentives for multifamily developments. The State should also encourage the development of more local Housing Authorities to facilitate construction of affordable housing.

**Why SB 50 (as amended 1/6/20) is Not a Practical Solution to the Housing Crisis**

Notwithstanding the alternatives to SB 50 recommended above, there continues to be unsustainable flaws to the bill in its current form:

- **The Local Flexibility Plan established under the amended SB 50 is duplicative of existing planning process.** This Plan lacks any real local flexibility and would establish a hypothetical development baseline that depends on a city speculating developer interest in and use of various equitable community incentives. The Division remains concerned that “one size fits all” metrics of SB 50 do not work in real world circumstances that exist in many of our communities. Cities and California’s Department of Housing and Community Development (HCD) have an established Housing Element process created through state law along with financial penalties for non-compliance. The Housing Element process requires significant city resources to develop, obtain public input, and receive approval from HCD. SB 50 would require cities to use precious time and resources to create a duplicative process that competes with the Housing Element.

**Alternative:** The Division proposes amending SB 50 to “create entitlement certainty for multi-family housing” in urban areas of California. The mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) would give entitlement certainty to the development community, while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, is proposed to be replicated and required in SB 50.
Carve outs must have merit. The proposed carve-outs in SB 50 are arbitrary and will do little to solve the crisis.

*Alternative:* While the Division believes that the entire state should contribute to solving our unprecedented housing crisis, we believe that carve outs should only be carefully considered for the most dense and sensitive areas of the state, as well as coastal zones and historical districts. Carve outs for coastal zones recognizes the unique landscape in these areas and carve outs for historical districts would prevent the demolition of historic resources and protect the planning and architectural character of neighborhoods with a high number of historic residences and other historically significant buildings.

Focus Should be on Multi-Modal Transportation Options. Definitions of “transit rich” areas in SB 50 are poorly defined, in many cases, based on routes that were established decades ago and in some cases, temporary in nature.

*Alternative:* Access to transit varies widely throughout the state, including providing limited or no weekend services, which do not fulfill the mobility needs for residents to reach employment or other destinations. Local leaders are in the best position to address transportation options and transit access as part of the multi-family housing development planning process.

Jobs Accessibility Areas should be defined by the local agency. Current definitions of “jobs rich” is loosely defined in SB 50.

*Alternative:* Replace the ambiguous “jobs rich” definition with the locally defined “jobs accessibility areas”. Local leaders have the most intimate knowledge of their communities to map these areas based on real local data that will take into account local zoning, the safety and appropriate co-location of jobs and housing, and to successfully connect them with effective transportation options and development.

Recent State legislation already eliminates Single Family Residential (SFR) neighborhoods. Four-plexes or other small developments in former SFR zones are unnecessary as new legislation currently allow up to three units of housing in existing SFR neighborhoods. Further, none of these units are required to have an affordability requirement.

*Alternative:* Remove language related to four-plexes to allow local governments to implement Accessory Dwelling Unit legislation.

Commercial/Multi-Family areas need flexible ratios to accommodate different neighborhoods. SB 50 requires commercial/multi-family ratios that may not be logistically or financially feasible in some communities.

*Alternative:* Allow a lower residential threshold that may expand the number of commercial developments open to mixed-use residential uses.

Conclusion
The state and our region have faced many housing crises. The causes of the latest crisis are multi-faceted and complex. There is no single solution. Our discussion on solutions cannot happen in a vacuum without tackling various related issues such as CEQA obstacles, potential revisions of the housing element and zoning laws and practices. It will take a long-term effort of engagement, education and consensus building with all stakeholders. It is our hope that our proposal is included in that spirit of open dialogue and cooperation.

Again, we acknowledge your and other state leaders’ bold efforts to tackle our state’s housing crisis. We appreciate efforts to work with all stakeholders to ensure that the goals of any housing solutions are balanced with community essentials like equity, infrastructure, and public safety, among other important values. We continue to be prepared to work with the legislature in January 2020 and beyond to find long-term, viable and sustainable solutions to this crisis, and look forward to discussing our proposals with you in greater detail and context in the near future. Despite the aforementioned lack of response from you, I continue to be hopeful that, through a collaborative and sincere approach in resolving our state’s comprehensive housing needs,
together we can all contribute towards solving this problem and especially help those most vulnerable in our mutual communities.

If you have any questions, please contact Division Staff, Jennifer Quan at jquan@cacities.org or 626-786-5142.

Regards,

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Mayor, City of Bellflower

cc: Office of Governor Gavin Newsom
Los Angeles County Legislative Delegation

Attachment: Goals and Objectives for Amendments to SB 50 as approved by the Los Angeles County Division, League of California Cities, November 22, 2019