

**HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT POLICY COMMITTEE
HIGHLIGHTS**

Friday, April 3, 2020

WebEx

[Housing, Community, and Economic Development Policy Committee Slides](#)

Staff: Jason Rhine, Assistant Legislative Director
Johnnie Pina, Legislative Policy Analyst

General Briefing:

In accordance with the customary practice of convening all policy committee members for a general briefing prior to the start of policy committee meetings, the League advocacy team compiled a [General Briefing Update Document](#), which includes the latest on federal and state legislative matters affecting cities within their respective policy areas.

I. Welcome and Introductions

League President John Dunbar, Mayor, Yountville, welcomed everyone to the policy committee and thanked them all for joining the webinar. President Dunbar recognized the extraordinary action city leaders have taken since the beginning of the pandemic to lower the risk of exposure and spread of COVID-19 in our communities. President Dunbar stated while local officials are serving their residents and business owners, the League is working with federal, state, and county government officials, as well as health care experts, to ensure resources and financial support for cities. He emphasized the importance of policy committees to the League's core mission of advocating for the common interests of cities. President Dunbar closed by thanking policy committee members for all of the extra effort they put in on behalf of all California cities.

President Dunbar introduced Carolyn Coleman, League Executive Director. Ms. Coleman thanked everyone for their continued leadership through the COVID-19 pandemic and for making time to participate in policy committee meetings through the new web-based platform. She explained the League would not be as effective if it were not for the collective efforts of policy committee members. Ms. Coleman concluded by emphasizing the League will continue its core mission of being an advocate for cities through this unprecedented time.

Ms. Coleman handed the meeting over to the committee chairs. Chair Blanca Pacheco and Vice Chair Marilyn Ezzy Ashcraft welcomed committee members and provided introductory remarks.

II. Public Comment

The committee heard public comment from Anita Enander, Los Altos, Council Member; Julie Testa, Pleasanton, Council Member; and Pat Eklund, Novato, Mayor Pro Tem.

III. COVID-19 Update

League staff provided a COVID-19 update, which highlighted resources such as the League's COVID-19 dedicated [webpage](#), [email](#), and [webinar series](#). League staff also gave an overview of the potential impacts that COVID-19 may have on key state legislative and budget deadlines. Notably, COVID-19 response and recovery, along with issues such as housing, homelessness, and wildfires will likely continue to be legislative priorities for this session, while other legislative priorities may be delayed until next session. Additionally, League staff summarized the three federal relief and stimulus bills,

highlighting the recently passed Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act is a historic \$2 trillion emergency package intended to stave off economic collapse in the wake of COVID-19. Lastly, League staff mentioned the possibility of a fourth federal stimulus package. The League continues to work closely with its federal lobbying team and the National League of Cities on the fourth package.

IV. Legislative Update

Jason Rhine, Assistant Legislative Director, provided the committee with a legislative update on measures related to planning and zoning, accessory dwelling units, affordable housing, homelessness, mitigation and development fees, mobile homes, and tax increment financing. Specifically, Mr. Rhine highlighted four bills that may need direction from the committee in the next committee meeting in June. The measures were:

- [AB 1905 \(Chiu\)](#), which would entirely eliminate the option to claim the mortgage interest deduction (MID) on second homes. On qualified home loans acquired in 2018 or later for primary homes, the amount of interest a filer can claim would be reduced from the current level of \$1 million to \$750,000, conforming California's tax regulations with federal law. The savings from the elimination and reform of these tax deductions, which is estimated to be between \$400-\$500 million annually, would be redirected to the Housing and Homelessness Response Fund to alleviate California's homelessness crisis.
- [AB 1907 \(Santiago\)](#), which would, until January 1, 2029, exempt from environmental review under CEQA certain activities in furtherance of providing emergency shelters, supportive housing, or affordable housing. The measure would require a lead agency that determines to carry out or approve an activity that is within this CEQA exemption to file a notice of exemption.
- [AB 2843 \(Chu\)](#), which would require a city, county, or city and county to collect an additional annual fee from any applicant for a local business license in an amount depending on the number of employees employed by the business.
- [SB 1410 \(Gonzalez\)](#), which would establish a Housing Accountability Committee within the Housing and Community Development Department. The measure would set forth the committee's powers and duties, including the review of appeals regarding multifamily housing projects that cities and counties have denied or subjected to unreasonable conditions that make the project financially infeasible.

The committee also received an update on the League's housing production proposal. More information on the League's proposal can be found on the [League's Housing webpage](#).

Next Meeting: Friday, June 5, So. San Francisco Conference Center, 255 S. Airport Blvd, South San Francisco*
(*subject to change)