

**CITY COUNCIL
AGENDA REPORT**

MEETING DATE: 04/06/2021
AGENDA HEADING: Consent Calendar

AGENDA TITLE:

Consideration and possible action to authorize the Mayor to sign a letter of support for SB 809.

RECOMMENDED COUNCIL ACTION:

- (1) Authorize the Mayor to sign a letter of support for SB 809.

FISCAL IMPACT: None

Amount Budgeted:	N/A
Additional Appropriation:	N/A
Account Number(s):	N/A

ORIGINATED BY: McKenzie Bright, Administrative Analyst *MB*
REVIEWED BY: Karina Bañales, Deputy City Manager *KB*
APPROVED BY: Ara Mhrianian, AICP, City Manager *AM*

ATTACHED SUPPORTING DOCUMENTS:

- A. Draft letter in support of SB 809 (page A-1)
 - B. Text of SB 809 (as amended March 10, 2021) (page B-1)
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BACKGROUND AND DISCUSSION:

SB 809, introduced by Senator Ben Allen, would allow cities to enter into an agreement whereby one jurisdiction contributes suitable land for regional housing need allocation (RHNA) shares, and the other contributes funding for that development.

This bill would give cities the option to trade land for financial contributions to develop that land. If a city determined it had an insufficient inventory of land suitable and available for residential development to meet its RHNA share, it could enter into a regional agreement with other cities. The other cities would contribute land within their border, and the requesting city would contribute funding for the development of that land. Up to half of the development capacity resulting from the agreement could count towards a single jurisdiction's housing needs.

While RHNA only requires cities to plan for future housing developments and it does not require cities to provide financing for residential developments, this bill would incorporate a financial element into the allocation process. However, this bill gives cities flexibility when planning for their RHNA share – to agree to locate their RHNA share in another city in return for providing funding.

Given this bill's potential to provide a measure of local control in the RHNA process, Staff recommends the City Council authorize the Mayor to sign a letter to Senator Allen as drafted or with revisions, supporting SB 809.

ALTERNATIVES:

In addition to the Staff recommendation, the following alternative actions are available for the City Council's consideration:

1. Identify revised language to add to the letter.
2. Do not authorize the Mayor to sign the letter.
3. Take other action, as deemed appropriate.

April 6, 2021

Via Email

The Honorable Ben Allen
California State Senate
State Capitol, Room 4076
Sacramento, CA 95814

SUBJECT: Notice of Support of SB 809

Dear Senator Allen:

The City of Rancho Palos Verdes supports SB 809, which would provide a measure of local control in the regional housing need allocation (RHNA) process.

In local land use planning and zoning, there are many factors that must be considered. The City of Rancho Palos Verdes is located on the Palos Verdes Peninsula, almost entirely within a Very High Fire Hazard Severity Zone (VHFHSZ). As such, it is vital that the City maintain its local land use authority to ensure that all developments meet all safety standards and that related traffic changes do not have undue influence on egress paths especially during an evacuation.

As drafted, this bill will allow for flexibility for cities that may not have land suitable or available to meet RHNA allocations to enter into multijurisdictional agreements to exchange available land for financial compensation to develop that land.

As California continues to look to the future in housing development, this bill would allow cities to assess their capability and have increased local control to meet RHNA shares. For these reasons, the City of Rancho Palos Verdes supports SB 809.

Sincerely,

Eric Alegria
Mayor

Senator Allen

April 6, 2021

Page 2

cc: Al Muratsuchi, Assembly Member, 66th Assembly District
Jeff Kiernan, League of California Cities
Meg Desmond, League of California Cities
Marcel Rodarte, California Contract Cities Association
Jacki Bacharach, South Bay Cities Council of Governments
Rancho Palos Verdes City Council
Ara Mihranian, City Manager
Karina Bañales, Deputy City Manager

AMENDED IN SENATE MARCH 10, 2021

SENATE BILL

No. 809

Introduced by Senator Allen

(Principal coauthor: Assembly Member Eduardo Garcia)

February 19, 2021

An act ~~relating to regional housing trusts~~; to add and repeal Section 65583.4 of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 809, as amended, Allen. ~~Regional housing trusts~~. *Multijurisdictional regional agreements: housing element.*

The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for its physical development, and the development of certain lands outside its boundaries, that includes, among other mandatory elements, a housing element. Existing law requires that the housing element include, among other things, an inventory of land suitable and available for residential development that identifies sites that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels, as specified.

This bill would authorize a city or county to satisfy part of its requirement to identify zones suitable for residential development by adopting and implementing a multijurisdictional regional agreement. The bill would require the multijurisdictional regional agreement to clearly establish the jurisdiction that is contributing suitable land for residential development and the jurisdiction or jurisdictions that are contributing funding for that development. The bill would require that a multijurisdictional regional agreement be between 2 or more cities

or counties that are located within the same county or within adjacent counties.

This bill would require a jurisdiction that is a party to a multijurisdictional regional agreement under these provisions to provide specified information in its housing element, including how the multijurisdictional regional agreement will satisfy the jurisdiction’s housing need for a designated income level. The bill would prohibit the jurisdictions that are a party to a multijurisdictional regional agreement from claiming an aggregate capacity in an amount greater than the actual capacity created by the housing development subject to the agreement.

The bill would repeal these provisions on January 1, 2030.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

~~The Joint Exercise of Powers Act authorizes 2 or more public agencies, by agreement, to form a joint powers authority to exercise any power common to the contracting parties, as specified. Existing law authorizes the agreement to set forth the manner by which the joint powers authority will be governed.~~

~~This bill would state the intent of the Legislature to enact legislation that would require all local governments to participate in a regional housing trust fund.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 65583.4 is added to the Government Code,
- 2 to read:
- 3 65583.4. (a) A city or county may satisfy part of its requirement
- 4 to identify zones suitable for residential development pursuant to
- 5 paragraph (3) of subdivision (a) of Section 65583 by adopting and
- 6 implementing a multijurisdictional regional agreement as provided
- 7 in this subdivision.
- 8 (b) (1) A multijurisdictional regional agreement adopted and
- 9 implemented pursuant to this section shall clearly establish the
- 10 jurisdiction that is contributing suitable land for residential
- 11 development and the jurisdiction or jurisdictions that are
- 12 contributing funding for that development.

1 (2) A multijurisdictional regional agreement subject to this
2 section shall be between two or more cities that are located within
3 the same county, between two or more cities within adjacent
4 counties, or between adjacent counties and any city within those
5 counties.

6 (c) Each jurisdiction that is a party to a multijurisdictional
7 regional agreement shall describe in its housing element both of
8 the following:

9 (1) How the multijurisdictional regional agreement will satisfy
10 the jurisdiction’s housing need for a designated income level. No
11 more than $\frac{1}{2}$ of the development capacity resulting from the
12 agreement shall be given to a single jurisdiction as credit towards
13 its housing needs.

14 (2) The jurisdiction’s contribution to a housing development
15 pursuant to the multijurisdictional regional agreement, including
16 the amount and source of the funding that the jurisdiction
17 contributes.

18 (d) The jurisdictions that are a party to a multijurisdictional
19 regional agreement shall not claim an aggregate capacity in an
20 amount greater than the actual capacity created by the housing
21 development subject to the multijurisdictional regional agreement
22 in the jurisdiction’s housing element.

23 (e) The Legislature finds and declares that this section addresses
24 a matter of statewide concern rather than a municipal affair as
25 that term is used in Section 5 of Article XI of the California
26 Constitution. Therefore, this section applies to all cities, including
27 charter cities.

28 (f) This section shall remain in effect only until January 1, 2030,
29 and as of that date is repealed.

30 ~~SECTION 1. It is the intent of the Legislature to enact~~
31 ~~legislation that would require all local governments to participate~~
32 ~~in a regional housing trust fund.~~

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