

### Beverly Hills City Council Liaison / Legislative/Lobby Committee will conduct a Special Meeting, at the following time and place, and will address the agenda listed below:

#### CITY HALL 455 North Rexford Drive 4th Floor Conference Room A Beverly Hills, CA 90210

Thursday, February 27, 2020 5:30 PM

#### **AGENDA**

#### A. Oral Communications

1. Public Comment

Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.

#### B. Direction

1. H.R. 4305 - PAWS for Veterans Therapy Act

Comment: This bill requires the Department of Veterans Affairs to implement a pilot program to assess the effectiveness of addressing post-deployment mental health and post-traumatic stress disorder through a method where veterans train service dogs for veterans with disabilities.

2. Senate Resolution 61 (McGuire) - Relative to Gun Violence

Comment: This item seeks direction on SR 61, which would call upon Congress to enact a federal assault weapons ban.

3. Senate Bill 793 (Hill) - Flavored Tobacco Products

Comment: This item seeks direction on SB 793, which would prohibit a retailer from selling, offering for sale, or possessing with the intent to sell or offer for sale, a flavored tobacco product.

4. Senate Bill 795 (Beall) – Affordable Housing and Community Development Investment Program

Comment: This item seeks direction on SB 795, which would establish in state government the Affordable Housing and Community Development Investment Program. This bill would allow cities and counties to redirect tax revenue toward building homes for low-income families, housing near transit stopes, and other projects.

5. Assembly Bill 276 (Friedman) – Pupil Safety: Parental Notification: Firearm Safety Laws

Comment: This item seeks direction on AB 276, which would require schools to provide information to parent and/or guardians of pupils at the first semester or quarter of the regular school year regarding California laws relating to the safe storage of firearms.

6. Proposal by Staff for Legislative/Lobby Liaisons to Review and Provide Input on Modifying Regional Housing Needs Assessment (RHNA)

Comment: Staff is proposing tentative language for modifying RHNA to allow a city to build a limited number of affordable housing units outside its jurisdiction and to still receive RHNA credit.

7. State and Federal Legislative Updates

Comment: The City's state and federal lobbyist will provide a verbal update to the Liaisons on state and federal issues.

#### C. Adjournment

Huma Ahmed, City Clerk

Posted: February 24, 2020

A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW IN THE LIBRARY AND CITY CLERK'S OFFICE.

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# Item B-1



#### CITY OF BEVERLY HILLS

#### **POLICY AND MANAGEMENT**

#### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

FROM: Cynthia Owens, Policy and Management Analyst

**DATE:** February 27, 2020

**SUBJECT:** H.R. 4305 - PAWS for Veterans Therapy Act

**ATTACHMENTS:** 1. Summary Memo – H.R. 4305

2. Bill Text – H.R. 4305

The City Council has historically taken positions on proposed federal and state legislation of interest to Beverly Hills because of the City's location, economy, programs, and policies through the adoption of a Legislative Platform.

H.R. 4305 - PAWS for Veterans Therapy Act ("H.R.4305") involves a policy matter that is not specifically addressed within the adopted Legislative Platform language.

The City's federal lobbyist, David Turch & Associates, provided a summary memo for H.R. 4305 to the City (Attachment 1) and will provide a verbal update to the City Council Liaison/Legislative/Lobby Committee.

After discussion of H.R. 4305, the Liaisons may recommend the following actions:

- 1) Support H.R. 4305;
- 2) Support if amended H.R. 4305;
- 3) Oppose H.R. 4305;
- 4) Oppose unless amended H.R. 4305;
- 5) Remain neutral; or
- 6) Provide other direction to City staff.

Should the Liaisons recommend the City take a position on H.R. 4305, then staff will place the item on a future City Council Agenda for concurrence.

# Attachment 1

### David Jurch and Associates

TO: Cindy Owens, Policy and Management Analyst

City of Beverly Hills

FROM: Jamie Jones

Jamie.jones@davidturch.com

202-543-3744

DATE: February 21, 2020

RE: HR 4305 – PAWS for Veterans Therapy Act

This memorandum focuses on H.R. 4305, the Puppies Assisting Wounded Servicemembers (PAWS) for Veterans Therapy Act, sponsored by Representative Steven Stivers, a Republican from Ohio. The bill requires the Department of Veterans Affairs to implement a pilot program to assess the effectiveness of addressing post-deployment mental health and post traumatic stress disorder through a method where veterans train service dogs for veterans with disabilities. Representative Ted Lieu, along with 323 of his House colleagues, cosponsored the measure. The House passed H.R. 4305 on February 5, 2020 by voice vote. The measure has been referred to the Senate Veterans Affairs Committee.

- H.R. 4305 calls for the Veterans Administration to establish a five-year pilot program to
  make grants available to appropriate nongovernmental entities for the purpose of assessing
  the effectiveness of addressing post-deployment mental health and post-traumatic stress
  disorder symptoms through therapeutic medium of training service dogs for veterans with
  disabilities.
- Under the bill, veterans participating in the program would be paired with a prospective service dog and work with a qualified service dog training instructor to train the dog as a certified service animal. At the conclusion of the training, if the veteran and the veteran's provider agree that it is in the best interests of the veteran, the veteran will be able to keep their dog, or it would be paired with another veteran in need.
- H.R. 4305 finds that mental health disorders, including major depression and other mood disorders, have been associated with increased risk for suicide.
- According to the analyses of veteran suicide published by the Department of Veterans Affairs in August 2016, an average of 20 veterans died by suicide each day in 2014.
- Since 2001, the proportion of users of the Veterans Health Administration with mental health conditions or substance use disorders has increased from approximately 27 percent in 2001 to more than 40 percent in 2014.
- Several organizations have proven track records of training service dogs for veterans with severe PTSD and dramatically improving those veterans' quality of life, ability to re-enter society, and, most importantly, their chances of survival.

### **Attachment 2**



#### 116TH CONGRESS 2D SESSION

### H. R. 4305

#### IN THE SENATE OF THE UNITED STATES

February 10, 2020

Received; read twice and referred to the Committee on Veterans' Affairs

### AN ACT

To direct the Secretary of Veterans Affairs to carry out a pilot program on dog training therapy.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

#### 1 SECTION 1. SHORT TITLE.

2	This Act may be cited as the "Puppies Assisting
3	Wounded Servicemembers for Veterans Therapy Act" or
4	the "PAWS for Veterans Therapy Act".
5	SEC. 2. FINDINGS.
6	Congress makes the following findings:
7	(1) According to the analyses of veteran suicide
8	published by the Department of Veterans Affairs in
9	August 2016 and titled "Suicide Among Veterans
10	and Other Americans", and in June 2018, titled
11	"VA National Suicide Date Report"—
12	(A) an average of 20 veterans died by sui-
13	cide each day in 2014;
14	(B) mental health disorders, including
15	major depression and other mood disorders,
16	have been associated with increased risk for sui-
17	cide;
18	(C) since 2001, the proportion of users of
19	the Veterans Health Administration with men-
20	tal health conditions or substance use disorders
21	has increased from approximately 27 percent in
22	2001 to more than 40 percent in 2014; and
23	(D) overall, suicide rates are highest
24	among patients with mental health and sub-
25	stance use disorder diagnoses who are in treat-
26	ment and lower among those who received a

- mental health diagnosis but were not at risk enough to require enhanced care from a mental health provider.
- 4 (2) The Department of Veterans Affairs must 5 be more effective in its approach to reducing the 6 burden of veteran suicide connected to mental health 7 disorders, including post-traumatic stress disorder 8 (in this section referred to as "PTSD"), and new, 9 rigorous scientific research provides persuasive 10 weight to the growing anecdotal evidence that serv-11 ice dogs ameliorate the symptoms associated with 12 PTSD, and in particular, help prevent veteran sui-13 cide.
  - (3) Several organizations have proven track records of training service dogs for veterans with severe PTSD and dramatically improving those veterans' quality of life, ability to re-enter society, and, most importantly, their chances of survival.

#### 19 SEC. 3. DEPARTMENT OF VETERANS AFFAIRS PILOT PRO-

#### 20 GRAM ON DOG TRAINING THERAPY.

21 (a) IN GENERAL.—Commencing not later than 120 22 days after the date of the enactment of the Act, subject 23 to the availability of appropriations, the Secretary of Vet-24 erans Affairs shall carry out a pilot program under which 25 the Secretary shall make grants to one or more appro-

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priate non-government entities for the purpose of assessing the effectiveness of addressing post-deployment mental health and post-traumatic stress disorder (in this section 4 referred to as "PTSD") symptoms through a therapeutic medium of training service dogs for veterans with disabil-6 ities. 7 (b) DURATION OF PILOT PROGRAM.—The pilot pro-8 gram required by subsection (a) shall be carried out during the 5-year period beginning on the date of the com-10 mencement of the pilot program. 11 (c) Conditions on Receipt of Grants.—As a con-12 dition of receiving a grant under this section, a non-gov-13 ernment entity shall— 14 (1) submit to the Secretary certification that 15 the entity is an organization described in section 16 501(c)(3) of the Internal Revenue Code of 1986 17 that— 18 (A) provides service dogs to veterans with PTSD; and 19 20 (B) is accredited by, or adheres to stand-21 ards comparable to those of, an accrediting or-22 ganization with demonstrated experience, na-23 tional scope, and recognized leadership and ex-24 pertise in the training of service dogs and edu-25 cation in the use of service dogs;

- 1 (2) agree to cover all costs in excess of the 2 grant amount;
  - (3) agree to reaccept or replace the service dog the organization provided to the veteran, if necessary, as determined by the organization and the veteran;
    - (4) provide a wellness certification from a licensed veterinarian for any dog participating in the program;
    - (5) employ at least one person with clinical experience related to mental health;
    - (6) ensure that veterans participating in the pilot program receive training from certified service dog training instructors for a period of time determined appropriate by the organization and the Secretary, including service skills to address or alleviate symptoms unique to veterans' needs;
    - (7) agree to provide both lectures on service dog training methodologies and practical hands-on training and grooming of service dogs;
    - (8) agree that in hiring service dog training instructors to carry out training under the pilot program, the non-government entity will give a preference to veterans who have successfully graduated from PTSD or other residential treatment program

1	and who have received adequate certification in serv-
2	ice dog training;
3	(9) agree not to use shock collars or prong col-
4	lars as training tools and to use positive reinforce-
5	ment training;
6	(10) agree that upon the conclusion of training
7	provided using the grant funds—
8	(A) the veteran who received the training
9	will keep the dog unless the veteran and the
10	veteran's health provider decide it is not in the
11	best interest of the veteran;
12	(B) if the veteran does not opt to own the
13	dog, the entity will be responsible for caring for
14	and appropriately placing the dog;
15	(C) the Department of Veterans Affairs
16	will have no additional responsibility to provide
17	for any benefits under this section; and
18	(D) the Department of Veterans Affairs
19	will have no liability with respect to the dog;
20	(11) provide follow-up support service for the
21	life of the dog, including a contact plan between the
22	veteran and the entity to allow the veteran to reach
23	out for and receive adequate help with the service
24	dog and the organization to communicate with the

1	veteran to ensure the service dog is being properly
2	cared for; and
3	(12) submit to the Secretary an application
4	containing such information, certification, and assur-
5	ances as the Secretary may require.
6	(d) VETERAN ELIGIBILITY.—
7	(1) In general.—For the purposes of this sec-
8	tion, an eligible veteran is a veteran who—
9	(A) is enrolled in the patient enrollment
10	system in the Department of Veterans Affairs
11	under section 1705 of title 38, United States
12	Code;
13	(B) has been recommended for the pilot
14	program under this section by a qualified health
15	care provider or clinical team based on the med-
16	ical judgment that the veteran may potentially
17	benefit from participating; and
18	(C) agrees to successfully complete train-
19	ing provided by an eligible organization that re-
20	ceives a grant under this section.
21	(2) Relationship to participation in
22	OTHER PROGRAM.—Veterans may participate in the
23	pilot program in conjunction with the compensated
24	work therapy program of the Department of Vet-
25	erans Affairs.

1	(3) Continuing eligibility requirement.—
2	To remain eligible to participate in the program, a
3	veteran shall see the health care provider or clinical
4	team of the Department of Veterans Affairs treating
5	the veteran for PTSD at least once every 6 months
6	to determine, based on a clinical evaluation of effi-
7	cacy, whether the veteran continues to benefit from
8	the program.
9	(e) Collection of Data.—In carrying out this sec-
10	tion, the Secretary shall—
11	(1) develop metrics and other appropriate
12	means to measure, with respect to veterans partici-
13	pation in the program, the improvement in psycho-
14	social function and therapeutic compliance of such
15	veterans and changes with respect to the dependence
16	on prescription narcotics and psychotropic medica-
17	tion of such veterans;
18	(2) establish processes to document and track
19	the progress of such veterans under the program in
20	terms of the benefits and improvements noted as a
21	result of the program; and
22	(3) in addition, the Secretary shall continue to
23	collect these data over the course of 5 years for each
24	veteran who has continued with the dog he or she

has personally trained.

### (f) GAO BRIEFING AND STUDY.— (1) BRIEFING.—Not later than 1 year after the

- date of the commencement of the pilot program under subsection (a), the Comptroller General of the United States shall provide to the Committees on Veterans' Affairs of the House of Representatives and the Senate a briefing on the methodology established for the program.
  - (2) Report.—Not later than 270 days after the date on which the program terminates, the Comptroller General shall submit to the committees specified in paragraph (1) a report on the program. Such report shall include an evaluation of the approach and methodology used for the program with respect to—
    - (A) helping veterans with severe PTSD return to civilian life;
    - (B) relevant metrics, including reduction in metrics such as reduction in scores under the PTSD check-list (PCL-5), improvement in psychosocial function, and therapeutic compliance; and
    - (C) reducing the dependence of participants on prescription narcotics and psychotropic medication.

- 1 (g) Definition.—For the purposes of this section,
- 2 the term "service dog training instructor" means an in-
- 3 structor who provides the direct training of veterans with
- 4 PTSD and other post-deployment issues in the art and
- 5 science of service dog training and handling.

Passed the House of Representatives February 5, 2020.

Attest: CHERYL L. JOHNSON,

Clerk.

## Item B-2



#### CITY OF BEVERLY HILLS

#### **POLICY AND MANAGEMENT**

#### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

**FROM:** Cindy Owens, Policy and Management Analyst

**DATE:** February 27, 2020

**SUBJECT:** Senate Resolution 61 (McGuire) – Relative to Gun Violence

ATTACHMENTS: 1. Summary Memo - SR 61

2. Bill Text - SR 61

The City Council has historically taken positions on proposed federal and state legislation of interest to Beverly Hills because of the City's location, economy, programs, and policies through the adoption of a Legislative Platform.

Senate Resolution 61 (McGuire) – Relative to Gun Violence ("SR 61") involves a policy matter that is not specifically addressed within the adopted Legislative Platform language.

The City's state lobbyist, Shaw/Yoder/Antwih, Inc., provided a summary memo (Attachment 1) for SR 61 and will provide a verbal update to the City Council Liaison/Legislative/Lobby Committee.

After discussion of SR 61, the Liaisons may recommend the following actions:

- 1) Support SR 61;
- 2) Support if amended SR 61;
- 3) Oppose SR 61:
- 4) Oppose unless amended SR 61;
- 5) Remain neutral; or
- 6) Provide other direction to City staff.

Should the Liaisons recommend the City take a position on SR 61, then staff will place the item on a future City Council Agenda for concurrence.

# Attachment 1





February 19, 2020

To: Cindy Owens, City of Beverly Hills

From: Andrew K. Antwih, Partner, Shaw Yoder Antwih Schmelzer & Lange Priscilla Quiroz, Legislative Advocate, Shaw Yoder Antwih Schmelzer & Lange Tim Sullivan, Legislative Aide, Shaw Yoder Antwih Schmelzer & Lange

Re: SR 61 (McGuire) Relative to gun violence.

#### **Introduction and Background**

Senate Resolution 61 was introduced by Senator McGuire last year following the mass shootings in in the Cities of Gilroy, California; El Paso, Texas; and Dayton, Ohio. The resolution states that numerous factors contribute to the occurrence of mass shootings, including unregulated access to military-style assault weapons and high-capacity magazines, nonstandardized background checks, failing to require private gun sales to go through licensed dealers, needed improvements to our mental health system, and the growth of the white-supremacist terror movement. The resolution goes on to note the criminal use of guns and related gun violence has become a public health matter of epidemic proportions, causing children and families across the country to endure the loss of loved ones to gun violence, get caught in the crossfire of firearm-related domestic violence, and live in fear of being struck by random bullets.

The resolution states a comprehensive federal approach to reducing and preventing gun violence is needed to protect the Second Amendment rights of law-abiding citizens while ensuring our communities are safe from future mass shootings. The resolution then calls on Congress to pass a bill banning assault weapons in order to protect all Americans from senseless gun violence. It also requests enhanced coordination between federal law enforcement agencies and state governments to crack down on white-supremacist organizations.

#### Status of Legislation

The resolution has been referred to the Senate Public Safety Committee.

#### **Support and Opposition**

There is no registered support or opposition to this resolution.

### **Attachment 2**

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Introduced by Senators McGuire, Allen, Archuleta, Atkins, Beall, Bradford, Caballero, Dodd, Durazo, Galgiani, Glazer, Lena Gonzalez, Hertzberg, Hill, Hueso, Hurtado, Jackson, Leyva, Mitchell, Monning, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, and Wiener

August 20, 2019

Senate Resolution No. 61—Relative to gun violence.

WHEREAS, The mass shootings in the Cities of Gilroy, California, El Paso, Texas, and Dayton, Ohio, demonstrate the need for stronger, commonsense gun laws to prevent gun violence and mass shootings in the United States; and

WHEREAS, Numerous factors contribute to the occurrence of mass shootings, including unregulated access to military-style assault weapons and high-capacity magazines, nonstandardized background checks, failing to require private gun sales to go through licensed dealers, needed improvements to our mental health system, and the growth of the white-supremacist terror movement, among others; and

WHEREAS, Assault weapons designed as weapons of war allow for the rapid fire of potentially large numbers of bullets, and are distinguishable from standard sporting firearms by features such as the ability to accept detachable magazines, pistol grips, and folding or telescoping stocks; and

WHEREAS, A nationwide study released by the Federal Bureau of Investigation in June 2018 found that between 2000 and 2013, 75 percent of firearms used in an active shooting, known as a "mass shooting," were legally purchased or already possessed by the active shooter; and

SR 61 -2-

WHEREAS, In the first month since California's ammunition background check law took effect, more than 100 people were prevented from purchasing bullets illegally; and

WHEREAS, As of August 5, 2019, there have been 255 mass shootings and 33,237 total shooting incidents in the United States, resulting in the deaths of 8,796 people as a result of gun violence; and

WHEREAS, The United States has the worst rate of violent gun deaths compared to other Western nations, including Germany and the United Kingdom; and

WHEREAS, On August 8, 2019, 214 bipartisan mayors from across America sent a letter to the United States Senate Majority Leader and Minority Leader urging the Senate to take action on bipartisan gun legislation; and

WHEREAS, The criminal use of guns and related gun violence has become a public health matter of epidemic proportions, causing children and families across the country to endure the loss of loved ones to gun violence, get caught in the crossfire of firearm-related domestic violence, and live in fear of being struck by random bullets; and

WHEREAS, Despite alarming statistics and growing public concern about gun violence, the United States Senate has consistently failed to successfully pass commonsense gun legislation that would have provided American citizens with additional protections from gun violence; and

WHEREAS, The health and safety of the American people should be the top priority of any federal administration, state and local lawmakers, and all other local officials; and

WHEREAS, There should be enhanced coordination between federal law enforcement agencies and state governments to crack down on the scourge of white-supremacist organizations; now, therefore, be it

Resolved by the Senate of the State of California, That a federal assault weapons ban be passed by Congress to protect all Americans from senseless gun violence; and be it further

*Resolved*, That a comprehensive federal approach by the United States Senate to reducing and preventing gun violence is needed to protect the Second Amendment rights of law-abiding citizens while ensuring that our communities are safe from future mass shootings; and be it further

\_3\_ **SR 61** 

- 1 Resolved, That the Secretary of the Senate transmit copies of
- 2 this resolution to the President and Vice President of the United
- States, to the Majority and Minority leaders of the United States
- Senate, and to each Senator and Representative from California
- in the Congress of the United States.

# Item B-3



#### CITY OF BEVERLY HILLS

#### POLICY AND MANAGEMENT

#### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

**FROM:** Cindy Owens, Policy and Management Analyst

**DATE:** February 27, 2020

**SUBJECT:** Senate Bill 793 (Hill) – Flavored Tobacco Products

ATTACHMENTS: 1. Summary Memo - SB 793

2. Bill Text - SB 793

The City Council has historically taken positions on proposed federal and state legislation of interest to Beverly Hills because of the City's location, economy, programs, and policies through the adoption of a Legislative Platform.

Senate Bill 793 (Hill) – Flavored Tobacco Products ("SB 793") involves a policy matter that is not specifically addressed within the adopted Legislative Platform language. The City has adopted an ordinance, which in general prohibits the sale of tobacco products in the City with a few exceptions.

The City's state lobbyist, Shaw/Yoder/Antwih, Inc., provided a summary memo (Attachment 1) for SB 793 and will provide a verbal update to the City Council Liaison/Legislative/Lobby Committee.

After discussion of SB 793, the Liaisons may recommend the following actions:

- 1) Support SB 793;
- 2) Support if amended SB 793;
- 3) Oppose SB 793;
- 4) Oppose unless amended SB 793:
- 5) Remain neutral; or
- Provide other direction to City staff.

Should the Liaisons recommend the City support SB 793, City staff will develop a letter for the Mayor to sign as the City has an ordinance prohibiting tobacco sales in Beverly Hills. Should the Liaisons recommend any other action, then staff will place the item on a future City Council Agenda for concurrence.

# Attachment 1



February 19, 2020

To: Cindy Owens, City of Beverly Hills

From: Andrew K. Antwih, Partner, Shaw Yoder Antwih Schmelzer & Lange Priscilla Quiroz, Legislative Advocate, Shaw Yoder Antwih Schmelzer & Lange Tim Sullivan, Legislative Aide, Shaw Yoder Antwih Schmelzer & Lange

Re: SB 793 (Hill) Flavored tobacco products.

#### **Introduction and Background**

SB 793 was introduced by Senator Jerry Hill and would ban the sale of flavored tobacco products. The bill is co-sponsored by Lieutenant Governor Eleni Kounalakis (Co-Sponsor), American Cancer Society Cancer Action Network (Co-Sponsor), American Heart Association (Co-sponsor), American Lung Association (Co-sponsor), Campaign for Tobacco Free Kids (Co-sponsor), and Common Sense (Co-sponsor). The bill would prohibit retail stores and vending machines in California from selling flavored tobacco products. The legislation covers flavored ecigarettes, e-hookahs, e-pipes, and other vaping devices as well as all flavored smokable and nonsmokable tobacco products, such as cigars, cigarillos, pipe tobacco, chewing tobacco, snuff, and tobacco edibles. Violators would face a civil penalty of \$250 per violation. SB 793 would not prevent local jurisdictions from enacting stricter prohibitions on the sale of flavored tobacco products.

The author's office cites a study conducted in November 2018 by the U.S. Food and Drug Administration (FDA) and the U.S. Centers for Disease Control and Prevention which showed that more than 3.6 million middle and high school students were using e-cigarettes. That is an increase of 1.5 million compared to 2017 and almost 13 times higher than the number of youths using e-cigarettes in 2011. The growth from 2017 to 2018 amounts to a 78 percent increase in e-cigarette use by high school students and a 48 percent increase by middle school students.

By 2018, 1 in 5 high school students were using e-cigarettes and 1 in 20 middle school students were doing the same. The year-over-year spike in e-cigarette use corresponds with an increase in the use of tobacco products overall to almost 4.9 million students in 2018, erasing decades of declining youth tobacco use. The rate of teen e-cigarette use has continued to rise in 2019 with most of these youths citing the use of popular fruit and menthol or mint flavors. According to data released by the FDA and CDC, there are now 5.3 million young Americans who vape regularly, an increase of 1.7 million youth compared to 2018.

#### Status of Legislation

The bill has been referred to the Senate Health Committee.

#### **Support and Opposition**

On their fact sheet for the bill the author's office lists the organizations below as supporting the bill. There is currently no formally registered opposition to the bill.

#### Support

Lieutenant Governor Eleni Kounalakis (Co-Sponsor)

American Cancer Society Cancer Action Network (Co-Sponsor)

American Heart Association (Co-Sponsor) American Lung Association (Co-Sponsor) Campaign for Tobacco Free Kids (Co-

Sponsor)

Common Sense (Co-Sponsor)

State Superintendent of Public Instruction,

Tony Thurmond

African American Tobacco Control

Leadership Council

Anti-Vaping Alliance

American Academy of Pediatrics, California

Chapter

Americans for Nonsmokers' Rights

Association of California Healthcare

**Districts** 

Association of Northern California

Oncologists

**Breast Cancer Prevention Partners** 

Breathe California, Sacramento Region

California Academy of Family Physicians

California Academy of Preventive Medicine

California Dental Association

California Optometric Association

California Pan-Ethnic Health Network

California Society of Addictive Medicine

CALPIRG

Change for Justice

City of Palo Alto

City of San Pablo

Community Action Service Advocacy

County Health Executives Association of

California

County of Los Angeles

County of San Bernardino

County of San Mateo

County of Santa Clara

Flavors Addict Kids - Livermore

Health Access

Kaiser Permanente

Los Angeles Unified School District

Medical Oncology Association of Southern

California

Parents Against Teens Vaping E-Cigarettes

(PAVE)

Public Health Advocates

Public Health Institute

San Francisco Bay Area Chapter of the National Association of Pediatric Nurse

**Practitioners** 

Santa Cruz County Tobacco Education

Coalition

Sierra Club

Siskiyou County Public Health

USC Health, Emotion, and Addiction

Laboratory

### **Attachment 2**

SENATE BILL No. 793

### Introduced by Senators Hill, Glazer, McGuire, Pan, and Wiener (Principal coauthor: Senator Durazo)

(Principal coauthors: Assembly Members Bauer-Kahan, Berman, Bloom, Gonzalez, McCarty, Muratsuchi, Robert Rivas, and Wood)

### (Coauthors: Senators Archuleta, Beall, Lena Gonzalez, Leyva, and Nielsen)

(Coauthors: Assembly Members Boerner Horvath, Bonta, Chiu, Levine, Mullin, O'Donnell, Petrie-Norris, Luz Rivas, Mark Stone, Ting, and Wicks)

January 6, 2020

An act to add Article 5 (commencing with Section 104559.5) to Chapter 1 of Part 3 of Division 103 of the Health and Safety Code, relating to tobacco products.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 793, as introduced, Hill. Flavored tobacco products.

Existing law, the Stop Tobacco Access to Kids Enforcement (STAKE) Act, prohibits a person from selling or otherwise furnishing tobacco products, as defined, to a person under 21 years of age. Existing law also prohibits the use of tobacco products in county offices of education, on charter school or school district property, or near a playground or youth sports event, as specified.

This bill would prohibit a tobacco retailer from selling, offering for sale, or possessing with the intent to sell or offer for sale, a flavored tobacco product, as defined. The bill would make a violation of this prohibition an infraction punishable by a fine of \$250 for each violation. The bill would state the intent of the Legislature that these provisions not be construed to preempt or prohibit the adoption and implementation of local ordinances related to the prohibition on the sale of flavored

 $SB 793 \qquad \qquad -2-$ 

tobacco products. The bill would state that its provisions are severable. By creating a new crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

SECTION 1. Article 5 (commencing with Section 104559.5) is added to Chapter 1 of Part 3 of Division 103 of the Health and Safety Code, to read:

#### Article 5. Tobacco Sale Prohibition

104559.5. (a) For purposes of this section, the following definitions apply:

- (1) "Characterizing flavor" means a distinguishable taste or aroma, or both, other than the taste or aroma of tobacco, imparted by a tobacco product or any byproduct produced by the tobacco product. Characterizing flavors include, but are not limited to, tastes or aromas relating to any fruit, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, menthol, mint, wintergreen, herb, or spice. A tobacco product shall not be determined to have a characterizing flavor solely because of the use of additives or flavorings or the provision of ingredient information. Rather, it is the presence of a distinguishable taste or aroma, or both, as described in the first sentence of this definition, that constitutes a characterizing flavor.
- (2) "Constituent" means any ingredient, substance, chemical, or compound, other than tobacco, water, or reconstituted tobacco sheet, that is added by the manufacturer to a tobacco product during the processing, manufacture, or packing of the tobacco product.
- (3) "Flavored tobacco product" means any tobacco product that contains a constituent that imparts a characterizing flavor.

-3— SB 793

(4) "Labeling" means written, printed, pictorial, or graphic matter upon a tobacco product or any of its packaging.

- (5) "Packaging" means a pack, box, carton, or container of any kind, or, if no other container, any wrapping, including cellophane, in which a tobacco product is sold or offered for sale to a consumer.
  - (6) "Retail location" means both of the following:
  - (A) A building from which tobacco products are sold at retail.
  - (B) A vending machine.

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- (7) "Sale" or "sold" means a sale as defined in Section 30006 of the Revenue and Taxation Code.
- (8) "Tobacco product" means a tobacco product as defined in paragraph (8) of subdivision (a) of Section 104495, as that provision may be amended from time to time.
- (9) "Tobacco retailer" means a person who engages in this state in the sale of tobacco products directly to the public from a retail location. "Tobacco retailer" includes a person who operates vending machines from which tobacco products are sold in this state.
- (b) (1) A tobacco retailer, or any of the tobacco retailer's agents or employees, shall not sell, offer for sale, or possess with the intent to sell or offer for sale, a flavored tobacco product.
- (2) There shall be a rebuttable presumption that a tobacco product is a flavored tobacco product if a manufacturer or any of the manufacturer's agents or employees, in the course of their agency or employment, has made a statement or claim directed to consumers or to the public that the tobacco product has or produces a characterizing flavor, including, but not limited to, text, color, images, or all, on the product's labeling or packaging that are used to explicitly or implicitly communicate that the tobacco product has a characterizing flavor.
- (c) A person who violates this section is guilty of an infraction and shall be punished by a fine of two hundred fifty dollars (\$250) for each violation of this section.
- (d) This section does not preempt or otherwise prohibit the adoption of a local standard that imposes greater restrictions on the access to tobacco products than the restrictions imposed by this section. To the extent that there is an inconsistency between this section and a local standard that imposes greater restrictions on the access to tobacco products, the greater restriction on the access to tobacco products in the local standard shall prevail.

SB 793 —4—

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SEC. 2. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

4 SEC. 3. No reimbursement is required by this act pursuant to 5 Section 6 of Article XIIIB of the California Constitution because 6 the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of 10 the Government Code, or changes the definition of a crime within 11 the meaning of Section 6 of Article XIII B of the California 12 13 Constitution.

# Item B-4



## CITY OF BEVERLY HILLS

#### POLICY AND MANAGEMENT

#### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

**FROM:** Cindy Owens, Policy and Management Analyst

**DATE:** February 27, 2020

**SUBJECT:** Senate Bill 795 (Beall) – Affordable Housing and Community Development

Investment Program

ATTACHMENTS: 1. Summary Memo - SB 795

2. Bill Text – SB 795

The City Council has historically taken positions on proposed federal and state legislation of interest to Beverly Hills because of the City's location, economy, programs, and policies through the adoption of a Legislative Platform.

Senate Bill 795 (Beall) – Affordable Housing and Community Development Investment Program ("SB 795") is in line with the City's support of Senate Bill 5 in 2019. Additionally, it aligns with the following statement in the City's adopted Legislative Platform:

Support legislation, which authorizes tax incremental financing for affordable housing projects.

The City's state lobbyist, Shaw/Yoder/Antwih, Inc., provided a summary memo (Attachment 1) for SB 795 and will provide a verbal update to the City Council Liaison/Legislative/Lobby Committee.

After discussion of SB 795, the Liaisons may recommend the following actions:

- 1) Support SB 795;
- 2) Support if amended SB 795;
- 3) Oppose SB 795;
- Oppose unless amended SB 795;
- 5) Remain neutral; or
- 6) Provide other direction to City staff.

Should the Liaisons recommend the City support SB 795, City staff will develop a letter for the Mayor to sign as SB 795 aligns with the City's adopted Legislative Platform. Should the Liaisons recommend any other action, then staff will place the item on a future City Council Agenda for concurrence.

# Attachment 1



February 18, 2020

To: Cindy Owens, City of Beverly Hills

From: Andrew K. Antwih, Partner, Shaw Yoder Antwih Schmelzer & Lange Priscilla Quiroz, Legislative Advocate, Shaw Yoder Antwih Schmelzer & Lange Tim Sullivan, Legislative Aide, Shaw Yoder Antwih Schmelzer & Lange

Re: SB 795 (Beall) Affordable Housing and Community Development Investment

Program.

### Introduction and Background

Senator Beall introduced SB 795 on January 6, 2020. The bill is a reintroduction of the Senator's SB 5 which was vetoed by the Governor last year. The bill would establish the Affordable Housing and Community Development Investment Program (Program), administered by the Affordable Housing and Community Development Investment Committee (Committee), to provide local entities with funding for development projects such as affordable housing, transit-oriented development, infill development, housing-related infrastructure, neighborhood revitalization, and infrastructure to protect communities from sea-level rise. The funding for these projects would be made available to local entities through allocations of Educational Revenue Augmentation Fund (ERAF) property tax revenues. The bill would require the state to backfill school entities for the associated loss of property tax revenue from the General Fund.

SB 795 would allow various local agencies to apply for the Program, either individually or jointly. Eligible applicants including cities, counties, joint powers authorities, enhanced infrastructure financing districts, affordable housing authorities, community revitalization, and investment authorities, and transit village development districts. The bill also authorizes the creation of a new public entity that would be eligible as a project applicant. Specifically, SB 795 authorizes a city, county, or special district to establish an Affordable Housing and Community Development Investment Agency, as specified. An Agency would be authorized to do any of the following in order to carry out a project: apply for Program funding; accept an allocation of property taxes pursuant to the Program; issue bonds; borrow money, receive grants, or accept state, federal, or private assistance for any project; receive an allocation of fund, as specified; and acquire or transfer property.

To apply for funding an eligible entity would submit an application to the Committee, which would include specified information. Upon receipt of an application, the Committee can submit questions regarding the application, approve, modify, or deny an application. The bill would require the Committee to establish a methodology for scoring and prioritizing applications based on the number of housing units created; the share of those units that are dedicated to low- and moderate-income housing; the level of local, state, and federal funds leveraged for the project; and whether the applicant adopts plans to streamline development.

The bill would require that at least 50 percent of the overall Program funding and 50 percent of each plan's funding is used for the construction of affordable housing. At least 80 percent of

this set-aside must be used to provide rental and owner-occupied housing for low-income households with an annual income of up to 80 percent of the area median income, as specified. The remaining funds may be used for the production of moderate-income housing (households with an annual income between 80 percent and 120 percent of the area median income), as specified. Rental and sales prices for housing assisted with this set-aside would be subject to specified caps, and all housing assisted would be subject to the following recorded affordability restrictions: 55 years for rental housing; 45 years for owner-occupied housing; and at least 15 years for self-help housing. SB 795 prohibits funds from subsidizing market-rate units but allows funding for infrastructure of developments that include market-rate units. Each plan must dedicate at least 30 percent of housing units to affordable housing and keep those units affordable for at least 55 years.

SB 795 reserves at least 12 percent of overall Program funding for counties with 200,000 residents or less, and two percent for technical assistance to such counties to make sure they have the technical capacity to apply for the program. If these counties do not spend all of these funds in any year, SB 795 reserves that funding for these counties in subsequent years.

SB 795 allows the Committee to approve \$200 million in plans in the first year, increasing in \$200 million increments each year for five years until reaching \$1 billion after five years. Over the subsequent four years, the annual increase in funding the committee can approve increases by \$250 million each year until it reaches \$2 billion after nine years. The bill allows the Legislature to direct the Committee to suspend the program if the state taps into its Rainy Day account or suspends the Proposition 98 guarantee. These suspensions would not have an impact on previously approved funding pursuant to the Program. The annual amounts dedicated to individual approved projects would be allocated based on the schedule of funding included in the plan that includes the project unless the Committee decides to allocate a different level of funding or change the number of years that the project is to receive funding.

When the Committee approves a plan, it directs the county auditor to transfer an amount of property tax revenue that is equal to the amount approved by the Committee for that applicant from the ERAF to a specified county Fund established by the bill. The county auditor would then allocate the funds to the applicants (or to the city or county that created the entity for distribution to that entity). The bill specifies these transfers can only come from ERAF amounts that were going to be used for K-12 schools, which ensures that the General Fund backfills the lower property tax revenue to schools. The bill gives the Department of Finance the ability to recalculate, or "rebench," the Proposition 98 guarantee so schools receive the same amount of funding they would have absent this program.

## Status of Legislation

The bill has been referred to the Senate Governance and Finance, Housing, and Education Committees.

\*Support and opposition to this bill is based on support and opposition to SB 5\*

### **Support and Opposition**

The author argued in support of SB 5 that the state needed to take urgent action to address the shortage of affordable housing units and this bill will provide local entities with an effective financing tool they have not had since the dissolution of redevelopment agencies. SB 5 was supported by labor, local governments, and affordable housing advocates. The bill was opposed by K-12 education administrators and associations.

Support

California Apartment Association California Labor Federation

California State Association of Electrical

Workers

California State Pipe Trades Council

League of California Cities

PICO California

State Building and Construction Trades Council

of California

Western States Council of Sheet Metal Workers

Abode Services Bill Wilson Center

South Bay Cities Council of Governments

Southern California Association of Governments

California Contract Cities Association California State Council of Laborers Silicon Valley Leadership Group

Metropolitan Transportation Commission Non-Profit Housing Association of Northern

California

Housing California

Midpeninsula Regional Open Space District

Association of Bay Area Governments

**EAH Housing** 

San Diego Association of Governments California Association for Local Economic

Development

City of West Hollywood Bay Area Council

South Bay AFL-CIO Labor Council

Working Partnerships USA

American Planning Association, California

Chanter

Northern California Carpenters Regional Council

Pinole Stockton City of Ventura

Southwest California Legislative Council

Crescent City
City of Camarillo
Cupertino
Eureka

Santa Monica

Cotati

National Electrical Contractors Association,

California Chapter Salinas, City of Pasadena

Catholic Charities of Santa Clara County

Eden Housing

Sacramento Area Council of Governments

Santa Clara and San Benito Counties Building &

Construction Trades Council

City of Cerritos

Covina Downey

City of Glendale City of La Mirada

Lakewood

City of Paramount Rancho Cucamonga

Rosemead

Local Government Commission

San Francisco Housing Action Coalition Tenderloin Neighborhood Development

Corporation

Tuolumne County Chamber of Commerce Marin County Council of Mayors and

Councilmembers Town of Danville Fountain Valley Los Alamitos

California Association of Housing Authorities

Town of Fairfax

BRIDGE Housing Corporation

Town of Corte Madera MidPen Housing Corporation

United Contractors MuniServices, LLC

East Bay Housing Organizations (EBHO) Santa Clara County Cities Association California Hawaii State Conference of the

**NAACP** 

City of Beverly Hills

Cloverdale City of Encinitas Moorpark Pismo Beach

City of Thousand Oaks

Orange Cove

First Community Housing

League of California Cities, Los Angeles County

Division

Ventura Council of Governments

SPUR

Town of Colma

Wall and Ceiling Alliance

City of Burbank

California Forward Action Fund

Habitat for Humanity East Bay/Silicon Valley

City of East Palo Alto City of San Carlos

San Jose Conservation Corps & Charter School

Satellite Affordable Housing Associates

Rainbow Chamber of Commerce Silicon Valley

(RCCSV)

Housing Trust of Silicon Valley

Santa Clara Valley Open Space Authority

Core Affordable Housing

Norwalk Sand City

Northern California Allied Trades

Affordable Housing Network of Santa Clara

County San Diego

Coalition for Humane Immigrant Rights

Silicon Valley Young Democrats
Construction Employers' Association
California Housing Partnership

Alameda Santa Cruz Napa

League of California Cities, San Diego County

Division

San Joaquin Hispanic Chamber of Commerce

Western Wall and Ceiling Contractors

Association Escondido

Sand Hill Property Company

Associated Builders and Contractors, Northern

California Chapter TechEquity Collaborative

Stanislaus Council of Governments

California Legislative Conference of Plumbing,

Heating, and Piping Industry

Indivisible San Jose

International Union of Operating Engineers, Cal-

Nevada Conference Kosmont Companies

Mayor of San Jose Sam Liccardo Silicon Valley At Home (Sv@Home)

LifeMoves Lakeport Roseville

Petaluma Pie Company

Big City Mayors South Bay YIMBY

California League Conservation Voters City Manager of the City of Hollister

Councilmember Tony Madrigal, Modesto City

Council, District 2 Newport Realty Advisors Northern California Sheet Metal Workers' Local

104

ROEM Development Corporation Tracy Chamber of Commerce

UA Local Union 393

Lafayette Albany Arcata Atascadero Brentwood Clovis Concord Farmersville Fort Bragg

Goleta

Half Moon Bay Laguna Beach Laguna Niguel Mill Valley Modesto Mountain View

Garden Grove

Novato
Palo Alto
Placentia
Rohnert Park
San Jose
San Rafael
South Pasadena

Stanton Vallejo

#### Opposition

Association of California School Administrators California School Boards Association

California Teachers Association
Howard Jarvis Taxpayers Association

California Association of School Business

Officials

One individual

Small School Districts' Association

Los Angeles Unified School District Board of

Education

California School Employees Association

# **Attachment 2**

SENATE BILL No. 795

# Introduced by Senators Beall, McGuire, and Portantino (Principal coauthor: Senator Roth)

(Principal coauthor: Assembly Member Mullin)
(Coauthors: Senators Bradford, Caballero, Hueso, Stern,
Wieckowski, and Wiener)

(Coauthors: Assembly Members Gloria, Kalra, and Low)

January 6, 2020

An act to add Section 41202.6 to the Education Code, to add Part 4 (commencing with Section 55900) to Division 2 of Title 5 of, and to add Division 6 (commencing with Section 62300) to Title 6 of, the Government Code, and to add Section 97.68.1 to the Revenue and Taxation Code, relating to local government finance.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 795, as introduced, Beall. Affordable Housing and Community Development Investment Program.

Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, subject to certain modifications. Existing law requires an annual reallocation of property tax revenue from local agencies in each county to the Educational Revenue Augmentation Fund (ERAF) in that county for allocation to specified educational entities.

Existing law authorizes certain local agencies to form an enhanced infrastructure financing district, affordable housing authority, transit village development district, or community revitalization and investment authority for purposes of, among other things, infrastructure, affordable housing, and economic revitalization.

 $SB 795 \qquad \qquad -2-$ 

This bill would establish in state government the Affordable Housing and Community Development Investment Program, which would be administered by the Affordable Housing and Community Development Investment Committee. The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority, transit village development district, or a combination of those entities, to apply to the Affordable Housing and Community Development Investment Committee to participate in the program and would authorize the committee to approve or deny plans for projects meeting specific criteria. The bill would also authorize certain local agencies to establish an affordable housing and community development investment agency and authorize an agency to apply for funding under the program and issue bonds, as provided, to carry out a project under the program. Among other things, the bill would require that an applicant certify that a skilled and trained workforce, as defined, will be used to complete the project if the plan is approved, except as specified. The bill would also require the Department of Housing and Community Development to certify to the committee whether the housing element of the applicant, if applicable, is in substantial compliance with specified law and whether any rezoning of sites required by law have been completed. By requiring the applicant and the department to make these certifications, the bill would expand the scope of the crime of perjury.

The bill would require the Affordable Housing and Community Development Investment Committee to adopt guidelines for plans. Subject to the Legislature enacting a budget bill for the applicable fiscal year that specifies the amount for the committee to allocate pursuant to the program, the bill would require the committee to approve no more than \$200,000,000 per year from July 1, 2022, to June 30, 2027, and \$250,000,000 per year from July 1, 2027, to June 30, 2031, in transfers from a county's ERAF for applicants for plans approved pursuant to this program. The bill would provide that eligible projects include, among other things, the predevelopment, development, acquisition, rehabilitation, and preservation of workforce and affordable housing, certain transit-oriented development, and projects promoting strong neighborhoods.

The bill would require the Affordable Housing and Community Development Investment Committee, upon approval of a plan and subject to specified conditions, to issue an order directing the county -3- SB 795

auditor to transfer an amount of ad valorem property tax revenue that is equal to the affordable housing and community development investment amount approved by the committee, except as provided, from the county's ERAF. The bill would require the county auditor to either deposit that amount into the Affordable Housing and Community Development Investment Fund, which this bill would create in the treasury of each county, or, if the applicant is a specified type of authority or special district to transfer to the city or county that created the authority or district an amount of property tax revenue equal to the amount approved by the Affordable Housing and Community Development Investment Committee for that authority or district. The bill would require the city or county that created the district to, upon receipt, transfer those funds to the authority or district in an amount equal to the affordable housing and community development investment amount for that authority or district. The bill would authorize applicants to use approved amounts to incur debt or issue bonds or other financing to support an approved project.

The bill also would require each applicant that has received funding to submit annual reports, as specified, and would require the Affordable Housing and Community Development Investment Committee to provide a report to the Joint Legislative Budget Committee, if it approves funding under the program, that includes certain project information.

Section 8 of Article XVI of the California Constitution sets forth a formula for computing the minimum amount of revenues that the state is required to appropriate for the support of school districts and community college districts for each fiscal year.

This bill would require the Director of Finance to adjust the percentage of General Fund revenues appropriated for school districts and community college districts for these purposes in a manner that ensures that the transfers from a county's ERAF pursuant to the Affordable Housing and Community Development Investment Program have no net fiscal impact upon the total amount of the General Fund revenue and local property tax revenue allocated to school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution, as specified.

By imposing new duties on local officials with respect to transferring funds from a country's ERAF, and by expanding the scope of the crime of perjury by requiring the certification of certain information, the bill would impose a state-mandated local program SB 795 —4—

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

1 SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) In recent years the Legislature has created several new opportunities to use tax increment financing, which include the formation of enhanced infrastructure financing districts, affordable housing authorities, and community revitalization investment authorities. While these new tools can be useful to local agencies, they are widely viewed as lacking sufficient financial capacity compared to what existed under the former tax increment financing tool utilized by community redevelopment agencies.
- (1) Under redevelopment, all of the growth in property tax (tax increment) within a project area over a base year, net of mandatory pass-through payments, that would otherwise be allocated to cities, counties, special districts, and school districts, was dedicated to redevelopment purposes. Under the new tax increment tools, however, property tax increment from affected taxing agencies other than the initiating city or county can only be dedicated with the approval of the affected local agencies.
- (2) While potential local partnerships between cities, counties, and special districts involving new economic development tools continue to be explored by the state and local governments, a reality is that the state and local governments often have other policy and budget priorities, and lack incentives to participate.
- (3) The language in the new tax increment laws currently prohibits school districts from participating, largely reflecting state

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concerns over potential backfill requirements for school funding under the requirements of Proposition 98 of 1988.

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- (b) The state shares many policy priorities with local governments, including affordable housing and economic development, that can be advanced by creating a new infrastructure financing tool that would focus on the following:
- (1) Increasing the production of affordable housing available to very low, low-, and moderate-income families.
  - (2) Expanding transit-oriented development at higher densities.
- (3) Reducing jobs-housing imbalances in areas with high job growth.
- (4) Increasing the availability of high-quality jobs through the rehabilitation, construction, and maintenance of housing and infrastructure.
- (5) Improving the quality of life in neighborhoods and disadvantaged communities.
- (6) Incentivizing growth in urban areas, thereby reducing sprawl and ensuring that open space is preserved throughout the state.
- (7) Reducing poverty and caseloads of state and county safety net support programs by incentivizing the training and hiring of affected individuals to jobs where they can be self-supporting.
- (8) Protecting communities dealing with the effects of sea level rise, which is one of the most significant threats of climate change.
- (c) The Legislature has declared that the policy priorities listed in subdivision (b) are matters of statewide concern. It is therefore appropriate that the state and local governments contribute financially to the realization of these priorities.
- (d) By allowing local agencies to reduce their contributions to their county's Educational Revenue Augmentation Fund (ERAF) to fund affordable housing projects and related infrastructure, the state can advance its policy priorities while also protecting funding for schools and limiting effects on the state budget. The state's interests can be ensured and protected in the following manner:
- (1) Requiring approval of the newly created Affordable Housing and Community Development Investment Committee, to ensure that the investment of property taxes otherwise allocated to schools through a county's ERAF are used only for projects that maximize state policy benefits while ensuring that an economic analysis projects increased property tax revenues for schools in the affected territory upon project completion.

 $SB 795 \qquad \qquad -6-$ 

(2) Offering additional incentives to participating counties and special districts.

- (3) Establishing an annual cap on the total affordable housing and community development investment amount that may be approved to be allocated by the Affordable Housing and Community Development Investment Committee, as follows:
- (A) Not to exceed two hundred million dollars (\$200,000,000) annually between July 1, 2022, and June 30, 2027.
- (B) Not to exceed two hundred fifty million dollars (\$250,000,000) annually between July 1, 2027, and June 30, 2031.
- (4) Requiring annual reports to the Legislature on the status of all projects funded through this program.
- (e) It is the intent of the Legislature that schools and community colleges receive no less total funding from General Fund and local property tax revenue as a result of the bill.
- (f) It is the intent of the Legislature to have the state provide increased funding in an amount that equals reductions in local ERAF funds to the point necessary for schools to meet their minimum funding guarantee pursuant to existing law.
- (g) It is the intent of the Legislature that local agencies receive the same amount of excess ERAF as they would have if the program established by this bill were not in effect.
- SEC. 2. Section 41202.6 is added to the Education Code, to read:
- 41202.6. (a) It is the intent of the Legislature to ensure that the program authorized by the Affordable Housing and Community Development Investment Program established by Part 4 (commencing with Section 55900) of Division 2 of Title 5 of the Government Code does not affect the amount of funding required to be applied for the support of school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution.
- (b) The Director of Finance shall adjust "the percentage of General Fund revenues appropriated for school districts and community college districts" for the purpose of applying paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution in a manner that ensures that transfers from a county's Educational Revenue Augmentation Fund authorized by Section 97.68.1 of the Revenue and Taxation Code shall have no net fiscal impact upon the total amount of General Fund revenue and local

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1 property tax revenue allocated to school districts and community 2 college districts pursuant to Section 8 of Article XVI of the 3 California Constitution. The Director of Finance shall make this

- 4 adjustment effective with the 2022–23 fiscal year, consistent with
- 5 the start of the grant program pursuant to paragraph (1) of
- 6 subdivision (a) of Section 55906 of the Government Code. The
- 7 Director of Finance shall update the adjustment for subsequent
- 8 increases or decreases in the amount of transfers authorized by the
- 9 Affordable Housing and Community Development Investment 10 Program.
  - SEC. 3. Part 4 (commencing with Section 55900) is added to Division 2 of Title 5 of the Government Code, to read:

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## PART 4. AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT INVESTMENT PROGRAM

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- 55900. This part is known and may be cited as the Affordable Housing and Community Development Investment Program.
- 55901. The Affordable Housing and Community Development Investment Program is hereby established to create a local-state partnership to reduce poverty and advance other state priorities financed, in part, by property tax increment.
- 55902. As used in this part, the following terms have the following meanings:
- (a) "Affordable housing and community development investment amount" is the amount of property tax revenue allocated pursuant to Section 97.68.1 of the Revenue and Taxation Code.
- (b) "Applicant" means any entity identified in subdivision (a) of Section 55905 that has submitted a plan to the committee pursuant to that section.
- (c) "Committee" means the Affordable Housing and Community Development Investment Committee established by Section 55904.
- (d) "Plan" means an application for one or more projects that is submitted to the committee.
- (e) "Program" means the Affordable Housing and Community Development Investment Program established by this part.
  - (f) "Project" shall include:
- (1) A project undertaken by a city, county, city or county, joint powers authority, enhanced infrastructure financing district, affordable housing authority, community revitalization and

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investment authority, affordable housing and community 2 development investment agency, or a transit village development 3 district.

- (2) A transit priority project that meets the requirements of subdivision (d) of Section 65470.
- (g) "Skilled and trained workforce" has the same meaning as set forth in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.
- (h) "Transit Priority Project Program" has the same meaning as contained in Section 65470.
- 55903. (a) (1) Funding allocated to the program shall be used to support a plan that includes affordable housing. Subject to paragraph (2), eligible uses of this funding include:
- (A) Predevelopment, development, acquisition, rehabilitation, and preservation of affordable housing, as provided in subdivision (b). For purposes of this section, the term "affordable housing" means housing affordable to households earning under 120 percent of area median income.
- (B) Transit-oriented development for the purpose of developing or facilitating the development of higher density uses within close proximity to transit stations that will increase public transit ridership and contribute to the reduction of vehicle miles traveled and greenhouse gas emissions. Fiscal incentives shall be offered to offset local community impacts associated with greater densities.
- (C) Infill development to assist in the new construction and rehabilitation of infrastructure that supports high-density, affordable, and mixed-income housing in locations designated as infill, including, but not limited to, any of the following:
- (i) Park creation, development, or rehabilitation to encourage infill development.
- (ii) Water, sewer, or other public infrastructure costs associated with infill development.
- 33 (iii) Transportation improvements related to infill development 34 projects. 35
  - (iv) Traffic mitigation.
  - (D) Promoting strong neighborhoods through support of local community planning and engagement efforts to revitalize and restore neighborhoods, including repairing infrastructure and parks, rehabilitating and building housing and public facilities, promoting

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public-private partnerships, and supporting small businesses and job growth for affected residents.

- (E) Protecting communities dealing with the effects of climate change, including, but not limited to, sea level rise, wildfires, seismic safety, and flood protection. Eligible projects include the construction, repair, replacement, and maintenance of infrastructure, including natural infrastructure, related to protecting communities from climate change.
- (F) The acquisition, construction, or rehabilitation of land or property pursuant to eligible uses of funding specified in subparagraphs (A) to (E), inclusive.
- (2) Eligible uses allocated to an applicant under the program shall be limited to those uses described in subparagraphs (A) to (C), inclusive, of paragraph (1) if the applicant has taken any action, whether by the legislative body of the applicant or the electorate exercising its local initiative or referendum power, that has any of the following effects:
  - (A) Established or implemented any provision that:
- (i) Limits the number of land use approvals or permits necessary for the approval and construction of housing that will be issued or allocated within all or a portion of the applicant.
- (ii) Acts as a cap on the number of housing units that can be approved or constructed either annually or for some other time period.
  - (iii) Limits the population of the applicant.
- (B) Imposes a moratorium or enforces an existing moratorium on housing development, including mixed-use development, within all or a portion of the jurisdiction of the applicant, except pursuant to a zoning ordinance that complies with the requirements of Section 65858.
- (C) Requires voter approval of any updates to the applicant's housing element to comply with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7, or any rezoning of sites or general plan amendment to comply with an updated housing element or Section 65863.
- (D) Changes the zoning of a parcel or parcels of property to a less intensive use or reduces the intensity of land use within an existing zoning district below what was allowed under the general plan land use designation and zoning ordinances of the applicant in effect on January 1, 2018. For purposes of this subparagraph,

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"less intensive use" includes, but is not limited to, reductions to height, density, floor area ratio, or new or increased open space or lot size requirements, for property zoned for residential use in the applicant's general plan or other planning document.

- (b) At least 50 percent of the funding provided pursuant to the program and at least 50 percent of the funding of each plan shall be allocated according to subparagraph (A) of paragraph (1) of subdivision (a), to be used as follows:
- (1) At least 80 percent of the funds subject to this subdivision shall be used to provide rental and owner-occupied housing for low-income households with an annual income equal to or less than 80 percent of the area median income, subject to the following:
- (A) Funds used for rental housing shall have average property-level affordability at or below the maximum level established by the California Tax Credit Allocation Committee to be eligible for low-income housing tax credits at the percentage prescribed in accordance with Section 42(b)(1)(B)(ii) of Title 26 of the United States Code, relating to the method of prescribing percentages.
- (B) Funds used for owner-occupied housing shall not exceed 20 percent of the funds used for purposes of this paragraph.
- (2) No more than 20 percent of the funds subject to this subdivision may be used for the production of moderate-income housing for households with an annual income greater than 80 percent, but no more than 120 percent, of the area median income.
- (3) The rent or sales price of any housing assisted with funds subject to this subdivision shall be in the following amounts:
- (A) For housing for low-income households with an annual income equal to or less than 80 percent of the area median income, an amount that is at least 10 percent below the prevailing rent or sales price for the region.
- (B) For housing for moderate-income households with greater than 80 percent, but no more than 120 percent, of the area median income, an amount that is at least 20 percent below the prevailing rent or sales price for the region.
- (4) (A) Except as otherwise provided in subparagraph (B), housing assisted with funds subject to this subdivision shall be subject to a recorded affordability restriction for the following time periods:

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1 (i) For rental housing, at least 55 years, except as otherwise 2 provided.

(ii) For owner-occupied housing, at least 45 years.

- (B) Notwithstanding subparagraph (A), self-help housing assisted with funds subject to this subdivision shall be subject to a recorded affordability restriction for at least 15 years.
- (c) (1) Except as provided in paragraph (2), any plan approved pursuant to the program shall be subject to a recorded affordability restriction that requires the project or projects to include a minimum of 30 percent of the total number of housing units to be available at an affordable rent or affordable housing cost to, and occupied by, households earning below 120 percent of the area median income for at least 55 years.
- (2) If the local agency has adopted a local ordinance that requires that greater than 30 percent of the units in a project be dedicated to housing affordable to households making below 120 percent of the area median income, that ordinance shall apply.
- (d) The affordable housing and community development investment amount shall not be used to subsidize the construction of market rate units. It is the intent of the Legislature to preserve the incentives for affordable housing provided by existing density bonus law.
- (e) (1) At least 12 percent of the overall funding for the program shall be set aside for counties with populations of less than 200,000. Of this amount, 2 percent shall be set aside to provide technical assistance for counties with populations of less than 200,000, which shall not be considered administrative costs for purposes of a plan.
- (2) Notwithstanding subdivision (a) of Section 55906, to the extent that all funds set aside in one year for counties with populations of less than 200,000 are not dedicated to plans approved by the committee, the amount of funds not dedicated shall be available to counties with populations of less than 200,000 residents in the following year pursuant to this program.
- (f) (1) Except as provided in paragraph (2), a project approved pursuant to the program shall be considered a public work and subject to the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, regardless of whether an exemption under Section 1720 of the Labor Code applies to the project.

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(2) Notwithstanding paragraph (1), the approval pursuant to the program of the following privately owned residential projects shall not make the projects public works and subject to the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code if the project would not otherwise be considered a public work and subject to those requirements:

- (A) Construction or rehabilitation of a self-help housing project of 10 or fewer units in which no fewer than 500 hours of construction work associated with the homes are to be performed by the home buyers.
- (B) A rehabilitation project for which the only financial support provided by the program is financial assistance to the household.
- 55904. (a) The Affordable Housing and Community Development Investment Committee is hereby established and shall be comprised of the following:
- (1) The Chair of the Strategic Growth Council, or the chair's designee.
- (2) The Chair of the California Housing Finance Agency, or the chair's designee.
- (3) The Chair of California Workforce Investment Board, or the chair's designee.
- (4) The Director of Housing and Community Development, or the director's designee.
- (5) Two people appointed by the Speaker of the Assembly who have knowledge and experience in finance, housing finance, housing planning or development, or land use and planning.
- (6) Two people appointed by the Senate Committee on Rules who have knowledge and experience in finance, housing finance, housing planning or development, or land use and planning.
- (7) One public member appointed by the Joint Legislative Budget Committee who has expertise in education finance.
- (b) The committee shall review and approve or deny plans received pursuant to Section 55905.
- (c) The Department of Housing and Community Development shall provide the technical assistance and administrative support necessary for the committee to consider plans.
- (d) Members of the committee shall serve without compensation, but shall be reimbursed for actual and necessary expenses incurred in connection with the performance of their duties.

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55905. (a) A plan for the affordable housing and community development investment amount may be submitted by any of the following:

(1) A city, county, or city and county.

- (2) A joint powers authority formed pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 that is composed of entities that may submit a plan pursuant to this subdivision.
- (3) An enhanced infrastructure financing district established pursuant to Chapter 2.99 (commencing with Section 53398.50) of Part 1 of Division 2 of Title 5.
- (4) An affordable housing authority established pursuant to Division 5 (commencing with Section 62250) of Title 6.
- (5) A community revitalization and investment authority established pursuant to Division 4 (commencing with Section 62000) of Title 6.
- (6) An affordable housing and community development investment agency established pursuant to Division 6 (commencing with Section 62300) of Title 6.
- (7) A transit village development district established pursuant to Article 8.5 (commencing with Section 65460) of Chapter 3 of Division 1 of Title 7.
- (b) A plan to participate in the program may be submitted to the committee and shall include all of the following information:
- (1) A description of the proposed project or projects to be completed by the applicant pursuant to the plan and the funding amount necessary for each year the applicant requests funding pursuant to the program. The applicant may request funding for no more than 30 years for each project included in the plan.
- (2) Information necessary to demonstrate that each project proposed by the plan complies with all of the statutory requirements of any statutory authorization pursuant to which the project is proposed.
- (3) Certification that any low- and moderate-income housing or other projects or portions of other projects that receive funding from the program will comply with paragraph (8) of subdivision (a) of Section 65913.4.
- 38 (4) A strategy for outreach to, and retention of, women, minority, 39 disadvantaged youth, formerly incarcerated, and other 40 underrepresented subgroups in coordination with the California

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Workforce Investment Board and local boards, to increase their representation and employment opportunities in the building and construction trades.

- (5) For each project identified in the plan, a requirement that no eviction has been made on any project site within the last 10 years, and protections to avoid displacement of individuals affected by the project.
- (6) A requirement that any project included in the plan would not require the demolition of any of the following types of housing:
- (A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.
- (B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.
- (C) Housing that has been occupied by tenants within the past 10 years.
- (7) A requirement that the site was not previously used for housing that was occupied by tenants that was demolished within 10 years before the applicant submits a plan pursuant to this section.
- (8) A requirement that the development of the project or projects included in the plan would not require the demolition of a historic structure that was placed on a national, state, or local historic register.
- (9) A requirement that the project or projects included in the plan would not contain present or former tenant-occupied housing units that will be, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.
- (10) An economic and fiscal analysis, paid for by the applicant and prepared by the applicant or an individual or entity approved by the committee that includes the following information as it pertains to the plan:
- (A) The estimated cost of providing services or facilities for each project included in the plan.
- (B) The estimated revenue available to provide services or facilities for each project included in the plan.
- (C) Identification of the taxing entities that are participating in the financing of each project included in the plan through the

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pledge of an amount equal to the entity's incremental share of the property tax or other means.

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- (D) Identification of the property tax, sales tax, and other public funding available to invest in each project included in the plan or the services or facilities needed by each project included in the plan, as proposed, including, but not limited to, information from the county auditor describing how the county or counties where the applicant is from has historically distributed its educational revenue augmentation fund revenue to schools and local agencies.
- (E) Identification of the funding and financing methods that will be used by each project included in the plan, including whether the applicant intends to issue bonds that will be repaid from property tax increment.
- (F) The affordable housing and community development investment amount requested by the applicant to complete each project included in the plan or the services or facilities needed by each project included in the plan, as proposed, and the proposed date on which the annual allocation of the affordable housing and community development investment amount will terminate.
- (G) The amount of administrative costs associated with the plan. The plan may set aside not more than 5 percent of the total affordable housing and community development investment amount requested in the plan for administrative costs.
- (c) (1) Except as provided in paragraph (3), the applicant shall certify that a skilled and trained workforce will be used to complete the project if the plan is approved.
- (2) If the applicant has certified that a skilled and trained workforce will be used to complete the project or projects and the plan is approved, the following shall apply:
- (A) The applicant shall require every contractor and subcontractor at every tier performing work on the project to provide the applicant with an enforceable commitment that the contractor or subcontractor will individually use a skilled and trained workforce to complete the project.
- (B) Every contractor and subcontractor shall individually use a skilled and trained workforce to complete the project.
- (C) The applicant shall be considered an awarding body for purposes of Section 2602 of the Public Contract Code.
- (3) This subdivision shall not apply to a housing project that meets any of the following criteria:

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 (A) One hundred percent of the housing project's units, exclusive of any legally required manager's unit or units, are affordable to households earning 80 percent or below of the area median income.

- (B) The housing project consists of 25 units or less.
- (C) The housing project is located in a county with a population of 100,000 or less.
- (d) (1) Within 30 days of receipt of a plan pursuant to this section, the committee shall provide the applicant with a written statement identifying any questions about the plan.
- (2) If the committee denies approval of the plan, the committee shall, not more than 30 days following the date the committee has issued a decision, provide the applicant with a written statement explaining the reasons why the plan was denied.
- (3) Subject to subdivision (e), the committee shall develop a rubric to determine which plan to approve. The rubric shall give priority to plans based on, but not limited to, the following factors:
  - (A) The number of housing units created.
- (B) The depth of affordability of the new housing units, including:
- (i) The share of housing units to be constructed that are available to individuals with an area median income below 120 percent.
- (ii) The share of housing units to be constructed that are available to individuals with an area median income below 80 percent.
- (iii) The share of housing units to be constructed that are available to individuals with an area median income below 50 percent.
- (iv) The share of housing units to be constructed that are available to individuals with an area median income below 30 percent.
- (C) The level of local, state, and federal funds that will be dedicated toward the projects included in the plan, including, but not limited to, tax credits, in-kind transfers, personnel costs and services, and land.
- (D) Whether the applicant adopts plans that streamline development, including the following:
- 38 (i) Plans adopted through a workforce housing opportunity zone 39 (Article 10.10 (commencing with Section 65620) of Chapter 3 of

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Division 1 of Title 7) or a housing sustainability district (Chapter 11 (commencing with Section 66200) of Division 1 of Title 7).

- (ii) Plans to streamline development funded by the Building Homes and Jobs Act (Chapter 2.5 (commencing with Section 50470) of Part 2 of Division 31 of the Health and Safety Code).
- (iii) Other local measures adopted to reduce development costs, including, but not limited to, accelerating housing approvals, reducing the average time for issuing a conditional use or other development permit to less than one year, reducing fees imposed in connection with the approval of accessory dwelling units, and increasing density near transit.
- (e) Notwithstanding any other provision of this part, the committee may approve a plan submitted to it pursuant to this section only if it finds all of the following:
- (1) The conditions specified in paragraph (1) of subdivision (a) of Section 55906 have been satisfied for the applicable fiscal year.
- (2) (A) Except as otherwise provided in subparagraph (B), the applicant will provide matching resources, including, but not limited to, financial, in-kind land dedication, or public-private funds, for the state investment in the program.
- (B) This paragraph shall not apply in the case of an applicant located in a rural area of the state.
- (3) (A) If applicable, the applicant has a housing element that the Department of Housing and Community Development has determined to be in substantial compliance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7, pursuant to Section 65585.
- (B) An applicant subject to this paragraph shall annually submit its housing element to the Department of Housing and Community Development for review to ensure that its housing element remains in substantial compliance with state law. The Department of Housing and Community Development shall certify to the committee whether the housing element is in substantial compliance and whether any rezoning of sites required by law, including, but not limited to, Sections 65583, 65583.2, and 65863, have been completed.
- (4) If applicable, the applicant has not been found to have violated the Housing Accountability Act (Section 65589.5) or the Density Bonus Law (Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7) within the following time periods:

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(A) Until January 1, 2025, the applicant has not been found to have violated the provisions specified in this paragraph on or after January 1, 2020.

- (B) On and after January 1, 2025, the applicant has not been found to have violated the provisions specified in this paragraph within the five years preceding the date of the submission of the applicant's plan pursuant to this section.
- 55906. (a) The committee shall adopt annual priorities consistent with the objectives set forth in Section 55903 and shall adhere to the following funding schedule:
- (1) (A) Commencing January 1, 2022, the committee may only approve a plan for funding pursuant to Section 55905 if the Legislature enacts a budget bill for the applicable fiscal year that specifies the amount available for the committee to allocate pursuant to the program, subject to the limits of this section.
- (B) Nothing in this paragraph shall affect or have any financial impact upon previously approved funding pursuant to the program.
- (2) Subject to paragraph (1), for the five-year period commencing July 1, 2022, and ending June 30, 2027, the committee may approve no more than two hundred million dollars (\$200,000,000) in funding in any year for plans approved pursuant to the program.
- (3) Subject to paragraph (1), for the four-year period commencing July 1, 2027, and ending June 30, 2030, the committee may approve no more than two hundred fifty million dollars (\$250,000,000) in funding in any year for plans approved pursuant to the program.
- (4) The Legislature, by statute, may direct the committee to suspend consideration of plans submitted pursuant to Section 55903 in any fiscal year in which the Legislature passes a bill described in Section 22 of Article XVI of the California Constitution. Nothing in this paragraph shall affect or have any financial impact upon previously approved funding pursuant to this program.
- (5) The Legislature, by statute, may direct the committee to suspend consideration of plans submitted pursuant to Section 55903 in any fiscal year in which the Legislature passes a bill described in Section 8 of Article XVI of the California Constitution. Nothing in this paragraph shall affect or have any financial impact upon previously approved funding pursuant to this program.

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(b) The annual amounts dedicated to individual approved projects shall be allocated based on the schedule of funding included in the plan that includes the project, unless the committee decides to allocate a different level of funding or change the number of years that the project is to receive funding pursuant to the program in accordance with the plan approved pursuant to subdivision (d).

- (c) The committee shall adopt guidelines to explain how geographic equity will be maintained in the approval of plans pursuant to this program.
- (d) (1) The committee shall approve or deny a plan submitted pursuant to Section 55905 upon both of the following:
- (A) Receipt of the information required to be submitted pursuant to paragraphs (1) through (4) of subdivision (b) of Section 55905.
- (B) A determination that the affordable housing and community development investment amount requested is consistent with the guidelines adopted pursuant to subdivision (b).
- (2) The approval shall state the amount of the affordable housing and community development investment amount approved and the date upon which the affordable housing and community development investment amount terminates.
- (e) The committee may require the applicant to reimburse it for the reasonable cost incurred to review the plan to participate in the program.
- (f) The committee shall review, and may approve or deny, any changes to a plan submitted by the applicant.
- 55907. (a) Upon approval of a plan pursuant to subdivision (d) of Section 55906, and subject to paragraph (1) of subdivision (a) of Section 55906, the committee shall issue an order directing the county auditor to transfer an amount of ad valorem property tax revenue pursuant to Section 97.68.1 of the Revenue and Taxation Code in an amount equal to the annual affordable housing and community development investment amount approved by the committee.
- (b) The revenues allocated to an applicant pursuant to Section 97.68.1 of the Revenue and Taxation Code may be used for the purposes set forth in Section 55903.
- (c) The applicant may use the additional revenue received pursuant to Section 97.68.1 of the Revenue and Taxation Code to

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incur debt or issue bonds or other financing to support the project
or projects included in the plan.

- 55908. (a) On or before July 1, 2023, and annually thereafter, each applicant that has received financing pursuant to the program for any fiscal year shall provide a report to the committee that includes all of the following information for the previous fiscal year:
- (1) The affordable housing and community development investment amount that the county auditor reallocated to the applicant pursuant to Section 97.68.1 of the Revenue and Taxation Code.
- (2) The purposes for which that reallocated money was used, including the number of housing units constructed and at which income level.
- (3) The actions taken during the prior fiscal year to implement the project.
- (4) The total amount of funds expended for planning and general administrative costs.
- (b) Notwithstanding Section 10231.5, on or before March 1, 2022, and annually thereafter, if the committee has approved funding pursuant to the program, the committee shall provide a report to the Joint Legislative Budget Committee that includes all of the following information for the preceding fiscal year:
- (1) The name, location, and general description, including the number of housing units constructed and at which income level, of each project that received an affordable housing and community development investment amount pursuant to this program.
- (2) The total amount of money that county auditors reallocated from affordable housing and community development investment funds pursuant to the program in the previous fiscal year.
- (3) An evaluation of the value of the state's investment through the funding provided by this program as measured by a net revenue increase to the General Fund and progress towards achieving the purposes and intent of the program.
- (c) The committee shall develop a corrective action plan for noncompliance with the requirement of this part.
- 55909. (a) If, based on annual reports submitted to the committee pursuant to Section 55908, the committee determines that any of the following has occurred, the committee shall direct

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the applicant to develop a corrective action plan based on recommendations made by the committee:

- (1) The applicant is not on track to produce the number of housing units included in the plan.
- (2) The applicant is not on track to spend at least 50 percent of plan funds on affordable housing, as required by subdivision (b) of Section 55903.
- (3) The applicant is on track to exceed 5 percent of the administrative limit.
- (4) The applicant is found to have used funding provided by the program for purposes not authorized by the act.
- (5) The applicant is found to have used funds to subsidize market rate housing.
- (6) The applicant has violated antidisplacement provisions pursuant to paragraph (6), (7), (8), or (9) of subdivision (a) of Section 55905.
- (7) The applicant is not on track to complete all of the projects included in the plan according to the timeline included in the plan.
- (b) The applicant shall have one year from the date that the committee directed the applicant to develop a corrective action plan.
- (c) The committee shall issue a finding that the applicant is out of compliance with the program if the committee finds either of the following apply:
- (1) The applicant has not provided an adequate corrective action plan to the committee within one year of the date the committee directed the applicant to develop a corrective action plan.
- (2) The annual report provided to the committee pursuant to Section 55908 does not demonstrate that the applicant has taken adequate steps to implement the corrective action plan that was provided to the committee within one year of the date the committee directed the applicant to develop a corrective action plan.
- (d) (1) Except as provided in paragraph (2), if the committee finds that the applicant is out of compliance with the program, the committee shall direct the auditor to stop transferring moneys from the county's ERAF pursuant to the program under Section 97.68.1 of the Revenue and Taxation Code, and prohibit the applicant from applying for additional funds for this program for a period of five years.

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 (2) The auditor shall continue to transfer money from the county's ERAF pursuant to the program under Section 97.68.1 of the Revenue and Taxation Code in an amount that allows for payment of the following obligations:

- (A) Bonds, notes, interim certificates, debentures, or other obligations issued by the agency.
- (B) Loans or moneys advanced to the agency, including, but not limited to, loans from federal, state, or local agencies, or a private entity.
- (C) Contractual obligations that, if breached, could subject the applicant to damages or other liabilities or remedies.
- (3) If the auditor continues to transfer money from the county's ERAF pursuant to paragraph (2), the applicant shall continue to provide matching resources pursuant to paragraph (2) of subdivision (e) of Section 55905, but shall be prohibited from entering into any new debts, loans, or obligations related to the plan unless approved by the committee.
- (4) The committee shall take all actions necessary to abide by the obligations described in paragraph (1).
- (5) The committee may reduce the scope of the plan approved pursuant to subdivision (e) of Section 55905 to align with available financial resources and the purposes of the Affordable Housing and Community Investment Program, which include the option of using the remaining resources to support the construction of affordable housing in the community of the applicant.
- (e) If an applicant is found to be out of compliance with the program, the applicant shall be ineligible to apply for other state grant programs for a period of five years.
- SEC. 4. Division 6 (commencing with Section 62300) is added to Title 6 of the Government Code, to read:

## DIVISION 6. AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT INVESTMENT AGENCIES

62300. As used in this division:

- (a) "Agency" means an affordable housing and community development investment agency created pursuant to this division.
- (b) "Affordable housing and community development investment amount" means the amount approved by the Affordable Housing and Community Development Investment Committee

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pursuant to Part 4 (commencing with Section 55900) of Division 2 of Title 5 and allocated to an agency pursuant to Section 97.68.1 of the Revenue and Taxation Code.

- (c) "Program" means the Affordable Housing and Community Development Investment Program established pursuant to Part 4 (commencing with Section 55900) of Division 2 of Title 5.
  - (d) "Project" has the same meaning as defined in Section 55902.
- (e) "Plan area" means the area that includes the territory described in any plan submitted by an agency pursuant to subdivision (b) of Section 55905.
- 62302. (a) An affordable housing and community development investment agency created pursuant to this division shall be a public body, corporate and politic, with jurisdiction to carry out one or more projects within a project area. The agency shall have only those powers and duties specifically set forth in Section 62304.
- (b) (1) Subject to paragraphs (2) and (3), an agency may be created in any one of the following ways:
- (A) A city, county, or city and county may adopt a resolution creating an agency. The composition of the governing board shall be comprised as set forth in subdivision (c).
- (B) Any of the following entities may create an agency by entering into a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1:
  - (i) A city.

- (ii) A county.
- (iii) A city and county.
- (iv) A special district, as that term is defined in subdivision (m) of Section 95 of the Revenue and Taxation Code.
- (v) Any combination of entities described in clauses (i) to (iv), inclusive.
- (2) (A) A school entity, as defined in subdivision (f) of Section 95 of the Revenue and Taxation Code, shall not participate in an agency created pursuant to this division.
- (B) A successor agency, as defined in subdivision (j) of Section 34171 of the Health and Safety Code, shall not participate in an agency created pursuant to this division, and an agency created pursuant to this division shall not receive any portion of the property tax revenues or other moneys distributed pursuant to Section 34188 of the Health and Safety Code.

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(3) An agency created by a city or county that created a redevelopment agency that was dissolved pursuant to Part 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code shall not become effective until the successor agency or designated local authority for the former redevelopment agency has adopted findings of fact stating all of the following:

- (A) The successor agency has received a finding of completion from the Department of Finance pursuant to Section 34179.7 of the Health and Safety Code.
- (B) Former redevelopment agency assets that are the subject of litigation against the state, where the city or county or its successor agency or designated local authority are a named plaintiff, have not been or will not be used to benefit any efforts of an agency created under this division unless the litigation has been resolved by entry of a final judgment by any court of competent jurisdiction and any appeals have been exhausted.
- (C) The successor agency has complied with all orders of the Controller pursuant to Section 34167.5 of the Health and Safety Code.
- (c) (1) The governing board of an agency created pursuant to subparagraph (A) of paragraph (1) of subdivision (b) shall be appointed by the legislative body of the city, county, or city and county that created the agency and shall include three members of the legislative body of the city, county, or city and county that created the agency and two public members. The appointment of the two public members shall be subject to Section 54974. The two public members shall live or work within the plan area.
- (2) The governing body of an agency created pursuant to subparagraph (B) of paragraph (1) of subdivision (b) shall be comprised of a majority of members from the legislative bodies of the public agencies that created the agency and a minimum of two public members who live or work within the plan area. The majority of the board shall appoint the public members to the governing body. The appointment of the public members shall be subject to Section 54974.
- 62304. An agency may do all of the following in order to carry out a project:
- (a) Apply for funding to carry out the project pursuant to the program.

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(b) Accept an allocation of property tax revenues, in the form of an affordable housing and community development investment amount allocated under the program pursuant to Section 97.68.1 of the Revenue and Taxation Code.

- (c) Issue bonds in accordance with Article 4.5 (commencing with Section 53506) and Article 5 (commencing with Section 53510) of Chapter 3 of Part 1 of Division 2 of Title 5.
- (d) Borrow money, receive grants, or accept financial or other assistance or investment from the state or the federal government or any other public agency or private lending institution for any project within its area of operation. The agency may comply with any conditions of a loan or grant received pursuant to this subdivision.
- (e) Receive funds allocated to it pursuant to a resolution adopted by a city, county, or special district to transfer these funds from a source described in subdivision (d), (e), or (f) of Section 53398.75, subject to any requirements upon, or imposed by, the city, county, or special district as to the use of these funds.
  - (f) Acquire and transfer real property.

- SEC. 5. Section 97.68.1 is added to the Revenue and Taxation Code, to read:
- 97.68.1. Notwithstanding any other provision of law, for each fiscal year for which funding for a plan for the county is approved under Part 4 (commencing with Section 55900) of Division 2 of Title 5 of the Government Code, in allocating ad valorem property tax revenue, all of the following shall apply:
- (a) The county auditor shall transfer an amount, equal to the countywide affordable housing and community development investment amount, from the county's Educational Revenue Augmentation Fund, up to the amount available in the Educational Revenue Augmentation Fund after complying with subdivision (d), and deposit that amount into the Affordable Housing and Community Development Investment Fund established pursuant to subdivision (b).
- (b) (1) The county auditor shall, except as provided in paragraph (2), deposit the countywide affordable housing and community development investment amount into the Affordable Housing and Community Development Investment Fund, which shall be established in the treasury of each county. Moneys in the Affordable Housing and Community Development Investment

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Fund shall only be used for plans approved pursuant to Part 4 (commencing with Section 55900) of Division 2 of Title 5 of the Government Code, and shall be allocated to the applicant as directed by the committee.

- (2) In the case of an applicant that is an enhanced infrastructure financing district, affordable housing authority, community revitalization investment authority, affordable housing and community development investment agency, or transit village development district, the auditor shall allocate an amount from the county's Educational Revenue Augmentation Fund equal to the enhanced infrastructure financing district's, affordable housing authority's, community revitalization investment authority's, affordable housing and community development investment agency's, or transit village development district's affordable housing and community development investment amount to the city or county that created the enhanced infrastructure financing district, affordable housing authority, community revitalization investment authority, affordable housing and community development investment agency, or transit village development district. The city or county shall, upon receipt, transfer those funds to that enhanced infrastructure financing district, affordable housing authority, community revitalization investment authority, affordable housing and community development investment agency, or transit village development district, in an amount equal to the affordable housing and community development investment amount for that enhanced infrastructure financing district, affordable housing authority, community revitalization investment authority, affordable housing and community development investment agency, or transit village development district.
- (3) The county auditor shall allocate one-half of an amount specified in paragraph (1) or (2) on or before January 31 of each fiscal year, and the other one-half on or before May 31 of each fiscal year.
  - (c) For purposes of this section, all of the following shall apply:
- (1) "Affordable housing and community development investment amount" for a particular city, county, or city and county means the amount approved by the Affordable Housing and Community Development Committee pursuant to Part 4 (commencing with Section 55900) of Division 2 of Title 5 of the Government Code.

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(2) "Countywide affordable housing and community development investment amount" means, for any fiscal year, the total sum of the amounts described in paragraph (1) for a county or a city and county, and each city and county.

- (d) This section shall not be construed to do any of the following:
- (1) Reduce any allocations of excess, additional, or remaining funds that would otherwise have been allocated to county superintendents of schools, cities, counties, special districts, and cities and counties pursuant to clause (i) of subparagraph (B) of paragraph (4) of subdivision (d) of Sections 97.2 and 97.3, Section 97.70, and Article 4 (commencing with Section 98) had this section not been enacted. The allocations required by this section shall be adjusted to comply with this paragraph.
- (2) Require an increased ad valorem property tax revenue allocation or increased tax increment allocation to a community redevelopment agency.
- (3) Alter the manner in which ad valorem property tax revenue growth from fiscal year to fiscal year is otherwise determined or allocated in a county.
- (4) Reduce ad valorem property tax revenue allocations required under Article 4 (commencing with Section 98).
- (e) If, for the fiscal year, after complying with subparagraph (B) of paragraph (1) of subdivision (a) of Section 97.70, there is not enough ad valorem property tax revenue that is otherwise required to be allocated to a county Educational Revenue Augmentation Fund for the county auditor to complete the transfer required by subdivision (a), the county auditor shall reduce the total amount of ad valorem property tax revenue that is otherwise required to be allocated to all school districts and community college districts in the county for that fiscal year by an amount equal to the difference between the countywide affordable housing and community development investment amount and the amount of ad valorem property tax revenue that is otherwise required to be allocated to the county Educational Revenue Augmentation Fund for that fiscal year. This reduction for each school district and community college district in the county shall be the percentage share of the total reduction that is equal to the proportion that the total amount of ad valorem property tax revenue that is otherwise required to be allocated to the school district or community college

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district bears to the total amount of ad valorem property tax revenue that is otherwise required to be allocated to all school districts and community college districts in a county. For purposes of this subdivision, "school districts" and "community college districts" do not include any districts that are excess tax school entities, as defined in Section 95.

- (f) Any transfer of ad valorem property tax revenues deposited in the county's Educational Revenue Augmentation Fund as a result of subdivision (a) shall be applied exclusively to reduce the amounts that are allocated from that fund to school districts and county offices of education, and shall not be applied to reduce the amounts of ad valorem property tax revenues that are otherwise required to be allocated from that fund to community college districts.
- (g) (1) A property tax revenue allocation or transfer made pursuant to subdivision (a) or (b) shall not be considered for purposes of determining under Section 96.1 the amount of property tax revenue allocated to a jurisdiction in the prior fiscal year.
- (2) The county auditor may deduct its administrative costs related to this section from the affordable housing and community development investment amount before depositing that amount into the county's Affordable Housing and Community Development Investment Fund pursuant to subdivision (a).
- SEC. 6. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
- SEC. 7. Each provision of this act is a material and integral part of the act, and the provisions of this act are not severable. If

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- any provision of this act or its application is held invalid, the entire act shall be null and void.

# <u>Item B-5</u>



### CITY OF BEVERLY HILLS

### **POLICY AND MANAGEMENT**

### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

**FROM:** Cindy Owens, Policy and Management Analyst

**DATE:** February 27, 2020

**SUBJECT:** Assembly Bill 276 (Friedman) – Pupil Safety: Parental Notification: Firearm

Safety Laws

**ATTACHMENTS:** 1. Summary Memo – AB 276

2. Bill Text - AB 276

The City Council has historically taken positions on proposed federal and state legislation of interest to Beverly Hills because of the City's location, economy, programs, and policies through the adoption of a Legislative Platform.

Assembly Bill 276 (Friedman) – Pupil Safety: Parental Notification: Firearm Safety Laws ("AB 276") involves a policy matter that is not specifically addressed within the adopted Legislative Platform language.

The City's state lobbyist, Shaw/Yoder/Antwih, Inc., provided a summary memo (Attachment 1) for AB 276 and will provide a verbal update to the City Council Liaison/Legislative/Lobby Committee.

After discussion of AB 276, the Liaisons may recommend the following actions:

- 1) Support AB 276;
- 2) Support if amended AB 276;
- Oppose AB 276;
- 4) Oppose unless amended AB 276;
- 5) Remain neutral; or
- 6) Provide other direction to City staff.

Should the Liaisons recommend the City take a position on AB 276, then staff will place the item on a future City Council Agenda for concurrence.

# Attachment 1



### February 19, 2020

To: Cindy Owens, City of Beverly Hills

From: Andrew K. Antwih, Partner, Shaw Yoder Antwih Schmelzer & Lange Priscilla Quiroz, Legislative Advocate, Shaw Yoder Antwih Schmelzer & Lange Tim Sullivan, Legislative Aide, Shaw Yoder Antwih Schmelzer & Lange

Re: AB 276 (Friedman) Pupil safety: parental notification: firearm safety laws.

### **Introduction and Background**

AB 276 was introduced by Assembly Member Friedman in 2019 and would require schools to inform parents and guardians of California's child access prevention and other laws relating to the safe storage of firearms.

Specifically, this bill would:

- Require school districts, county offices of education, and charter schools to inform
  parents and guardians, at the beginning of each regular school year, of California's child
  access prevention laws and laws relating to the safe storage of firearms.
- Require the California Department of Education (CDE) in consultation with the
  Department of Justice (DOJ), and provide annually to school districts, county offices of
  education, and charter schools, the appropriate content to use for this notification.
- Provide immunity from civil liability to school districts, county offices of education, and charter schools, from any damages caused by, or relating to, this notification requirement.

### Status of Legislation

The bill is in the Senate Rules Committee pending referral to policy committee.

### **Support and Opposition**

The support and opposition for this bill are based on January 6, 2020 amendments. The bill has since been amended. While there is currently no formally registered opposition to the bill, prior versions of the bill were opposed by firearm and hunting advocacy groups including the NRA and the Outdoor Sportsmen's Coalition of California.

### Support

Women Against Gun Violence Americans Against Gun Violence NeverAgainCA Cleveland School Remembers-Brady Campaign to Prevent Gun Violence Chapter Brady United Against Gun Violence

### Opposition

None

## **Attachment 2**

AMENDED IN ASSEMBLY JANUARY 15, 2020 AMENDED IN ASSEMBLY JANUARY 6, 2020 AMENDED IN ASSEMBLY MARCH 21, 2019 AMENDED IN ASSEMBLY FEBRUARY 21, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

### ASSEMBLY BILL

No. 276

### **Introduced by Assembly Member Friedman**

January 28, 2019

An act to add Section-32261.5 48980.5 to the Education Code, relating to pupil safety.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 276, as amended, Friedman. Pupil safety: parental notification: firearm safety laws.

The Interagency School Safety Demonstration Act of 1985 requires school districts and county offices of education to be responsible for the overall development of all comprehensive school safety plans for their schools operating kindergarten or any of grades 1 to 12, inclusive.

Existing law requires the governing board of a school district, at the beginning of the first semester or quarter of the regular school term, to notify parents or guardians of minor pupils of specified rights and responsibilities of the parent or guardian and of specified school district policies and procedures.

This bill would require a school district, county office of education, and charter school, and private school to inform parents and guardians of pupils at the beginning of the first semester or quarter of the regular school term of California's child access prevention laws and laws

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relating to the safe storage of firearms, as specified. By imposing additional duties on school districts, county offices of education, and charter schools, the bill would impose a state-mandated local program. The bill would require the State Department of Education to develop, in consultation with the Department of Justice, and annually provide to school districts, county offices of education, and charter schools the appropriate content to use for the notification. The bill would make a school district, county office of education, and charter school immune from civil liability for any damages relating to the notification.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

SECTION 1. Section 32261.5 is added to the Education Code, to read:

32261.5. A school district, county office of education, charter school, and private school shall inform parents and guardians of pupils at the beginning of the first semester or quarter of the regular school term, in the manner prescribed by Section 48980 for school districts, of California's child access prevention laws and laws relating to the safe storage of firearms, including, but not limited to, Division 4 (commencing with Section 25000) of Title 4 of Part 6 of the Penal Code.

11 SECTION 1. Section 48980.5 is added to the Education Code, 12 to read:

to read:
48980.5. (a) A school district, county office of education, and
charter school shall inform parents and guardians of pupils at the
beginning of the first semester or quarter of the regular school
term, in the manner prescribed by this article for school districts,
of California's child access prevention laws and laws relating to
the safe storage of firearms, including, but not limited to, Division

-3— AB 276

4 (commencing with Section 25000) of Title 4 of Part 6 of the Penal
 Code.

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- (b) The department shall develop, in consultation with the Department of Justice, and annually provide in a concise manner to school districts, county offices of education, and charter schools the appropriate content to use for the notification required pursuant to subdivision (a).
- (c) A school district, county office of education, and charter school is immune from civil liability for any damages allegedly caused by, arising out of, or relating to the notification required pursuant to subdivision (a).
- SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

# Item B-6

# BEVERLY

### **CITY OF BEVERLY HILLS**

### **POLICY AND MANAGEMENT**

### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

FROM: Cindy Owens, Policy and Management Analyst

**DATE:** February 27, 2020

SUBJECT: Proposal by Staff for Legislative/Lobby Liaisons to Review and Provide

Input on Modifying Regional Housing Needs Assessment (RHNA)

**ATTACHMENTS**: N/A

### **INTRODUCTION**

Staff has spoken to a state elected official about modifying the Regional Housing Needs Assessment (RHNA) credit such that a jurisdiction may build some of their assigned RHNA units in another jurisdiction's area. This item reviews some general guidelines for making a proposal to state elected officials.

### **DISCUSSION**

The City has purchased land outside of the city limits for obtaining access to water wells. In addition to supporting a water well, the land is large enough that a portion of it could be repurposed for affordable housing. Unfortunately, as the land is outside of Beverly Hills' city limit, the City would not receive the RHNA credit as current law states the city where the land resides receives the RHNA credit.

City staff has had some conversations with state elected officials regarding repurposing the land for affordable housing and receiving RHNA credit for it. In order for this to occur, state law would need to be modified. Staff has drafted the following guidelines based on the conversations with state elected officials and what the City may consider acceptable:

- 1. The proposed legislation would be limited to land purchased by a local jurisdiction in another local jurisdiction's area that was bought with the intent to use the property for some other purpose such as access to ground water wells. The affordable housing element must be a secondary use of the property.
- 2. Purchase of land must not displace existing residents if the property is a hotel, motel, or multi-family
- 3. Land must be within 2 ½ miles of the local jurisdiction's boundary
- 4. The local jurisdiction who owns the land must enter into an agreement with the jurisdiction where the property resides regarding the allocation of the regional housing needs assessment number.
  - a. RHNA can be split based on the percentage of funding contributed by each jurisdiction involved in funding the project.
- 5. Local jurisdiction is limited to building no more than \_\_\_\_\_ percent and still receive credit for the regional housing needs assessment number per RHNA cycle. Any housing unit built over that number shall be credited to the jurisdiction where the property resides.
- 6. The local jurisdiction has 5 years to commence construction once the two impacted jurisdictions adopt a formal agreement by vote of their respective legislative bodies

regarding development of these units. An extension of the timeframe for commencing the construction project may be mutually extended by a majority vote of each jurisdictions governing body.

For item number 5, staff is fully aware that there will be no support in Sacramento or the surrounding jurisdiction for 100 percent of the City's RHNA to be built outside the city limits. Staff is requesting the Legislative/Lobby Liaisons to carefully consider the percentage and what would be reasonable over an eight-year period that may also be acceptable to other jurisdictions and the state legislature.

For perspective, the senior housing built in conjunction with Whole Food consists of 40 studio and 110 one-bedroom affordable units available to seniors 62 years of age or older who receive no more than 50 percent of the Area Median Income (AMI).

Finally, staff believes a percent of RHNA is more equitable than an actual number as some cities will have smaller RHNA numbers than Beverly Hills and others will be required to build more housing than Beverly Hills.

### **FISCAL IMPACT**

It is unknown at this time what the fiscal impact of this item would be as it would be dependent on legislation passing and the type of development the City would build.

### **RECOMMENDATION**

City staff desires to obtain the opinion of the Legislative/Lobby Liaisons on these proposed guidelines. Furthermore, staff understands from state elected officials that 100 percent of the City's RHNA number cannot be built outside the city limits; therefore, staff is requesting the Liaisons to consider what the limiting amount should be.

After a consensus is reached, staff will begin discussing these options with legislatures in Sacramento as well as other surrounding cities to develop support for the concept. If needed, staff will also bring this to a future City Council meeting for concurrence by the City Council.

### Item B-7



### **CITY OF BEVERLY HILLS**

### **POLICY AND MANAGEMENT**

### **MEMORANDUM**

TO: City Council Liaison/Legislative/Lobby Committee

FROM: Cindy Owens, Policy & Management Analyst

**DATE:** February 27, 2020

**SUBJECT:** State and Federal Legislative Updates

ATTACHMENTS: None

A verbal update on federal legislative issues will be given by Jamie Jones of David Turch & Associates.

A verbal update on state legislative issues will be given by Andrew Antwih with Shaw/Yoder/Antwih, Inc.