



Housing, Community, and Economic Development
February 11, 2022
9:00 am – 12:00 pm

Register for this meeting:

<https://zoom.us/j/92411622581?pwd=a2Z6ckg1RHdTFJQYUZXRvZvQWJYQT09>

Immediately after registering, you will receive a link and confirmation email to join the meeting.

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AGENDA

I. Welcome and Introductions

Speakers: Chair Marshall Goodman, City of La Palma
Vice Chair Dan Wright, City of Stockton
Cal Cities President Cindy Silva, Mayor Pro Tem, Walnut Creek
Cal Cities Executive Director and CEO Carolyn Coleman

II. Public Comment

III. General Briefing (Handout) *Informational*

IV. Existing Policy and Guiding Principles Update (Attachment A) *Action*

V. Cal Cities 2022 Action Agenda (Attachment B) *Informational*

VI. Adoption of 2022 Work Program *Action*

VII. Discuss Strategies to Reform State Housing Laws and Increase Funding for Affordable Housing *Action*

VIII. Adjourn

Next Virtual Meeting: Friday, April 29 at 9:00 am – 12:00 pm

Brown Act Reminder: The League of California Cities' Board of Directors has a policy of complying with the spirit of open meeting laws. Generally, off-agenda items may be taken up only if:

- 1) Two-thirds of the policy committee members find a need for immediate action exists and the need to take action came to the attention of the policy committee after the agenda was prepared (Note: If fewer than two-thirds of policy committee members are present, taking up an off-agenda item requires a unanimous vote); or*
- 2) A majority of the policy committee finds an emergency (for example: work stoppage or disaster) exists.*

A majority of a city council may not, consistent with the Brown Act, discuss specific substantive issues among themselves at League meetings. Any such discussion is subject to the Brown Act and must occur in a meeting that complies with its requirements.

Summary of Existing Policies and Guiding Principles February 2022

Housing, Community and Economic Development

Scope of Responsibility

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

Summary of Existing Policy and Guiding Principles

Planning And Zoning

General Plans

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

Water Supply and Land Use Planning

Cal Cities supports having the best information available on the reliability of water supplies when land use decisions are made by local agencies, while protecting and retaining local land use decision-making authority.

Zoning

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

Housing Element

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

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

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

Cal Cities supports and encourages legislation that implements comprehensive reforms to the housing element process that:

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

Housing Finance

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

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

Cal Cities supports property tax assessment policies that match local affordable housing policies.

Economic Development

Job Creation, Retention and Expansion

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

Tax Increment Tools

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

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

Eminent Domain

Cal Cities supports enactment of fair eminent domain reforms that protect homeowners, and opposes proposals that would cripple the ability of state and local agencies to manage development.

Tenant Protections

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

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

Rent Control

Cal Cities opposes legislation that restricts the ability of cities to enact rent control ordinances for mobile homes and stick-built housing that are tailored to meet local conditions and circumstances.

Cal Cities opposes legislation that would require a city to adopt a mobile home rent control ordinance.

Subdivision Map Act

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

Residential Care Facilities

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

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

Development Fees

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

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

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

Annexation and Incorporation

Cal Cities supports strengthening city control over urban boundaries. Sphere of Influence law should be modified to ban county development and to allow cities to annex logical growth. The Revenue and Taxation Code should not allow counties to block annexations in exchange for unreasonable property tax sharing agreements. In addition, cities should have expanded authority over adjacent lands outside of their sphere of influence regardless of jurisdictional lines so long as the land is not within another city's sphere. Cities should not be required to incur costs for planning to meet infrastructure needs of unincorporated areas or leveraged to annex areas which would result in unfunded costs.

Cal Cities supports facilitating the incorporation of cities that have met procedural requirements and voter approval. Cal Cities opposes efforts by the Legislature to disincorporate a city for any reason, unless requested by the affected city.

Development Agreements

Cal Cities recognizes voluntary development agreements as one tool for providing flexibility in development approvals.

Building Standards

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

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

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

Housing for Homeless

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

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

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

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

Military Base Closure And Reuse

Base Closures and Reuse

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

Economic Reuse

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

Mobile Home Regulation

Cal Cities supports initiatives that maintain cities as the enforcement authority for mobile home regulation.

Cal Cities supports the preservation of existing mobile home parks as an important source of affordable housing.

Sign Regulation

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

Principles for Smart Growth

Well-Planned New Growth

Recognize and preserve open space, watersheds, environmental habitats, and agricultural lands, while accommodating new growth in compact forms, in a manner that:

- De-emphasizes automobile dependency;
- Integrates the new growth into existing communities;
- Creates a diversity of affordable housing near employment centers; and
- Provides job opportunities for people of all ages and income levels.

Maximize Existing Infrastructure

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

Support Vibrant City Centers

Give preference to the redevelopment and reuse of city centers and existing transportation corridors by supporting and encouraging:

- Mixed use development;
- Housing opportunities for all income levels;

- Safe, reliable and efficient multi-modal transportation systems; and
- Retaining existing businesses and promoting new business opportunities that produce quality local jobs.

Coordinated Planning For Regional Impacts

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

Support High-Quality Education and School Facilities

Develop and maintain high quality public education and neighborhood-accessible school facilities as a critical determinant in:

- Making communities attractive to families;
- Maintaining a desirable and livable community;
- Promoting life-long learning opportunities;
- Enhancing economic development; and
- Providing a work force qualified to meet the full range of job skills required in the future economy.

Build Strong Communities

Support and embrace the development of strong families and socially and ethnically diverse communities, by:

- Working to provide a balance of jobs and housing within the community;
- Avoiding the displacement of existing residents;
- Reducing commute times;
- Promoting community involvement;
- Enhancing public safety; and
- Providing and supporting educational, mentoring and recreational opportunities.

Emphasize Joint Use of Facilities

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

Support Entrepreneurial/Creative Efforts

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

Encourage Full Community Participation

Foster an open and inclusive community dialogue and promote alliances and partnerships to meet community needs.

Establish a Secure Local Revenue Base

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

Residential Insurance Policy

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

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

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

Note: Cal Cities will review new legislation to determine how it relates to existing Cal Cities policies and guiding principles. In addition, because this document is updated every two years to include policies and guiding principles adopted by Cal Cities during the previous two years, there may be new, evolving policies under consideration or adopted by Cal Cities that are not reflected in the current version of this document. However, all policies adopted by Cal Cities Board of Directors or Cal Cities General Assembly become Cal Cities policy and are binding on Cal Cities, regardless of when they are adopted and whether they appear in the current version of "Summary of Existing Policies and Guiding Principles."

League of California Cities 2022 Action Agenda

- 1. Secure funding to increase the supply and affordability of housing and reform state housing laws to retain local authority.** Secure adequate and sustainable funding for cities to increase construction of housing at all income levels, particularly affordable housing and workforce housing. Reform state housing laws to ensure cities retain local decision-making to meet the needs of their communities.
- 2. Attain investments to strengthen and sustain critical infrastructure.** Advocate for policies that strengthen the conditions of local streets, highways, bridges, public transit, and broadband to improve workforce and economic development. Secure support for the modernization and expansion of the statewide water grid, including infrastructure, storage, and conveyance. Work with stakeholders to provide cities with access to the tools needed to ensure projects are delivered efficiently and cost-effectively to meet current and future needs.
- 3. Secure increased funding and resources to prevent homelessness and assist individuals experiencing homelessness.** Secure additional ongoing, flexible resources to provide navigation assistance, emergency shelters, and permanent supportive housing. Enhance city and county coordination and strengthen partnerships with stakeholders to ensure adequate wraparound services are available for adults and youth at risk of, or already experiencing, homelessness in our communities, and effectively address mental health and substance use disorders.
- 4. Strengthen disaster preparedness, resiliency, and recovery from climate change impacts through improved collaboration and resources.** Secure additional resources and support to mitigate the effects of climate change, including catastrophic wildfires, drought, and sea level rise. Promote collaboration with other city, state, and federal governments, to strengthen disaster preparedness, resiliency, and recovery.