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SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

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Energy & Environment
Linda Parks, Ventura County

Transportation
Curt Hagman, San Bernardino
County

MEETING OF THE

LEGISLATIVE/ COMMUNICATIONS AND MEMBERSHIP COMMITTEE

Tuesday, March 19, 2019
8:30 a.m. - 10:00 a.m.

SCAG Headquarters
Policy Meeting B Conference Room
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
(213) 236-1800

VIDEOCONFERENCE AVAILABLE AT THE FOLLOWING LOCATIONS

SCAG Imperial Office
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243

SCAG Riverside Office
3403 10th Str., Ste. 805
Riverside, CA 92501

SCAG San Bernardino Office
1170 W. 3rd St., Ste. 140
San Bernardino, CA 92418

South Bay Cities Council of Governments
20285 S. Western Ave., Ste. 100
Torrance, CA 90501

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Melvin Sanchez at (213) 236-1850 or via email at sanchez@scag.ca.gov. Agendas and Minutes for the Legislative/Communications and Membership Committee are also available at <http://www.scag.ca.gov/committees/>.

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 236-1908. We request at least a 72-hour notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.

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LEGISLATIVE/COMMUNICATIONS AND MEMBERSHIP COMMITTEE MEMBERSHIP, MEETING AND TELECONFERENCE INFORMATION

MEETING INFORMATION

Date: Tuesday, March 19, 2019
Time: 8:30 a.m. - 10:00 a.m.
Location: SCAG Headquarters
Policy Meeting B Conference Room
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

TELECONFERENCE INSTRUCTIONS & INFORMATION *PURSUANT TO GOVERNMENT CODE §54953*

For Brown Act requirements, please post a copy of the agenda at your teleconference location.

If you have any questions regarding the meeting or agenda, please contact Mr. Melvin Sanchez, Legislative Aide, by phone at (213) 236-1850 or by email at sanchez@scag.ca.gov.

COMMITTEE MEMBERSHIP

Imperial County

Cheryl Viegas-Walker

District 1

Los Angeles County

Margaret Clark (VICE CHAIR)

District 32

Margaret Finlay

District 35

Judy Mitchell

District 40

Rex Richardson

District 29

Ali Saleh

District 27

Orange County

Donald Wagner

District 14

Riverside County

Clint Lorimore (CHAIR)

District 4

Steve Manos

District 63

San Bernardino County

Curt Hagman

San Bernardino County

Ray Marquez

District 10

James Mulvihill

District 7

Alan Wapner

San Bernardino County Transportation Authority

Ventura County

Carmen Ramirez

District 45



LEGISLATIVE/COMMUNICATIONS AND MEMBERSHIP COMMITTEE

MEMBERSHIP, MEETING AND TELECONFERENCE INFORMATION

TELECONFERENCE AVAILABLE AT THESE ADDITIONAL LOCATIONS

Margaret Clark

Rosemead City Hall
8838 E. Valley Blvd.
Rosemead, CA 91770

Steve Manos

Lake Elsinore City Hall – Conf. Rm. B
130 S. Main St.
Lake Elsinore, CA 92530

Carmen Ramirez

Oxnard City Hall
300 W. Third St., 4th Floor
Oxnard, CA 93030

Ali Saleh

Bell City Hall
6330 Pine Ave.
Bell, CA 90201

Curt Hagman

San Bernardino County Government Center
385 N. Arrowhead Ave., 5th Floor,
San Bernardino, CA 92415

Ray Marquez

Chino Hills Government Center
City Council Office – 2nd. Fl.
14000 City Center Dr.
Chino Hills, CA 91709

Rex Richardson

Long Beach City Hall
333 W. Ocean Blvd., 14th Floor,
Long Beach, CA 90802

Alan Wapner

Ontario City Hall
303 E. B St.
Ontario, CA 91764



LEGISLATIVE/COMMUNICATIONS AND
MEMBERSHIP COMMITTEE
MEETING AGENDA

Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

March 19, 2019

8:30 a.m. – 10:00 a.m.

The Legislative/Communications and Membership Committee may consider and act upon any of the items listed on the agenda regardless of whether they are listed as information or action items.

CALL TO ORDER, PLEDGE OF ALLEGIANCE, and ROLL CALL

(Hon. Clint Lorimore, Chair)

PUBLIC COMMENT PERIOD

Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Committee, must fill out and present a Public Comment Card to the Assistant prior to speaking. Comments will be limited to three (3) minutes per speaker. The Chair has the discretion to reduce the time limit based upon the number of speakers and may limit the total time for all public comments to twenty (20) minutes.

REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

Page

Approval Items

- | | | |
|--|-------------------|---|
| 1. <u>Minutes of the February 19, 2019 Meeting</u> | Attachment | 1 |
|--|-------------------|---|

Receive and File

- | | | |
|---------------------------------------|-------------------|---|
| 2. <u>Legislative Tracking Report</u> | Attachment | 5 |
|---------------------------------------|-------------------|---|

ACTION ITEMS

- | | | |
|--|-------------------|----|
| 3. <u>AB 10 (Chiu) – Income Taxes: Credits Low-Income Housing: Farmworker Housing</u>
<i>(Estee Sepulveda, Legislative Analyst)</i> | Attachment | 19 |
|--|-------------------|----|

Recommended Action: Support

- | | | |
|---|-------------------|----|
| 4. <u>AB 11 (Chiu) – Community Redevelopment Law of 2019</u>
<i>(Estee Sepulveda, Legislative Analyst)</i> | Attachment | 25 |
|---|-------------------|----|

Recommended Action: Support and Amend



LEGISLATIVE/COMMUNICATIONS AND
MEMBERSHIP COMMITTEE
MEETING AGENDA (CONTINUED)

ACTION ITEMS (CONTINUED)

Page

5. AB 1568 (McCarty) – General Plans: Housing Element: Production Report: Withholding of Transportation Funds **Attachment** 29
(Melvin Sanchez, Legislative Aide)

Recommended Action: Oppose

6. SB 5 (Beall, McGuire) – Local-State Sustainable Investment Incentive Program **Attachment** 37
(Melvin Sanchez, Legislative Aide)

Recommended Action: Support

7. SB 128 (Beall) – Enhanced Infrastructure Financing Districts: Bonds: Issuance **Attachment** 43
(Estee Sepulveda, Legislative Analyst)

Recommended Action: Support

INFORMATION ITEMS

8. Communications Update **Oral Report**
(Margaret de Larios, Public Affairs Specialist)
9. Policy and Public Affairs Division Update **Oral Report**
(Art Yoon, Director of Policy and Public Affairs)

FUTURE AGENDA ITEMS

Any Committee member or staff desiring to place items on a future agenda may make such a request.

ANNOUNCEMENTS

ADJOURNMENT

The next regular meeting of the Legislative/Communications and Membership Committee is scheduled for 8:30 a.m. on Tuesday, April 16, 2019 at SCAG's headquarters at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017.



Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 1
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Art Yoon; Director of Policy and Public Affairs; (213) 236-1840; artyoon@scag.ca.gov
Subject: Minutes of the February 19, 2019 Meeting

The Legislative/Communications and Membership Committee held its February 19, 2019 meeting at SCAG's offices at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017.

MEMBERS PRESENT

Imperial County

Cheryl Viegas-Walker, District 1 (**Videoconference**)

Los Angeles County

Hon. Margaret Clark, District 32

Hon. Margaret Finlay, District 35 (**Teleconference**)

Hon. Judy Mitchell, District 40 (**Videoconference**)

Hon. Ali Saleh, District 27 (**Teleconference**)

Orange County

Hon. Donald Wagner, District 14 (**Teleconference**)

Riverside County

Hon. Clint Lorimore, District 4 (**Videoconference**)

Hon. Steve Manos, District 63 (**Teleconference**)

San Bernardino County

Hon. Ray Marquez, District 10 (**Teleconference**)

Hon. James Mulvihill, District 7 (**Videoconference**)

Hon. Alan Wapner, San Bernardino County Transportation Authority (**Teleconference**)

Ventura County

Hon. Carmen Ramirez, District 45 (**Teleconference**)

CALL TO ORDER

The meeting was called to order by the Chair, Hon. Clint Lorimore, at 8:35 a.m. A quorum was confirmed and roll-call taken.

PUBLIC COMMENT PERIOD

There were no public comments presented.

REVIEW AND PRIORITIZE AGENDA ITEMS

Item eight (8) was reprioritized to be presented at the beginning of the agenda.

INFORMATION ITEMS

8. Policy and Public Affairs Division Update

Mr. Yoon introduced Estee Sepulveda, SCAG's new Legislative Analyst, to the Committee.

CONSENT CALENDAR

1. Minutes of the January 15, 2019 Meeting

2. Legislative Tracking Report

A MOTION was made (Finlay) to APPROVE the Consent Calendar. The MOTION was SECONDED (Marquez) and APPROVED by a majority vote. A roll-call vote was taken and recorded as follows:

AYES: Clark, Finlay, Lorimore, Marquez, Mulvihill, Saleh, Viegas-Walker, Wagner, Wapner (9).

NOES: None

ABSTAIN: None

ACTION ITEMS

3. SB 168 (Wieckowski) – Climate Change: Chief officer of Climate Adaptation and Resilience

Ms. Sepulveda provided the committee with a report on Senate Bill (SB) 168 and the basis for staff's recommendation that the Committee recommend a "Support and Amend" position. The bill establishes the Chief Officer of the Climate Adaptation and Resilience for the state.

A MOTION was made (Finlay) to APPROVE the SUPPORT AND AMEND position on SB 168.

The MOTION was SECONDED (Mulvihill) and APPROVED by a majority vote. A roll-call vote was taken and recorded as follows:

AYES: Clark, Finlay, Lorimore, Manos, Marquez, Mitchell, Mulvihill, Saleh, Viegas-Walker, Wagner, Wapner (11).

NOES: None

ABSTAIN: None

4. AB 185 (Grayson, Cervantes) – California Transportation Commission:

Transportation Policies: Joint Meetings

Ms. Sepulveda provided the committee with a report on Assembly Bill (AB) 185. The bill adds the California Department of Housing and Community Development (HCD) to the joint meetings between the California Transportation Commission (CTC) and the California Air Resources Board (ARB) held twice a year.

A MOTION was made (Mitchell) to APPROVE the SUPPORT position on AB 185. The MOTION was SECONDED (Manos) and APPROVED by a majority vote. A roll-call vote was taken and recorded as follows:

AYES: Clark, Finlay, Lorimore, Manos, Marquez, Mitchell, Mulvihill, Saleh, Viegas-Walker, Wagner, Wapner (11).

NOES: None

ABSTAIN: None

INFORMATION ITEMS

5. Sacramento Legislative Summit Review

Kevin Gilhooley, Legislation Manager, provided the Committee with an overview and post-event report of the Sacramento Legislative Summit that took place February 12-13, 2019. Committee members who attended the summit expressed their positive feedback.

6. Huntington Beach/California Affordable Housing Lawsuit

Joann Africa, Director of Legal Services/Chief Counsel, provided the Committee with background information on the Huntington Beach and California Affordable Housing Lawsuit filed in January by the State Attorney General's office. Kevin Gilhooley, Legislation Manager, also provided the Committee with information on a meeting between the Governor and some non-compliant cities taking place that same day in the City of Long Beach.

7. Communications Update

Margaret de Larios, Public Affairs Specialist, provided the Committee with an update on media activity, highlighting the Future Communities Pilot Program awards and the media strategy behind the program. Ms. de Larios also highlighted Connect SoCal, SCAG's next Regional Transportation Plan and Sustainable Communities Strategy. Lastly, Ms. de Larios highlighted the Legislative Summit and the numerous platforms through which event information and pictures were shared.

FUTURE AGENDA ITEMS

There were no future agenda items presented.

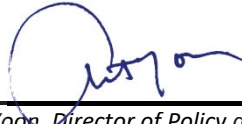
ANNOUNCEMENTS

Chair Lorimore congratulated Hon. Margaret Clark for assuming the Vice-Chair role on the Committee.

ADJOURNMENT

Chair Lorimore adjourned the meeting at 9:26 a.m. in memory of Hon. Greg Pettis, former Vice-Chair of the Committee and Regional Council member of SCAG. The next regular meeting of the Legislative/Communications and Membership Committee is scheduled for 8:30 a.m. – 10:00 a.m. on Tuesday, March 19, 2019 at SCAG's offices at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017.

REVIEWED BY:

A handwritten signature in blue ink, appearing to read "Art Yoon", is written over a horizontal line.

Art Yoon, Director of Policy and Public Affairs

Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 2
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Melvin Sanchez; Legislative Aide; (213) 236-1850; sanchez@scag.ca.gov
Subject: Legislative Tracking Report

RECOMMENDED ACTION:

Receive and File

EXECUTIVE SUMMARY:

The Legislative Tracking Report is provided to keep the Legislative/Communications and Membership Committee (LCMC) apprised of any developments related to bills in Sacramento that have a nexus to the Regional Council's positions on policies and legislative initiatives related to SCAG's core planning and policy areas. Staff will update the report constantly with emerging legislation and welcomes the Committee's input on bills it would like to follow.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

BACKGROUND:

SCAG's Legislative Tracking Report serves as a resource for the Committee to remain up-to-date on bills moving through the legislative process in Sacramento. Bills included in the tracking report have a nexus to the Regional Council's positions on policies and legislative initiatives related to SCAG's core planning and policy areas. Staff welcomes the Committee's input on bills it would like to follow throughout the legislative session.

FISCAL IMPACT:

None

ATTACHMENT:

1) Legislative Tracking Report

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**SCAG Legislative Tracking Report
Thursday, March 14, 2019**

Southern California Association of
Governments
900 Wilshire Blvd., Ste. 1700, Los
Angeles, CA 90017
Agenda Item No. 2
Attachment No. 1

AB 10 (Chiu D) Income taxes: credits low-income housing: farmworker housing.

Introduced: 12/3/2018

Status: 1/17/2019-Referred to Coms. on H. & C.D. and REV. & TAX.

Location: 1/17/2019-A. H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

3/27/2019 9:30 a.m. - State Capitol, Room 126 ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT, CHIU, Chair

Summary:

Would, under the law governing the taxation of insurers, the Personal Income Tax Law, and the Corporation Tax Law, for calendar years beginning in 2020, increase the aggregate housing credit dollar amount that may be allocated among low-income housing projects by an additional \$500,000,000, as specified, and would allocate to farmworker housing projects \$25,000,000 per year of that amount. The bill, under those laws, would modify the definition of applicable percentage relating to qualified low-income buildings to depend on whether the building is a new or existing building and federally subsidized, or a building that is, among other things, at least 15 years old, serving households of very low income or extremely low income, and will complete substantial rehabilitation, as specified.

History:

2018

Dec. 3 Read first time. To print.

Dec. 4 From printer. May be heard in committee January 3.

2019

Jan. 17 Referred to Coms. on H. & C.D. and REV. & TAX.

Organization: SCAG

Position: Tracking

AB 11 (Chiu D) Community Redevelopment Law of 2019.

Introduced: 12/3/2018

Status: 1/17/2019-Referred to Coms. on H. & C.D. and L. GOV.

Location: 1/17/2019-A. H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

3/27/2019 9:30 a.m. - State Capitol, Room 126 ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT, CHIU, Chair

Summary:

Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Community Redevelopment Law of 2019, would authorize a city or county, or two or more cities acting jointly, to propose the formation of an affordable housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, including that the resolution of intention include a passthrough provision and an override passthrough provision, as defined.

History:

2018

Dec. 3 Read first time. To print.

Dec. 4 From printer. May be heard in committee January 3.

2019

Jan. 17 Referred to Coms. on H. & C.D. and L. GOV.

Organization: SCAG

Position: Tracking

AB 47 (Daly D) Driver records: points: distracted driving.

Introduced: 12/3/2018

Last Amended: 1/23/2019

Status: 3/12/2019-From committee: Do pass and re-refer to Com. on APPR. (Ayes 13. Noes 0.) (March 11). Re-referred to Com. on APPR.

Location: 3/11/2019-A. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law establishes that specified convictions and violations under the Vehicle Code and traffic-related incidents count as points against a driver’s record for purposes of suspension or revocation of the privilege to drive and that certain other violations do not result in a violation point. Current law also generally provides that traffic convictions involving the safe operation of a motor vehicle result in a violation point. Current law provides an exemption for the electronic device violations described above from being counted as points against a driver’s record for purposes of suspension or revocation of the privilege to drive. This bill would abolish that exemption for violations occurring on or after January 1, 2021, and would expressly make those electronic device violations subject to a violation point against the driver’s record.

History:

2018

Dec. 3 Read first time. To print.
Dec. 4 From printer. May be heard in committee January 3.

2019

Jan. 17 Referred to Com. on TRANS.
Jan. 23 From committee chair, with author’s amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.
Jan. 24 Re-referred to Com. on TRANS.
Jan. 31 Measure version as amended on January 23 corrected.
Mar. 12 From committee: Do pass and re-refer to Com. on APPR. (Ayes 13. Noes 0.) (March 11). Re-referred to Com. on APPR.

Organization: SCAG

Position: Tracking

AB 148 (Quirk-Silva D) Regional transportation plans: sustainable communities strategies.

Introduced: 12/14/2018

Status: 1/24/2019-Referred to Coms. on TRANS. and NAT. RES.

Location: 1/24/2019-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires certain transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system. Current law requires the regional transportation plan to include, if the transportation planning agency is also a metropolitan planning organization, a sustainable communities strategy. This bill would require each sustainable communities strategy to identify areas within the region sufficient to house an 8-year projection of the emergency shelter needs for the region, as specified.

History:

2018

Dec. 14 Introduced. To print.
Dec. 15 From printer. May be heard in committee January 14.

2019

Jan. 7 Read first time.
Jan. 24 Referred to Coms. on TRANS. and NAT. RES.

Organization: SCAG

Position: Tracking

AB 185 (Grayson D) California Transportation Commission: transportation policies: joint meetings.

Introduced: 1/10/2019

Status: 2/4/2019-Referred to Com. on TRANS.

Location: 2/4/2019-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law creates the California Transportation Commission, with various powers and duties relative to the programming of transportation capital projects and allocation of funds to those projects pursuant to the state transportation improvement program and various other transportation funding programs. Existing law requires the commission and the State Air Resources Board to hold at least 2

joint meetings per calendar year to coordinate their implementation of transportation policies. This bill would require the Department of Housing and Community Development to participate in those joint meetings.

History:

2019

Jan. 10 Read first time. To print.

Jan. 11 From printer. May be heard in committee February 10.

Feb. 4 Referred to Com. on TRANS.

Attachments:

[Support Letter](#)

Organization: SCAG

Position: Support

[AB 252](#) ([Daly D](#)) Department of Transportation: environmental review process: federal program.

Introduced: 1/23/2019

Status: 3/12/2019-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 15. Noes 0.) (March 11). Re-referred to Com. on APPR.

Location: 3/11/2019-A. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current federal law requires the United States Secretary of Transportation to carry out a surface transportation project delivery program, under which the participating states may assume certain responsibilities for environmental review and clearance of transportation projects that would otherwise be the responsibility of the federal government. Current law, until January 1, 2020, provides that the State of California consents to the jurisdiction of the federal courts with regard to the compliance, discharge, or enforcement of the responsibilities it assumed as a participant in the program. This bill would extend the operation of these provisions indefinitely.

History:

2019

Jan. 23 Read first time. To print.

Jan. 24 From printer. May be heard in committee February 23.

Feb. 7 Referred to Com. on TRANS.

Mar. 12 From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 15. Noes 0.) (March 11). Re-referred to Com. on APPR.

Organization: SCAG

Position: Tracking

[AB 335](#) ([Garcia, Eduardo D](#)) Imperial County Transportation Commission.

Introduced: 1/31/2019

Last Amended: 3/11/2019

Status: 3/12/2019-Re-referred to Com. on TRANS.

Location: 3/7/2019-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires the Imperial County Transportation Commission to prepare a short-range transportation plan and a specified short-range transit plan, and to administer certain transportation moneys. Existing law authorizes the commission to use up to 3% of those transportation moneys for purposes of carrying out its planning and programming responsibilities. This bill would expressly limit use of those transportation moneys to only its transportation planning and programming responsibilities. The bill would authorize the commission, in cooperation with local agencies, as defined, that elect to participate, to assist those agencies in the coordination, administration, and implementation of programs and policies.

History:

2019

Jan. 31 Read first time. To print.

Feb. 1 From printer. May be heard in committee March 3.

Mar. 7 Referred to Com. on TRANS.

Mar. 11 From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.

Mar. 12 Re-referred to Com. on TRANS.

Organization: SCAG
Position: Tracking

AB 352 (Garcia, Eduardo D) California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund: investment plan: Transformative Climate Communities Program.

Introduced: 2/4/2019

Status: 2/11/2019-Referred to Com. on NAT. RES.

Location: 2/11/2019-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

3/25/2019 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, FRIEDMAN, Chair

Summary:

Would, beginning July 1, 2020, require state agencies administering competitive grant programs that allocate moneys from the Greenhouse Gas Reduction Fund to give specified communities preferential points during grant application scoring for programs intended to improve air quality, to include a specified application timeline, to allow applicants from the Counties of Imperial and San Diego to include daytime population numbers in grant applications, and to require grant eligibility and scoring criteria to define disadvantaged community consistent with specified allocation requirements of the Greenhouse Gas Reduction Fund so as not to preclude low-income communities, as defined, from applying for or being awarded a grant.

History:

2019

Feb. 4 Read first time. To print.

Feb. 5 From printer. May be heard in committee March 7.

Feb. 11 Referred to Com. on NAT. RES.

Organization: SCAG
Position: Tracking

AB 380 (Frazier D) Office of the Transportation Inspector General.

Introduced: 2/5/2019

Status: 3/12/2019-From committee: Do pass and re-refer to Com. on A. & A.R. (Ayes 14. Noes 0.) (March 11). Re-referred to Com. on A. & A.R.

Location: 3/11/2019-A. A. & A.R.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

3/27/2019 9 a.m. - State Capitol, Room 437 ASSEMBLY ACCOUNTABILITY AND ADMINISTRATIVE REVIEW, PETRIE-NORRIS, Chair

Summary:

Would eliminate the Independent Office of Audits and Investigations and would instead create the Independent Office of the Transportation Inspector General in state government, as an independent office that would not be a subdivision of any other government entity, to ensure that specified state agencies and all external entities that receive state and federal transportation funds are operating efficiently, effectively, and in compliance with federal and state laws. The bill would require the Governor to appoint the Transportation Inspector General for a 6-year term, subject to confirmation by the Senate, and would prohibit the Transportation Inspector General from being removed from office during the term except for good cause.

History:

2019

Feb. 5 Read first time. To print.

Feb. 6 From printer. May be heard in committee March 8.

Feb. 15 Referred to Coms. on TRANS. and A. & A.R.

Mar. 12 From committee: Do pass and re-refer to Com. on A. & A.R. (Ayes 14. Noes 0.) (March 11). Re-referred to Com. on A. & A.R.

Organization: SCAG
Position: Tracking

AB 847 (Grayson D) Transportation finance: priorities: housing.

Introduced: 2/20/2019

Status: 2/21/2019-From printer. May be heard in committee March 23.

Location: 2/20/2019-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the Department of Housing and Community Development, on or before June 30, 2020, and on or before June 30 every year thereafter, to review each production report submitted by a city or county in accordance with the provisions described above to determine if that city or county has met its very low, low-, and moderate-income housing goals, as defined, for that reporting period. The bill would require the department, if it determines that a city or county has met one of those housing goals, to submit a certification of that result to the Controller by no later than June 30 of that year.

History:

2019

Feb. 20 Read first time. To print.

Feb. 21 From printer. May be heard in committee March 23.

Organization: SCAG

Position: Tracking

AB 1074 (Diep R) Accessory Dwelling Unit Construction Bond Act of 2020.

Introduced: 2/21/2019

Status: 3/7/2019-Referred to Coms. on H. & C.D. and L. GOV.

Location: 3/7/2019-A. H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would enact the Accessory Dwelling Unit Construction Bond Act of 2020 (bond act), which, if adopted, would authorize the issuance of bonds in the amount of \$500,000,000 pursuant to the State General Obligation Bond Law to finance the Accessory Dwelling Unit Construction Program, established as part of the bond act. The bill would authorize the Department of Housing and Community Development to enter into a contract under that program with a homeowner to provide financing to pay for the eligible costs incurred by the homeowner in constructing an accessory dwelling unit on the homeowner's property, subject to specified terms and conditions.

History:

2019

Feb. 21 Read first time. To print.

Feb. 22 From printer. May be heard in committee March 24.

Mar. 7 Referred to Coms. on H. & C.D. and L. GOV.

AB 1142 (Friedman D) Strategic Growth Council: transportation pilot projects: regional transportation plans.

Introduced: 2/21/2019

Status: 3/7/2019-Referred to Com. on TRANS.

Location: 3/7/2019-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the Strategic Growth Council, in consultation with the State Air Resources Board, to manage and award financial assistance to specified local entities for the purpose of funding pilot projects that reduce vehicle miles traveled to support the planning and development of sustainable communities. The bill would require a local entity that receives funding for a pilot project to provide data regarding the reduction of vehicle miles traveled by the project to the board for use in a specified report.

History:

2019

Feb. 21 Read first time. To print.

Feb. 22 From printer. May be heard in committee March 24.

Mar. 7 Referred to Com. on TRANS.

Organization: SCAG

Position: Tracking

AB 1197 (Santiago D) California Environmental Quality Act: affordable housing projects.

Introduced: 2/21/2019

Status: 2/22/2019-From printer. May be heard in committee March 24.

Location: 2/21/2019-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would state the intent of the Legislature to enact subsequent legislation that would establish a streamlined administrative and judicial process for environmental reviews performed pursuant to CEQA for affordable housing projects.

History:

2019

Feb. 21 Read first time. To print.

Feb. 22 From printer. May be heard in committee March 24.

Organization: SCAG

Position: Tracking

AB 1244 (Fong R) Environmental quality: judicial review: housing projects.

Introduced: 2/21/2019

Status: 3/11/2019-Referred to Coms. on NAT. RES. and H. & C.D.

Location: 3/11/2019-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, in an action or proceeding seeking judicial review under the California Environmental Quality Act, prohibit a court from staying or enjoining a housing project for which an environmental impact report has been certified, unless the court makes specified findings.

History:

2019

Feb. 21 Read first time. To print.

Feb. 22 From printer. May be heard in committee March 24.

Mar. 11 Referred to Coms. on NAT. RES. and H. & C.D.

Organization: SCAG

Position: Tracking

AB 1279 (Bloom D) Planning and zoning: housing development: high-resource areas.

Introduced: 2/21/2019

Status: 3/11/2019-Referred to Coms. on H. & C.D. and NAT. RES.

Location: 3/11/2019-A. H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the department to designate areas in this state as high-resource areas, as provided, by January 1, 2021, and every 5 years thereafter. The bill would authorize a city or county to appeal the designation of an area within its jurisdiction as a high-resource area during that 5-year period. In any area designated as a high-resource area, the bill would require that a housing development project be a use by right, upon the request of a developer, in any high-resource area designated pursuant to be a use by right in certain parts of the high-resource area if those projects meet specified requirements, including specified affordability requirements. For certain development projects where the initial sales price or initial rent exceeds the affordable housing cost or affordable rent to households with incomes equal to or less than 100% of the area median income, the bill would require the applicant agree to pay a fee equal to 10% of the difference between the actual initial sales price or initial rent and the sales price or rent that would be affordable, as provided. The bill would require the city or county to deposit the fee into a separate fund reserved for the construction or preservation of housing with an affordable housing cost or affordable rent to households with a household income less than 50% of the area median income. This bill contains other related provisions and other existing laws.

History:

2019

Feb. 21 Read first time. To print.

Feb. 22 From printer. May be heard in committee March 24.

Mar. 11 Referred to Coms. on H. & C.D. and NAT. RES.

Organization: SCAG

Position: Tracking

AB 1402 (Petrie-Norris D) Department of Transportation: permits.

Introduced: 2/22/2019

Status: 2/25/2019-Read first time.

Location: 2/22/2019-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law provides that the Department of Transportation has full possession and control of all state highways and associated property, and sets forth the powers and duties of the department with respect to the operation, maintenance, and improvement of state highways. Current law authorizes the department to issue written permits to authorize a permittee to, among other things, install or remove tire chains upon motor vehicles for compensation on a state highway. This bill would make a nonsubstantive change to the latter provision.

History:

2019

Feb. 22 Introduced. To print.

Feb. 23 From printer. May be heard in committee March 25.

Feb. 25 Read first time.

Organization: SCAG

Position: Tracking

AB 1568 (McCarty D) General plans: housing element: production report: withholding of transportation funds.

Introduced: 2/22/2019

Status: 2/25/2019-Read first time.

Location: 2/22/2019-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the Department of Housing and Community Development, on or before June 30, 2022, and on or before June 30 every year thereafter and until June 30, 2051, to review each production report submitted by a city or county in accordance with the provisions described above to determine if that city or county has met the applicable minimum housing production goal for that reporting period. The bill would provide that, if the department determines that a city or county has met its applicable minimum housing production goal for that reporting period, the department shall, no later than June 30 of that year, submit a certification of that result to the Controller.

History:

2019

Feb. 22 Introduced. To print.

Feb. 23 From printer. May be heard in committee March 25.

Feb. 25 Read first time.

Organization: SCAG

Position: Tracking

AB 1730 (Gonzalez D) Public entity liability.

Introduced: 2/22/2019

Status: 2/25/2019-Read first time.

Location: 2/22/2019-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law provides that, absent specified circumstances, a public entity is not liable for an act or omission, including intentional torts, of an elected official employed by, or otherwise representing the entity, except those acts or omissions that are directly related to the elected official's performance of official duties. This bill would make nonsubstantive changes to this provision.

History:

2019

Feb. 22 Introduced. To print.

Feb. 23 From printer. May be heard in committee March 25.

Feb. 25 Read first time.

Organization: SCAG

Position: Tracking

ACA 1 (Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval.

Introduced: 12/3/2018

Status: 12/4/2018-From printer. May be heard in committee January 3.

Location: 12/3/2018-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, or city and county to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

History:

2018

Dec. 3 Read first time. To print.

Dec. 4 From printer. May be heard in committee January 3.

Organization: SCAG

Position: Tracking

SB 5 (Beall D) Local-State Sustainable Investment Incentive Program.

Introduced: 12/3/2018

Status: 3/6/2019-Set for hearing March 20.

Location: 1/24/2019-S. GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

3/20/2019 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

Would establish in state government the Local-State Sustainable Investment Incentive Program, which would be administered by the Sustainable Investment Incentive 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 or transit village development district to apply to the Sustainable Investment Incentive Committee to participate in the program and would authorize the committee to approve or deny applications for projects meeting specific criteria.

History:

2018

Dec. 3 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Dec. 4 From printer. May be acted upon on or after January 3.

2019

Jan. 24 Referred to Coms. on GOV. & F. and HOUSING.

Mar. 6 Set for hearing March 20.

Organization: SCAG

Position: Tracking

SB 6 (Beall D) Residential development: available land.

Introduced: 12/3/2018

Last Amended: 2/27/2019

Status: 3/7/2019-Re-referred to Coms. on HOUSING and G.O.

Location: 3/7/2019-S. HOUSING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the Department of Housing and Community Development to furnish the Department of General Services with a list of local lands suitable and available for residential development as identified by a local government as part of the housing element of its general plan. The bill would require the Department of General Services to create a database of that information and information

regarding state lands determined or declared excess and to make this database available and searchable by the public by means of a link on its internet website.

History:

2018

Dec. 3 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Dec. 4 From printer. May be acted upon on or after January 3.

2019

Jan. 16 Referred to Com. on RLS.

Feb. 27 From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Mar. 7 Re-referred to Coms. on HOUSING and G.O.

Organization: SCAG

Position: Tracking

SB 13 (Wieckowski D) Accessory dwelling units.

Introduced: 12/3/2018

Last Amended: 3/11/2019

Status: 3/11/2019-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 12/3/2018-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires accessory dwelling units to comply with specified standards, including that the accessory dwelling unit is either attached to, or located within, the proposed or existing primary dwelling or detached if located within the same lot, and that it does not exceed a specified amount of total area of floor space. This bill would, instead, authorize the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling use.

History:

2018

Dec. 3 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Dec. 4 From printer. May be acted upon on or after January 3.

2019

Jan. 16 Referred to Com. on RLS.

Mar. 11 From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Organization: SCAG

Position: Tracking

SB 44 (Skinner D) Medium-duty and heavy-duty vehicles: comprehensive strategy.

Introduced: 12/3/2018

Last Amended: 3/7/2019

Status: 3/7/2019-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 12/3/2018-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the State Air Resources Board, no later than January 1, 2021, to develop a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles in the state that results in bringing the state into compliance with federal ambient air quality standards, a reduction of motor vehicle greenhouse gas emissions by 40% by 2030, and reduction of motor vehicle greenhouse gas emissions by 80% by 2050, as specified.

History:

2018

Dec. 3 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Dec. 4 From printer. May be acted upon on or after January 3.

2019

Jan. 16 Referred to Com. on RLS.

Mar. 7 From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Organization: SCAG
Position: Tracking

SB 50 (Wiener D) Planning and zoning: housing development: incentives.

Introduced: 12/3/2018

Last Amended: 3/11/2019

Status: 3/11/2019-From committee with author's amendments. Read second time and amended. Re-referred to Com. on HOUSING.

Location: 3/11/2019-S. HOUSING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require a city, county, or city and county to grant upon request an equitable communities incentive when a development proponent seeks and agrees to construct a residential development, as defined, that satisfies specified criteria, including, among other things, that the residential development is either a job-rich housing project or a transit-rich housing project, as those terms are defined; the site does not contain, or has not contained, housing occupied by tenants or accommodations withdrawn from rent or lease in accordance with specified law within specified time periods; and the residential development complies with specified additional requirements under existing law.

History:

2018

Dec. 3 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Dec. 4 From printer. May be acted upon on or after January 3.

2019

Jan. 24 Referred to Coms. on HOUSING and GOV. & F.

Mar. 11 From committee with author's amendments. Read second time and amended. Re-referred to Com. on HOUSING.

Organization: SCAG
Position: Tracking

SB 127 (Wiener D) Transportation funding: active transportation: complete streets.

Introduced: 1/10/2019

Status: 1/24/2019-Referred to Com. on TRANS.

Location: 1/24/2019-S. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would establish a Division of Active Transportation within the Department of Transportation and require that an undersecretary of the Transportation Agency be assigned to give attention to active transportation program matters to guide progress toward meeting the department's active transportation program goals and objectives. The bill would require the California Transportation Commission to give high priority to increasing safety for pedestrians and bicyclists and to the implementation of bicycle and pedestrian facilities.

History:

2019

Jan. 10 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Jan. 11 From printer. May be acted upon on or after February 10.

Jan. 24 Referred to Com. on TRANS.

Organization: SCAG
Position: Tracking

SB 128 (Beall D) Enhanced infrastructure financing districts: bonds: issuance.

Introduced: 1/10/2019

Status: 3/6/2019-Set for hearing March 20.

Location: 1/24/2019-S. GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

3/20/2019 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

Current law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district, with a governing body referred to as a public financing authority, to finance public

capital facilities or other specified projects of communitywide significance. Current law authorizes the public financing authority to issue bonds for these purposes upon approval by 55% of the voters voting on a proposal to issue the bonds. Current law requires the proposal submitted to the voters by the public financing authority and the resolution for the issuance of bonds following approval by the voters to include specified information regarding the bond issuance. This bill would instead authorize the public financing authority to issue bonds for these purposes without submitting a proposal to the voters.

History:
2019

Jan. 10 Introduced. Read first time. To Com. on RLS. for assignment. To print.
Jan. 11 From printer. May be acted upon on or after February 10.
Jan. 24 Referred to Com. on GOV. & F.
Mar. 6 Set for hearing March 20.

Organization: SCAG
Position: Tracking

SB 160 (Jackson D) Emergency services: cultural competence.

Introduced: 1/24/2019
Status: 3/8/2019-Set for hearing March 26.
Location: 2/6/2019-S. G.O.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:
3/26/2019 9:30 a.m. - John L. Burton Hearing Room (4203) SENATE GOVERNMENTAL ORGANIZATION, DODD, Chair

Summary:
Current law defines the terms "political subdivision" and "emergency plans" for purposes of emergency services provided by local governments. Current law requires a county, upon the next update to its emergency plan, to integrate access and functional needs into its emergency plan, as specified. This bill would require a county to integrate cultural competence, as defined, into its emergency plan, upon the next update to its emergency plan, as specified. By increasing the duties of local officials, this bill would impose a state-mandated local program.

History:
2019
Jan. 24 Introduced. Read first time. To Com. on RLS. for assignment. To print.
Jan. 25 From printer. May be acted upon on or after February 24.
Feb. 6 Referred to Com. on G.O.
Mar. 8 Set for hearing March 26.

Organization: SCAG
Position: Tracking

SB 168 (Wieckowski D) Climate change: Chief Officer of Climate Adaptation and Resilience.

Introduced: 1/28/2019
Status: 2/12/2019-Set for hearing March 20.
Location: 2/6/2019-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:
3/20/2019 Upon adjournment of the Joint Hearing of Natural Resources and Water and Environmental Quality Committee - Room 3191 SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

Summary:
Would establish the Chief Officer of Climate Adaptation and Resilience in the Office of Planning and Research to serve as the statewide lead for planning and coordination of climate adaptation policy and implementation in California, and would specify the duties of the chief officer. The bill would make the chief officer, or the chief officer's designee, a member of the advisory council and would designate the chief officer, or the chief officer's designee, as the chair of the advisory council. The bill would include additional expertise members of the advisory council are to have. The bill would specify that members of the advisory council serve staggered 4-year terms, except as provided.

History:
2019
Jan. 28 Introduced. Read first time. To Com. on RLS. for assignment. To print.
Jan. 29 From printer. May be acted upon on or after February 28.

Feb. 6 Referred to Coms. on EQ. and N.R. & W.
Feb. 12 Set for hearing March 20.

Attachments:

[Support and Amend Letter](#)

Organization: SCAG

Position: Support and Amend

[SB 526 \(Allen D\) Regional transportation plans: greenhouse gas emissions: State Mobility Action Plan for Healthy Communities.](#)

Introduced: 2/21/2019

Status: 3/8/2019-Set for hearing April 3.

Location: 3/7/2019-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

4/3/2019 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

Summary:

Current law requires the State Air Resources Board, by September 1, 2018, and every 4 years thereafter, to prepare a report that assesses progress made by each metropolitan planning organization in meeting the regional greenhouse gas emission reduction targets set by the state board. Under current law, the action element of a regional transportation plan describes the programs and actions necessary to implement the plan and assigns implementation responsibilities. This bill would require the state board to adopt a regulation that requires a metropolitan planning organization to provide any data that the state board determines is necessary to fulfill the requirements of the above-described report and to determine if the metropolitan planning organization is on track to meet its 2035 greenhouse gas emission reduction target. After completing each report, the bill would require the state board to determine if each metropolitan planning organization is on track to meet its 2035 target and to notify the California Transportation Commission of these determinations.

History:

2019

Feb. 21 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Feb. 22 From printer. May be acted upon on or after March 24.

Mar. 7 Referred to Coms. on EQ., TRANS., and HOUSING.

Mar. 8 Set for hearing April 3.

Organization: SCAG

Position: Tracking

[SB 732 \(Allen D\) Transactions and use tax.](#)

Introduced: 2/22/2019

Status: 2/25/2019-From printer. May be acted upon on or after March 27. Read first time.

Location: 2/22/2019-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law authorizes cities, counties, and certain districts to impose a transactions and use tax in accordance with procedures set forth in the Transactions and Use Tax Law, which conforms to the Sales and Use Tax Law. This bill would make a technical, nonsubstantive change to the Transactions and Use Tax Law.

History:

2019

Feb. 22 Introduced. To Com. on RLS. for assignment. To print.

Feb. 25 From printer. May be acted upon on or after March 27. Read first time.

Organization: SCAG

Position: Tracking

Total Measures: 30

Total Tracking Forms: 30

Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 3
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Estee Sepulveda; Legislative Analyst; (213) 236-1864; Sepulveda@scag.ca.gov
Subject: AB 10 (Chiu) – Income Taxes: Credits Low-Income Housing: Farmworker Housing

RECOMMENDED ACTION:

Support

EXECUTIVE SUMMARY:

In 1987, the California Legislature authorized a Low Income Housing Tax Credit (LIHTC) program where developers with approved projects sell credits to investors to raise capital. Existing law limits the total amount of tax credits the state may allocate at \$94 million per year. Assembly Bill (AB) 10 would annually increase California's LIHTC by \$500 million. Additionally, this bill would increase the annual set-aside for farmworker housing from \$500,000 to \$25 million. Staff recommends that the Legislative/Communications and Membership Committee (LCMC) forward a "support" position recommendation to the Regional Council on AB 10.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

BACKGROUND:

The LIHTC program was initially enacted by Congress in 1986 providing the market with an incentive to invest in more affordable housing through federal tax credits. The California Tax Credit Allocation Committee was directed to award these credits to developers of qualified projects in the state to then sell to investors to raise capital for their projects, reducing the debt that the developer would otherwise have to borrow. As a result, property owners are able to offer lower, more affordable pricing.

The following year, in response to the high cost of developing housing in California, Governor Deukmejian authorized a state LIHTC program. Existing law limits the total amount of tax credits the state may allocate at \$94 million per year. However, the program is oversubscribed and there are twice as many applicants for tax credits than the California Tax Credit Allocation Committee can allocate.

This is the fifth straight year that Assembly Member Chiu has introduced similar legislation and he has previously garnered bipartisan support. In the past, former Governor Brown vetoed this legislation citing its costs to the state budget. Conversely, Governor Newsom's 2019-20 budget proposes to expand the LIHTC program up to \$500 million. However, the Governor's proposal bifurcates the amount to create a new program to fund housing construction for middle-income households. Specifics of Governor Newsom's proposal are unclear.

The California Tax Credit Allocation Committee has maintained a database of all existing multifamily housing projects developed using the LIHTC program in California. Since 1988, a total of 1,955 projects have been completed in the SCAG region providing 144,905 units of which 137,031 are low income.

AB 10

Introduced by Assembly Member David Chiu (D-San Francisco) on December 3, 2018, the first day of the legislative session, AB 10 would annually increase the state’s allocation of the LIHTC program by \$500 million and increase the set-aside for farmworker housing from \$500,000 to \$25 million.

Within the SCAG Region, AB 10 has been coauthored by Assembly Members Richard Bloom, Wendy Carrillo, Steven Choi, Jesse Gabriel, Cristina Garcia, Eduardo Garcia, Mike Gipson, Patrick O'Donnell, Sharon Quirk-Silva, Eloise Reyes, and Miguel Santiago.

AB 10 was referred to the Assembly Committees on Housing and Community Development and Revenue and Taxation on January 17, 2019. A hearing may be scheduled in the Assembly Committee on Housing and Community Development in April 2019.

Support

- California Housing Consortium
- California Housing Partnership
- Housing California
- Non-Profit Housing Association of Northern California
- Burbank Housing
- California Association of Housing Authorities
- California Association of Local Housing Finance Agencies
- EAH Housing
- Eden Housing
- Housing Authority of the City of Alameda
- Housing Trust Silicon Valley
- John Stewart Company
- League of California Cities
- Los Angeles Homeless Services Authority
- Paulett Taggart Architects
- San Diego Housing Federation
- San Francisco Housing Action Coalition
- Southern California Association of Nonprofit Housing
- The Coalition for Homeless Services Providers
- Valencia Real Estate and Consulting
- Ventura Council of Governments

Opposition

- None

Staff Recommendation

Staff recommends a support position for AB 10 consistent with Regional Council-adopted policy and legislative priorities to support low income housing programs that specifically require housing construction. Making the increased appropriation ongoing will create a long-term pipeline to provide predictability into the future so developers can plan projects and pair funds with local and federal programs. The LIHTC is an effective tool to fund affordable housing, as every \$1 of state investment leverages \$3 or more of federal funding. AB 10 would generate a new permanent source of over \$2 billion in annual funding that can facilitate the construction of 5,000 affordable housing units each year.

FISCAL IMPACT:

None

ATTACHMENT(S):

- 1) Letter of support from the League of California Cities

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1400 K Street, Suite 400 • Sacramento, California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

January 16, 2019

The Honorable David Chiu
California State Assembly
State Capitol Building, Room 4112
Sacramento, CA 95814

**RE: AB 10 (Chiu) Low-Income Housing Tax Credit
Notice of Support**

Dear Assembly Member Chiu:

On behalf of the League of California Cities, I am pleased to support your AB 10, which would increase the state's Low Income Housing Tax Credit by \$500 million to build and rehabilitate much needed affordable housing. This is a dramatic, fivefold increase over the current spending cap.

The League has long advocated for additional state funding for affordable housing. It is extremely difficult to construct affordable housing without some type of public investment. The challenges of funding these critical developments, however, have increased significantly with the loss of over \$1 billion per year of redevelopment housing funds.

Increasing available state tax credits for low-income housing is a great step in beginning to reassemble state investment in affordable housing in California. These state tax credits will leverage additional federal tax credits and tax exempt bond authority, which will help build significantly more units. It will also spur economic activity, creating additional jobs and contribute to state and local tax revenues.

With the Legislative Analyst's Office projecting that the state budget reserve will increase to \$14.5 billion in 2019-2020 and an additional surplus of \$14.8 billion in 2019-2020, it is essential that the Governor and the Legislature reinvest in affordable housing.

The League is grateful for your continued leadership and tireless efforts to increase affordable housing funding. We appreciate your commitment to the issue and look forward to working closely with you to pass this important and timely measure.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Rhine".

Jason Rhine
Assistant Legislative Director

cc: Chair and Members, Assembly Committee on Housing and Community Development
Steve Wertheim, Consultant, Assembly Committee on Housing and Community Development
William Weber, Consultant, Assembly Republican Caucus

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Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 4
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Estee Sepulveda; Legislative Analyst; (213) 236-1864; Sepulveda@scag.ca.gov
Subject: AB 11 (Chiu) – Community Redevelopment Law of 2019

RECOMMENDED ACTION:

Support and Amend

EXECUTIVE SUMMARY:

Redevelopment agencies (RDAs) were dissolved as of February 1, 2012. Assembly Bill (AB) 11 would allow cities and counties to create new affordable housing and infrastructure agencies to fund affordable housing and infrastructure projects. The bill would also require that at least 30 percent of the taxes allocated to the agency be used for the purpose of increasing, improving, and preserving low and moderate-income affordable housing. Staff recommends that the Legislative/Communications and Membership Committee (LCMC) forward a “support and amend” position recommendation to the Regional Council on AB 11.

STRATEGIC PLAN:

This item supports SCAG’s Strategic Plan, Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

BACKGROUND:

In 1945, the California Legislature approved the Community Redevelopment Act, which provided the mechanism to create RDAs. However, most agencies relied on federal funding until 1952 when Proposition 18 established tax increment financing (TIF). Under the new financing structure, cities and counties were given the authority to declare areas as blighted. They created RDAs by establishing a project area and freezing the property tax rate at the point of creation. They were authorized to capture any incremental increase in property tax after the base year that would have otherwise flowed to all the other taxing entities – schools, special districts, and counties. RDAs were authorized to bond against that tax increment to fund their activities. Starting in the 1970s, RDAs were required to set aside 20 percent of an agency’s annual tax increment revenues for affordable housing.

Although the use of funds for construction of affordable housing was insufficient in many areas, RDAs created 63,600 new affordable housing units statewide during the period from 2001 to 2008. Facing severe budget constraints, in 2011, former Governor Brown and the Legislature moved to scale back these activities; and, after several legal challenges, RDAs were dissolved. At the time of dissolution, RDAs were diverting 12 percent of property taxes statewide to local activities. Dissolving RDAs severely constrained cities and towns to pursue both economic development goals and promote affordable housing. This has resulted in an estimated loss of new affordable units ranging from 4,500 to 6,500 annually.

AB 11

Introduced by Assembly Member David Chiu (D-San Francisco) on December 4, 2018, AB 11 would allow cities and counties to create agencies that would use TIF to fund affordable housing and infrastructure projects. This bill takes a similar approach to the TIF structure used by former RDAs that were dissolved during the Great Recession due to state budget constraints. Furthermore, AB 11 contains a pass-through provision for taxing entities that choose not to participate.

AB 11 would authorize the creation of a new TIF tool to fund infrastructure and affordable housing. The bill requires that a governing board of the agency be established consisting of one member appointed by the legislative body that adopted the resolution of intention, one member appointed by each affected taxing entity, and two public members. The governing board of the new financing agency would have the authority to issue bonds to finance redevelopment housing or infrastructure projects. AB 11 would require the new financing agency to contract for an independent financial and performance audit every two years after the issuance of debt.

The bill would also require that 30 percent of all taxes allocated to the new financing agency from an affected taxing entity be deposited into a separate fund, established by the agency, and used for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing.

All taxing entities would be required to participate in the new financing agency, however, AB 11 contains a "pass-through provision" which would require the new financing agency to pay to each taxing entity an amount equivalent to what they would have received had the agency not existed. The state would backfill the property tax otherwise due to K-12 schools and community colleges, pursuant to Proposition 98 requirements.

Under AB 11, new financing agencies will have to submit their plan to the Strategic Growth Council (SGC) for review and approval. SGC would determine if their plan supports the state's greenhouse gas (GHG) reduction goals.

A coalition of joint co-sponsors includes Assembly Members Cecilia Aguiar-Curry (D-Winters), Richard Bloom (D-Santa Monica), Rob Bonta (D-Oakland), Eduardo Garcia (D-Coachella), Todd Gloria (D-San Diego), Chris Holden (D-Pasadena), Jacqui Irwin (D-Thousand Oaks), Kevin Mullin (D-San Mateo), Miguel Santiago (D-Los Angeles), Phil Ting (D-San Francisco), and Buffy Wicks (D-Oakland). AB 11 was referred to the Assembly committees on Housing and Community Development and Local Government on January 17, 2019. Hearings for AB 11 have not yet been scheduled in either committee.

Support

- San Francisco Housing Coalition

Opposition

- None

Staff Recommendation

Staff recommends a support and amend position for AB 11 consistent with Regional Council-adopted policy and legislative priorities to support the restoration of local RDAs and expand the capability for TIF programs, while also supporting a higher dedicated set aside for low income housing.

Under AB 11, new financing agencies will have to submit their plan to the Strategic Growth Council (SGC) for review and approval. SGC would determine if their plan supports the state's greenhouse gas (GHG) reduction goals. Since Metropolitan Planning Organizations (MPOs) coordinate with local jurisdictions to develop the Sustainable Communities Strategy (SCS) and the Regional Housing Needs Assessment (RHNA), staff recommends that AB 11 be amended to include a role during the review process for MPOs. The SCS lays out how the region will meet greenhouse gas (GHG) reduction targets set by the California Air Resources Board, while the RHNA process identifies the total number of housing units by income group that each jurisdiction must accommodate. MPOs can provide technical assistance in coordination with SGC and evaluate whether affordable housing and infrastructure agencies help to implement an adopted SCS and RHNA.

FISCAL IMPACT:

None

ATTACHMENT(S):

None

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Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 5
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Melvin Sanchez; Legislative Aide; (213) 236-1850; sanchez@scag.ca.gov
Subject: AB 1568 (McCarty) – General Plans: Housing Element: Production Report: Withholding of Transportation Funds

RECOMMENDED ACTION:

Oppose

EXECUTIVE SUMMARY:

The Road Repair and Accountability Act, also known as Senate Bill (SB) 1, addresses deferred maintenance on the state highway system and the local streets and road system. Cities and counties receive fifty percent of funds from the Road Maintenance and Rehabilitation Account. Assembly Bill (AB) 1568 links a city or county's eligibility for SB 1 funds to its building permit activity relative to the jurisdiction's Regional Housing Needs Assessment (RHNA) allocation. Staff recommends that the Legislative/Communications and Membership Committee forward an "oppose" position recommendation to the Regional Council on AB 1568.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

BACKGROUND:

California planning and zoning law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. The law requires the city or county, after it has adopted all or part of a general plan, to provide an annual report to the Department of Housing and Community Development (HCD) on the status of the general plan and progress in meeting the community's share of its regional housing needs. In addition, the law requires the city or county to include in its annual progress report a "production report," which details the number of units of net new housing, including both rental and for-sale housing, that have been issued a completed entitlement, building permit, or certificate of occupancy.

Separately, the Road Repair and Accountability Act of 2017, also known as SB 1 (Chapter 5, Statutes of 2017), creates the Road Maintenance Rehabilitation Account. After certain "off the top" allocations are made, 50% of the remaining funds from this account are distributed for maintenance of the state highway system or state highway operation and protection program and the other 50% for apportionment to cities and counties.

AB 1568

Under AB 1568 a jurisdiction would only be eligible to receive its share of SB 1's Road Maintenance Rehabilitation Account funding if it has met a certain percentage production goal relative to its RHNA

allocation. HCD would be required to certify a county or city’s compliance with the production goal starting on June 30, 2022, and on each June 30th thereafter. The requirement would expire June 30, 2051. Over the lifetime of the bill, the percentage production goal would increase (see chart below).

Reporting Periods	RHNA Production Goal
2020 – 2027	20%
2028 – 2032	40%
2033 – 2038	60%
2039 – 2044	80%
2045 – 2050	100%

The bill would provide that, if HCD determines that a city or county has met its applicable minimum production goal for that reporting period, the department shall, no later than June 30th of that year, submit a certification of that result to the State Controller.

For each city and county that is not in compliance with this requirement, the bill would require the State Controller to withhold the apportionment of SB 1 funds that would otherwise be apportioned and distributed for that fiscal year, and deposit those funds in a separate escrow account. The bill would require the Controller to distribute the funds in the escrow account to the applicable city or county only after the city or county is certified to be in compliance by HCD.

AB 1568 was referred to the Assembly Committees on Housing and Community Development and Transportation on March 14, 2019. Hearings for AB 1568 have not yet been scheduled in either committee.

Support

-

Opposition

- League of California Cities

Staff Recommendation

Staff recommends an oppose position on AB 1568 consistent with Regional Council-adopted policy and legislative priorities to protect all existing and new sources of transportation funding from borrowing or use for any purpose other than transportation. Specifically, staff recommends an oppose position for the following reasons:

1. Reneges on SB 1 Deal: When transportation stakeholders supported and advocated for SB 1 to provide new and stable revenue streams for road safety improvements, to fill potholes and repair local streets, highways, and bridges, there were promises that SB 1 funds would only be used for transportation-related purposes, a promise that was cemented further by 2018’s Proposition 69. Within those promises was the implication that SB 1 funds would not be held ransom for unrelated policy priorities, regardless of how important those other priorities are. Back peddling on this promise may jeopardize future funding initiatives.

-
2. Ignores Market Realities: Since 1969, California has required that all cities and counties adequately plan to meet the housing needs of everyone in the community through an extremely detailed housing element process. These plans are subject to state approval by HCD. While local elected officials can plan for housing, they do not control the housing market. Cities and counties do not control investment decisions by developers or landowners. In addition, cities and counties do not control conditions in the national or state economy, interest rates, bank lending requirements, construction labor availability, environmental policies, or other issues that may affect housing production.

FISCAL IMPACT:

None

ATTACHMENT(S):

- 1) Letter of opposition from the League of California Cities

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2018-2019

LEAGUE OFFICERS

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Janet Arbuckle
*Council Member,
Grass Valley*

First Vice President

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South San Francisco*

Executive Director

Carolyn M. Coleman

March 12, 2019

The Honorable Kevin McCarty
California State Assembly, District 7
California State Capitol, Room 2136
Sacramento, CA 95814

**RE: AB 1568 (McCarty). General Plans. Housing Element. Production Report.
Withholding of Transportation Funds.
Notice of Opposition**

Dear Assembly Member McCarty,

The League of California Cities[®] (League) regrets to inform you of our **strong opposition to your AB 1568**, a measure that would withhold and divert critical transportation funds from the Road Repair and Accountability Act (SB 1, Beall), for cities' basic maintenance and road repair needs.

Every two years over the last 10 years, the League has consistently identified more than a \$70 billion shortfall to preserve the existing system of local streets, roads, bridges, and essential components (i.e. infrastructure incorporated into our local network).¹ Much of that shortfall is attributable to revenue streams drying up due to inflation over the last 25 years.²

On a scale of zero (failed) to 100 (excellent), the average pavement condition statewide for cities and counties was at 65 on the pavement condition index (PCI). Absent any new funding, the shortfall would have grown by at least an additional \$10 billion with the statewide average PCI dropping to a score of 55 in 10 years. Furthermore, without SB 1, more than half of the local network would move into the "at-risk" category, a PCI below 70, with more than a quarter of the network moving into the "failed" condition, a PCI below 50.

Given these massive deferred maintenance backlogs to state and local transportation networks, the League and a coalition of local government, business, and labor stakeholders worked tirelessly and in partnership with this legislature and the former administration to help craft and deliver SB 1, the greatest infrastructure preservation investment in decades.

¹ <http://www.savecaliforniastreet.org/read-the-report/>

² http://www.dot.ca.gov/road_charge/resources/final-report/docs/summary.pdf (pg. 1)

SB 1 is a comprehensive measure that consists of a few key elements. It provides reliable funding for every transportation mode, including the state highway system, local streets and roads, public transportation, active transportation, congestion relief, and capital projects. It includes a series of reforms, transparency, and accountability for Caltrans and local agencies alike to ensure promises made are promises kept. It includes constitutional protections to ensure funds only be used for transportation and not for any other purpose.³

Cities are responsible for the planning, zoning and approval of new housing. This is a transparent process that involves input from residents, detailed environmental reviews and documents, and approving projects consistent with our plans. Unfortunately, AB 1568 would penalize cities, counties, and their taxpayers by withholding and redistributing their share of public road maintenance funds if the private housing market, and non-profit developers who rely on scant subsidies, do not produce a city or county's share of regional housing needs for each income category.

AB 1568 goes against the basic spirit of SB 1, which is focused on maintaining and preserving existing state and local transportation systems, the latter of which is conservatively valued at over \$200 billion alone. Even with SB 1, the shortfall for local streets and roads still exceeds \$55 billion over the next 10 years.

SB 1 is a massive infusion of transportation dollars that were desperately needed, but it should not be confused as a windfall for cities and counties. With SB 1, the shortfall will shrink by \$18 billion (to \$55 billion down from \$70+ billion), the statewide average PCI will stabilize at 65 and more than two-thirds of the local network will move into a state of good repair, a PCI of 70 or above.

Threatening to withhold and redistribute desperately needed transportation funds from cities and counties for the lack of private sector housing production and adequate subsidies to produce affordable housing breaks the basic promise this legislature made to taxpayers that these funds would deliver the transportation safety, pavement condition, and quality of life improvements for every community in California.

On two separate occasions, the voters reaffirmed the legislature's action to address the desperate transportation needs across the state. Just this past June, more than 80 percent of the voters approved Proposition 69,⁴ which dedicated new SB 1 revenues for transportation. More importantly, by more than 13 percentage points, the voters rejected Proposition 6,⁵ which would have repealed SB 1 and sent transportation infrastructure spiraling into disrepair. Given that the state hadn't increased transportation funding in more than 25 years, that it took

³ <https://lao.ca.gov/reports/2017/3688/2017-transportation-package-060817.pdf>

⁴ <https://elections.cdn.sos.ca.gov/sov/2018-primary/sov/2018-complete-sov.pdf> (pg. 134)

⁵ <https://elections.cdn.sos.ca.gov/sov/2018-general/sov/2018-complete-sov.pdf> (pg. 97)

about a decade to craft a comprehensive measure, it required supermajority support from the legislature, a governor's signature, and majority support from the voters, really speaks to the achievement SB 1 is for this legislature.

The League is supportive of efforts to help address the housing crisis here in California. In fact, addressing affordable housing, housing affordability, and homelessness are all part of the League's strategic goals as an organization.⁶

Unfortunately, AB 1568 is the wrong approach for California. Any delay or diversion of transportation funds from any community in this state is only going to hurt taxpayers that are paying for these improvements they were promised during the passage of SB 1 and rejection of Proposition 6.

For these reasons, the League is **strongly opposed to your AB 1568**. If you have any questions, please feel free to contact me at (916) 658-8283.

Sincerely,



Rony Berdugo
Legislative Representative

Cc: The Honorable Jim Frazier, Chair, Assembly Transportation
The Honorable Jim Beall, Chair, Senate Transportation
The Honorable Cecilia Aguiar-Curry, Chair, Assembly Local Government
The Honorable David Chiu, Chair, Assembly Housing and Community Development
Melissa White, Principal Consultant, Assembly Transportation
Daniel Ballon, Consultant, Assembly Republican Caucus
Members, Assembly
Members, Senate

⁶ <http://www.cacities.org/Top/About-Us/Strategic-Goals>

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Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 6
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Melvin Sanchez; Legislative Aide; (213) 236-1850; sanchez@scag.ca.gov
Subject: SB 5 (Beall and McGuire) – Local-State Sustainable Investment Incentive Program

RECOMMENDED ACTION:

Support

EXECUTIVE SUMMARY:

Senate Bill (SB) 5 would establish the Local-State Sustainable Investment Incentive Program, which would be administered by the Sustainable Investment Incentive 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, or transit village development district to apply to the Sustainable Investment Incentive Committee to participate in the program and would authorize the committee to approve or deny applications for projects meeting specific criteria.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

BACKGROUND:

Currently, 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. Existing law also requires an annual re-allocation of property tax revenue from local agencies in each county to the Educational Revenue Augmentation Fund (ERAF) in that county for allocation to educational entities.

In 1992, the State of California found itself in a serious deficit position. To meet its obligations to fund education at minimum levels pursuant to Proposition 98, the state enacted legislation that shifted partial financial responsibility for funding education from the state to local government (cities, counties and special districts). The state did this by instructing county auditors to shift the allocation of local property tax revenues from local government to ERAFs, directing that specified amounts of city, county and other local agency property taxes be deposited into these funds to support schools.

In addition, 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 5

This bill would establish in state government the Local-State Sustainable Investment Incentive Program, which would be administered by the Sustainable Investment Incentive 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 or transit village development district to apply to the Sustainable Investment Incentive Committee to participate in the program and would authorize the committee to approve or deny applications for projects meeting specific criteria.

Eligible projects would include:

- Housing development plans that propose construction of workforce and affordable housing, and support the construction of housing for all-income ranges consistent with adopted housing elements.
- Fifty percent of the funds must be used to construct workforce and affordable housing;
- Transit-oriented development in priority locations that maximize density and transit use, and contribute to the reduction of vehicle miles traveled and greenhouse gas emissions;
- Infill development by rehabilitating, maintaining and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, street, water, sewer, and other essential services, particularly in underserved areas, and to preserving cultural and historic resources; and
- Promoting strong neighborhoods through supporting local community planning and engagement efforts to revitalize and restore neighborhoods, including repairing infrastructure and parks, rehabilitating and building housing, promoting public-private partnerships, supporting small businesses and job growth for affected residents.

The Sustainable Investment Incentive Committee would be comprised of the following individuals:

1. The Chair of the Strategic Growth Council, or his or her designee;
2. The Chair of the State Infrastructure and Economic Development Bank, or his or her designee;
3. The Chair of the California Workforce Investment Board or his or her designee;
4. Director of the California Housing and Community Development Department, or his or her designee;
5. Two people appointed by the Speaker of the Assembly;
6. Two people appointed by the Senate Rules Committee; and
7. One public member appointed by the Governor who has a background in land use planning, local government, or community development or revitalization.

The bill would require the Sustainable Investment Incentive Committee to adopt guidelines for applications and approve no more than \$200,000,000 per year from July 1, 2020, to June 30, 2025, and \$250,000,000 per year from July 1, 2025, to June 30, 2029, in reductions in annual ERAF contributions for applicants. The Local-State Sustainable Investment Incentive Program is designed as an opt-in program and no affected taxing entities are required to participate. Schools will be made whole by the state backfill mechanism in Proposition 98.

SB 5 would require the Sustainable Investment Incentive Committee, upon approval of a project application, to issue an order directing the county auditor to reduce the total amount of property tax revenue otherwise required to be contributed to the county's ERAF from the applicant by the annual reduction amount approved.

The bill would require a county auditor to transfer to the district or authority an amount of property tax revenue equal to the reduction amount approved by the Sustainable Investment Incentive Committee.

SB 5 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 and would require the Sustainable Investment Incentive Committee to provide a report to the Joint Legislative Budget Committee that includes project information.

SB 5 was introduced by Senators Jim Beall (D-San Jose) and Mike McGuire (D-Santa Rosa), Chairs of the Senate committees on Transportation and Governance & Finance, respectively. Senator Richard Roth (D-Riverside) is a principal coauthor of this measure. A hearing for SB 5 has been scheduled for March 20, 2019 in the Governance and Finance Committee.

Support

- League of California Cities

Opposition

- None

Staff Recommendation

Since the elimination of RDAs, the State has enacted numerous financing tools, but few jurisdictions have taken advantage of them due to their limited financial capacity. With a projected multi-billion State budget surplus for the 2019-20 fiscal year, the time is right for the State to restore more robust financing mechanisms that support local efforts to build more affordable housing, provide essential infrastructure, and create opportunities in underserved communities.

Staff recommends support for SB 5 consistent with Regional Council-adopted policy and legislative priorities to support the restoration of local Redevelopment Agencies (RDAs) and expand the capability for tax increment financing programs.

FISCAL IMPACT:

None

ATTACHMENT(S):

None

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March 8, 2019

The Honorable Jim Beall
California State Senate
State Capitol Building, Room 2082
Sacramento, CA 95814

The Honorable Mike McGuire
California State Senate
State Capitol Building, Room 5061
Sacramento, CA 95814

RE: SB 5 (Beall/McGuire) Local-State Sustainable Investment Incentive Program
Notice of SUPPORT (As Introduced 12/03/2018)

Dear Senator Beall and Senator McGuire:

The League of California Cities is pleased to support your SB 5 (Beall/McGuire), the Local-State Sustainable Investment Incentive Program.

This measure would incentivize cities throughout California to identify innovative solutions to address the housing crisis while also supporting other State policy objectives. The League commends you for recognizing the diversity of California cities and acknowledging the flexibility cities need to spur housing construction and revitalize communities.

Since the elimination of redevelopment agencies in 2011, the Legislature has created several new tools that use tax increment financing, which include the formation of enhanced infrastructure financing districts (EIFD), affordable housing authorities, and community revitalization investment authorities (CRIA). While these new tools can be useful to local agencies, they are widely viewed as lacking sufficient financial capacity compared to what existed under former redevelopment agencies. The limited funding has resulted in few cities taking advantage of these new tools.

SB 5 would create a local-State partnership to provide up to \$2 billion annually to fund State approved affordable housing, infrastructure, and economic development projects that also support State policies to reduce greenhouse gas emissions, expand transit oriented development (TOD), address poverty, and revitalize neighborhoods.

With a projected multi-billion State budget surplus for the 2019/2020 fiscal year, the League believes the time is right for the State to restore more robust financing mechanisms that support local efforts to build more affordable housing, provide essential infrastructure, and create opportunities in underserved communities. The League applauds your leadership in this effort and we look forward to working together on this important issue.

Sincerely,

Jason Rhine
Assistant Legislative Director

cc. The Honorable Richard Roth, Principal Coauthor
Members, Senate Governance and Finance Committee
Anton Favorini-Csorba, Consultant, Senate Governance and Finance Committee
Ryan Eisberg, Policy Consultant, Senate Republican Caucus

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Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017

Agenda Item No. 7
March 19, 2019

To: Legislative/Communications and Membership Committee (LCMC)
From: Estee Sepulveda; Legislative Analyst; (213) 236-1864; Sepulveda@scag.ca.gov
Subject: SB 128 (Beall) – Enhanced Infrastructure Financing Districts: Bonds: Issuance

RECOMMENDED ACTION:

Support

EXECUTIVE SUMMARY:

In response to the dissolution of redevelopment agencies (RDAs), the California Legislature enacted a measure to allow local governments to establish Enhanced Infrastructure Financing Districts (EIFDs). Presently, EIFDs require 55 percent voter approval to issue bonds. Senate Bill (SB) 128 would remove the public vote requirement for bonds issued by an EIFD. Staff recommends that the Legislative/Communications and Membership Committee (LCMC) forward a “support” position recommendation to the Regional Council on SB 128.

STRATEGIC PLAN:

This item supports SCAG’s Strategic Plan, Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

BACKGROUND:

In 2014, the California Legislature approved Senate Bill 628 (Beall) allowing local governments to establish EIFDs. These districts provide local governments a way to finance infrastructure improvement projects with a more limited form of tax increment financing (TIF) to avoid some of the historic issues with RDAs. In particular, EIFDs can only draw tax increment from agencies volunteering funds. EIFDs can provide financing for a broad range of infrastructure work, including traditional public works like flood control and drainage projects, solid waste disposal, port and harbor projects, construction of affordable housing, brownfield restoration, military base reuse, and transit oriented development projects.

Statewide only three EIFDs have been established. Substantial hurdles exist including insufficient city tax increment, difficulty in securing county and special district participation, and organizational challenges in large cities. Based on lessons learned in early district creation efforts, minor improvements to EIFDs through legislation are needed to address these challenges.

SB 128

Introduced by Senator Jim Beall (D-San Jose) on January 10, 2019, SB 128 would authorize an EIFD to issue bonds without submitting a proposal to voters. Public oversight and transparency are already built in to the EIFD process and SB 128 does not propose any changes other substantive changes to EIFDs.

SB 128 was referred to the Senate Committee on Governance and Finance on January 24, 2019. A hearing for SB 128 has been scheduled for March 20, 2019.

Support

- California Association for Local Economic Development (CALED)
- American Planning Association, CA Chapter
- California State Association of Counties (CSAC)
- California Transit Association (CTA)
- City of Indio
- City of Lakeport
- City of West Hollywood
- City of West Sacramento
- Greater Sacramento Economic Council
- Madera County Economic Development Committee

Opposition

- None

Staff Recommendation

Staff recommends a support position for SB 128 consistent with Regional Council-adopted policy and legislative priorities to support expanded capability for TIF programs, including existing EIFD programs. Since the enactment of EIFDs in 2014, only a handful of agencies have utilized them. TIF specially relies on selling bonds and the vote requirement has created uncertainty for EIFD projects making them more expensive to implement. SB 128 proposes to remove the 55 percent voter approval for EIFDs to issue debt. The aim is to provide EIFDs with greater access to capital so they can support longer-term infrastructure commitments. SB 128 provides a solution that will improve the functionality of EIFDs and broaden their use among local agencies.

FISCAL IMPACT:

None

ATTACHMENT(S):

Letter of support from the California State Association of Counties

Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017
Agenda Item No. 7
Attachment No. 1



February 14, 2019

1100 K Street
Suite 101
Sacramento
California
95814

Telephone
916.327.7500
Facsimile
916.441.5507

Honorable Jim Beall
California State Senate
State Capitol Building, Room 2082
Sacramento, California 95814

Re: **Senate Bill 128 (Beall) – Enhanced infrastructure financing district bonds
Support – As Introduced January 10, 2019**

Dear Senator Beall:

On behalf of the California State Association of Counties (CSAC), I'm writing in support of Senate Bill 128, which would remove the public vote requirement for bonds issued by an Enhanced Infrastructure Financing District (EIFD).

In 2015, as redevelopment agencies were winding down, the Legislature authorized the creation of EIFDs. These districts provide a useful tool for local agencies to finance infrastructure improvements using tax increment financing. The infrastructure improvements they can finance, such as bridges, flood control projects, and brownfield cleanup, benefit the entire community and are an important driver of economic development.

Unlike other types of bonds, EIFD bonds are not paid for by an increased tax on properties and do not increase taxes on anyone. They are merely a budgeting decision by local agencies about how to use their existing revenue streams. Tax increment financing specifically relies on selling bonds, so the vote requirement creates uncertainty for EIFD projects and makes them more expensive to implement. We believe SB 128 provides a solution that will improve the functionality of EIFDs and broaden their use among local agencies.

For these reasons, CSAC supports SB 128. Should you have any questions about our position, please contact me at (916) 327-7500, ext. 567.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Geoff Neill', with a stylized flourish at the end.

Geoff Neill
Legislative Representative

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