

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
July 12, 2018**

At 5:35 P.M. the Legislative Committee meeting was called to order in the 2nd Floor auditorium at the San Mateo Transit District Office.

Attendance sheet is attached.

Guests or Staff Attending:

Matt Robinson - Shaw/ Yoder/ Antwih Inc.
Bill Higgins – California Association of Councils of Government (CALCOG) (Call in)
Sandy Wong, Matt Fabry - C/CAG Staff

1. Public comment on related items not on the agenda.

No public comments.

2. Approval of Minutes from June 14, 2018.

Member Garbarino moved and member Vaterlaus seconded approval of the March 8, 2018 minutes. Motion passed unanimously.

3. Update from Shaw/ Yoder/ Antwih (SYA).

Matt Robinson, from Shaw/ Yoder/ Antwih, provided an update from Sacramento.

The Legislature is on summer recess at this time and will reconvene on August 6, 2018.

The Budget was sent to the Governor's office which was signed on June 27, 2018. In the trailer bill a 12-year moratorium on local agency sugar beverage tax was attached to placate the beverage industry, which threatened to introduce a two-thirds requirement on all general taxes. The Governor also added a trailer bill that allows "rainy day fund reserves", above a \$450 million cap, may be split on rail modernization and affordable housing.

Cap and Trade was passed with very similar programs as last cycle with a new emphasis on programs that expand the use of zero emissions vehicles.

The SB 1 repeal effort has been assigned a proposition number (Proposition 6) and will be on the November 2018 ballot. Recent polling is evenly split and the most effective way to message is to describe projects that are at risk if Proposition 6 passes.

Matt Robinson recommended that the Legislative Committee recommend the Board to take action by taking a position on Proposition 6 that is consistent with the Board's opposition of the SB 1 repeal effort.

AB 1405 (Mullin) - Digital Billboards is not moving forward this year as concerns about safety and scenic highway impacts could not be addressed at the time.

SB 961 (Allen) - Second Neighborhood Infill Finance and Transit Improvements Act removes voter approval for tax increment financing for affordable housing and transportation infrastructure to support affordable housing. This bill makes it easier to define financing districts for property tax and sales tax increments. Amendments were made to protect sales tax initiatives passed for other purposes (such as the SamTrans sales tax effort) from being rediverted to this purpose.

Member Papan moved and member Mazur seconded the motion to recommend that the C/CAG Board oppose Proposition 6. Motion passed unanimously.

A call was made to the CALCOG Executive Director, Bill Higgins, to discuss his perspective on the issues surrounding both AB 828 (Weiner) and AB 1771 (Bloom). Both bills had some policy overlaps which are problematic.

AB 828 speaks more to how California Department of Housing and Community Development (HCD) assigns the overall region its number (such as the Metropolitan Transportation Commission (MTC)) and how the region distributes that number.

AB 1771 deals more with after the region gets the number how the region is supposed to distribute numbers between cities and the appeal process with the goal of furthering affordable housing at a regional level.

Higgins view is that this bill has been improved by taking out the 125% of RHNA zoning requirement in addition to the production rollover requirement. The bill has 3 variables that HCD must consider when setting numbers. Those are vacancy rates, overcrowding rates, and number of cost burdened households. The base number could be increased or decreased (it will likely be an increase for San Mateo County) to increase the size of potential sites for development with the assumption that housing units will follow. There are still outstanding concerns by some local agencies regarding using the same vacancy rate number for rentals and for sale units. Many regions would like a range vs. a number.

Regarding the policy overlap. Both bills have a provision that requires a distribution of housing such that more lower income units would have to go to areas of higher wealth. Both are proposing differing methodologies to make that distribution. This is where CALCOG has a concern. CALCOG prefers the methods proposed in SB 828 as a weighting factor over AB 1771. AB 1771 requires a jobs housing fit analysis that is often unavailable or costly to produce.

Member Mazur asked about conflict about how housing may be pushed towards wealthy neighborhoods without transit options while at the same time would also have a weight factor

based on transit hub locations. How does it get reconciled? Because the COG would have more discretion it would give the region more flexibility to make those weights and determinations.

AB 1771 is proposing a more streamlined appeal process which is a positive thing. Under the old process a city would have 60 days to request a revision. The subregion would have 60 days to accept if they would make the change, then there would be another 60 to make an appeal. The proposal allows the Cities to make a request and call it an appeal. This allows other Cities to then comment and then the COG can decide based on all comments received.

AB 1771 also has a different jobs housing fit provision and some consideration of affirmatively furthering affordable housing. There are not as much with this bill except the conflicts with SB 828.

Under these bills COGs are supposed to distribute the housing to address equity and yet the MPO has been given a target to distribute housing to maximize GHG reduction. Those distributions may not look the same and the ability to meet the SB 375 target may be affected. CALCOG wants CARB and HCD to talk and come to one point of resolution.

On a positive note, Blooms office had committed to look at finding funding the RHNA process in the next legislative session.

Member Mazur asked if there were consequences after the inventory of regional fair housing policies take place. The inventory of policies would inform and have an influence of how the numbers get distributed. The League of Cities is still negotiating with the legislatures office on what that would look like.

Member Papan asked about what the League of California Cities (League) concern is at this time. The League is worried about local control and even having the regions make observations about their policies is construed as conceding some of that power. There was a general question as to how the region would judge the effectiveness of a very local policy. The state will not require inclusionary housing rates on a project by project basis.

Member Papan asked about how planned developments were counted or got credit. HCD has a defined process for where they draw the line between planning and construction as far as production credit is concerned. It is not known how temporary rental units are treated by HCD.

In conclusion, staff was directed to facilitate a discussion with others knowledgeable about housing law and policy to investigate the possibility of working with Senator Wiener's office on amendments acceptable to San Mateo County.

Matt Robinson asked if he would recommend C/CAG to take any actions at this time or just to hold tight. Bill said we should thank Weiner and encourage him to talk to Bloom regarding the distribution difference and to point out that it is an unfunded effort. We should also urge him to come back with an idea on how to fund this as part of the budget next year.

Member Mazur requested that, given the short deadlines remaining in session, information about

revisions go out to the members as soon as available. Member O'Connell suggested a recommendation that the Board direct staff to send out any information regarding amendments that they need action on and that the Board authorize the C/CAG Chair and Legislative Chair to direct staff to work with delegate's staff or send letters based on feedback via email. Member Papan stated that any position made should be made by the full Board. (These suggestions were overridden and defined at the C/CAG Board meeting under legal counsel advice).

4. Adjournment

The meeting adjourned at approximately 6:27 P.M.

Legislative Committee 2018 Attendance Record

Agency	Name	Jan	Feb 8	March 8	April 12	May 10	June 14	July 12	August	Sept 13	Oct	Nov	Dec 13		
Foster City	Catherine Mahanpour			x				x							
Hillsborough	Marie Chuang (C/CAG Vice Chair)		N/A	N/A	Canceled	Canceled	x	x		Canceled					
Menlo Park	Catherine Carlton						x	x							
Millbrae	Gina Papan		x	x			x	x							
Pacifica	Sue Vaterlaus		x	x			x	x							
Portola Valley	Maryann Moise Derwin (C/CAG Chair)		x	x			x	x							
Redwood City	Alicia Aguirre		x	x			N/A	N/A					N/A		
Redwood City	Shelly Masur		x	x			x	x							
San Bruno	Irene O'Connell (Leg Vice Chair)		x	x			x	x							
Sounth San Francisco	Richard Garbarino						x	x							
Woodside	Deborah Gordon (Leg Chair)		x	x			x								

 no meeting