



Agenda Report

TO: City Council April 8, 2002
THROUGH: Legislative Committee (April 2, 2002)
FROM: City Manager
SUBJECT: Support AB2863, Housing Element Reform

Recommendation

It is recommended that the City Council:

1. Support AB2863, a legislative vehicle for housing element reform during the 2002 legislative session.
2. Authorize the Mayor to send letters to the appropriate authorities in support of Pasadena's position

Bill Summary

AB2863, sponsored by Assembly Member John Longville, mandates significant housing element reform which shall result in an improved housing element process, and--combined with needed incentives—encourage additional housing as well.

In brief, the principles detailed in the bill are as follows:

- (1) Address issues involving the development of regional housing need projections;
- (2) Resolve issues and problems associated with the distribution of regional housing needs within a council of governments;
- (3) Clarify and improve the housing element review process;

- (4) Develop a neutral dispute resolution process and fair enforcement alternatives to deal with disputes over questions of compliance;
- (5) Develop fiscal tools and incentives to assist local governments in their efforts to encourage housing and finance the infrastructure to support housing, as well as establish an ongoing state commitment to funding affordable housing;
- (6) Require state laws and policies that affect housing and land use to be internally consistent;
- (7) Establish additional legal protections to local agencies that approve affordable housing and that establish local proactive affordable housing policies.

Background

Last year local governments strongly opposed SB 910 (Dunn), which proposed:

1. Fines and penalties for cities and counties which could not gain state approval of the Housing Elements within the state mandated schedule.
2. Presumption of non-validity where local jurisdictions' revisions of their Housing Elements were not approved by the State.
2. State retention of local gas tax revenues or possibly Vehicle License Fees (VHL) revenues until a local government accepted the state's determinations about its Housing Element.

More than 280 cities voiced their opposition to the bill. Their efforts temporarily halted the movement of SB 910, and opened the door for negotiations over alternative approaches. This bill, AB2863, was introduced this session at the request of the League of California Cities and the California State Association of Counties (CSAC) to address the deficiencies of SB910 and establish a better framework for discussion of housing issues.

Although the negotiations with SB 910 supporters so far have been productive, the final outcome of these discussions remains unclear. In this charged legislative environment, the League and other local government groups have continued good-faith negotiations with the working group. However, if the discussions break down, local government groups will need to preserve their options to place a comprehensive housing element reform proposal in front of the Assembly Local Government and Housing Committees.

Fiscal Impact

Adoption of this bill should minimize the non-productive discussions about the housing element between the state and local governments and focus state and local resources upon the provision of affordable housing in an equitable manner. If the bill were to be adopted, additional state resources to assist local governments in the provision of affordable housing would be made available at an undetermined amount at this time.

Respectfully submitted,


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