

Agenda Report

January 31, 2022

TO: Honorable Mayor and City Council

THROUGH: Legislative Policy Committee (January 25, 2022)

FROM: Housing Department

SUBJECT: SUPPORT OF PROPOSED STATE LEGISLATION TO CREATE THE BURBANK-GLENDALE-PASADENA REGIONAL HOUSING TRUST FUND JOINT POWERS AUTHORITY TO GENERATE NEW AFFORDABLE HOUSING FUNDING

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Find that the action proposed herein is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA), State CEQA Guidelines Section 15320 (changes in organization of local agencies); and
- 2) Authorize the Mayor to transmit a letter of support, and staff to work with the office of the State Senator Anthony J. Portantino on proposed legislation which would, among other things, create the Burbank-Glendale-Pasadena Regional Housing Trust Fund joint powers authority to generate new funding to address the need for affordable housing.

BACKGROUND:

A key factor which significantly limits the City's ability to adequately address its affordable housing crisis is the lack of new funding.

However, one solution which may potentially generate significant amounts of funding is being proposed in a bill that State Senator Anthony J. Portantino is considering to introduce to the state legislature. The bill would create a regional housing trust fund that would be administered by a joint powers authority (JPA) comprised of the cities of Burbank, Glendale and Pasadena.

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While there is an affordable housing crisis statewide, the shortage of affordable housing is especially acute in the Arroyo Verdugo region of Burbank, Glendale, and Pasadena due to the high cost of housing in those areas. The cities of Burbank, Glendale, and Pasadena each operate their own respective housing programs which encompass a full spectrum of affordable housing activities including the provision of rental subsidies for very low and extremely low-income households, homeownership opportunities, and the development of large affordable housing projects. The cities of Glendale and Pasadena are two of only three cities in the state to have their own homeless continuum of care and both cities have greatly outperformed their surrounding larger continuums of care in reducing homelessness. Collectively, the cities of Burbank, Glendale, and Pasadena have nearly 3,000 affordable housing units in the combined development pipeline, including permanent supportive housing, senior housing, missing middle housing, and affordable home ownership units. However, there is insufficient funding to bring all the pipeline affordable housing projects to completion. Moreover, the insufficient funding hinders the ability of these cities to grow the pipeline to meet the affordable housing need.

Under the proposed legislation, the Burbank-Glendale-Pasadena regional housing trust JPA would be able to request and receive state funding allocations, as well as authorize and issue bonds, to help finance affordable housing projects for persons and families of extremely low, very low, and low income. This mechanism has the potential to generate significant amounts of funding that could be utilized to address the local affordable housing crisis. The proposed JPA would be modeled after the San Gabriel Valley Regional Housing Trust (2020) and the Orange County Housing Finance Trust (2019). Accordingly, it is recommended that the City support Senator Portantino's introduction of the proposed bill.

COUNCIL CONSIDERATION:

The proposed action supports and promotes two goals of the City's Strategic Plan: 1) improve the quality of life and the local economy; and 2) maintain fiscal responsibility and stability. The proposed action also supports the goals and policies of the City's Housing Element.

ENVIRONMENTAL ANALYSIS:

The recommended action to support proposed state legislation to create a JPA-administered regional housing trust does not have the potential to cause a significant effect on the environment and has been determined to be categorically exempt from environmental review pursuant to the California Environmental Quality Act (CEQA), State CEQA Guidelines Section 15320 (changes in organization of local agencies). This exemption applies whenever local governmental agencies are organizing and this organization does not change the geographical area in which previously existing powers are exercised, and include as an example the creation of subsidiary organization or consolidation of organizations having identical powers. The JPA envisioned herein falls under either of those examples.

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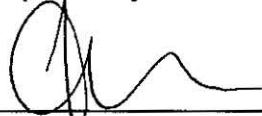
FISCAL IMPACT:

Approval of the subject recommendation will have no direct fiscal impact on the City's FY 2022 operating budget.

Respectfully submitted,


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