



City of Huntington Beach

File #: 21-368

MEETING DATE: 5/3/2021

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Travis K. Hopkins, Assistant City Manager

Subject:

Consider positions on legislation pending before the State and Federal Legislature, as recommended by the Intergovernmental Relations Committee (IRC)

Statement of Issue:

On April 21, 2021, the Intergovernmental Relations Committee (IRC), comprised of Mayor Kim Carr and Council Member Mike Posey (with Mayor Pro Tem Tito Ortiz absent), discussed current State and Federal issues with relevance to Huntington Beach. Following discussion, the IRC chose to take positions on certain proposed legislation, which are presented to the City Council for consideration.

Financial Impact:

Not applicable.

Recommended Action:

Approve one or more City positions on State legislation related specifically to housing issues:

- A. Oppose AB 115 (Bloom)
- B. Oppose AB 1401 (Friedman), unless amended
- C. Oppose SB 6 (Caballero)
- D. Oppose SB 9 (Atkins)
- E. Oppose SB 10 (Weiner)
- F. Support SB 15 (Portantino)
- G. Oppose SB 478 (Weiner)
- H. Oppose AB 602 (Grayson)

Approve one or more City positions on other State legislation:

- A. Support SB 612 (Portantino)
- B. Support SB 555 (McGuire)
- C. Oppose SB 556 (Dodd)

Approve a City position on Federal legislation:

- A. Watch H.R. 5845 (Lowenthal)

Alternative Action(s):

Do not approve one or more recommended legislative positions and direct staff accordingly.

Analysis:

The IRC is recommending positions on State and Federal legislation, which are being presented to the City Council for approval:

State Housing Legislation:

A. OPPOSE AB 115 (Bloom): Planning and zoning: commercial zoning: housing development

AB 115 would require jurisdictions to allow for residential development in commercially zoned areas that are not adjacent to industrial use. These developments must set aside at least 20% of its units for affordable housing and must meet additional conditions including height, floor area ratio and density requirements. *While affordable housing is a priority, this bill would limit the City's oversight, particularly over commercially zoned areas that may not be appropriate for a residential development.*

B. OPPOSE UNLESS AMENDED AB 1401 (Friedman): Residential and commercial development: parking requirements.

This bill would prohibit local governments from enforcing their parking requirements on residential and commercial developments that are within ½ mile of public transit or low vehicle miles traveled areas. The bill would not preclude a local government from imposing requirements when a project provides parking voluntarily to require spaces for car share vehicles. *The IRC believes that parking requirements should remain a local issue and maintains an oppose position to AB 1401, unless it was amended to exclude commercial developments, which are not as highly impacted by parking requirements as residential developments.*

C. OPPOSE SB 6 (Caballero): Local planning: housing: commercial zones

This bill would deem a housing development project as an allowable use on a neighborhood lot, which is defined as a parcel within an office or retail commercial zone that is not adjacent to an industrial use. The bill would require the density for a housing development to meet or exceed the density deemed appropriate to accommodate housing for lower income households according to the type of local jurisdiction. *The bill's requirements will likely conflict with the City's current zoning requirements.*

D. OPPOSE SB 9 (Atkins): Housing development: approvals.

This bill would require a proposed housing development containing no more than 2 residential units within a single-family residential zone to be considered ministerially, if the proposed housing development meets certain requirements. *Combined with current accessory dwelling unit law, SB 9 will allow even more units to be built on the same parcel without public review, which may present a concern.*

E. OPPOSE SB 10 (Weiner): Planning and zoning: housing development: density.

Authorizes a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site. *These developments would not be subject to CEQA, which presents a loss of oversight from both the public and local government.*

F. SUPPORT SB 15 (Portantino): Housing development: incentives: rezoning of idle retail sites.

This bill would require the Department of Housing and Community Development to administer a program to provide local governments with grants to rezone idle sites used for a big box retailer or a commercial shopping center to instead allow the development of housing, as defined. *As the retail model evolves and large commercial spaces are not required, this bill gives local governments the funds needed to rezone areas that may be better suited for a housing development.*

G. OPPOSE SB 478 (Weiner): Planning and Zoning Law: housing development projects.

This bill would prohibit a local agency from imposing a floor-to-area ratio standard that is less than 1.0 on a housing development project that consists of 3 to 7 units, or less than 1.25 on a housing development project that consists of 8 to 10 units. The bill would prohibit a local agency from imposing a lot coverage requirement that would preclude a housing development project from achieving the floor-to-area ratios described above. *The IRC*

could not issue a support position due to the lack of additional, key details including density requirements.

H. OPPOSE AB 602 (Grayson): Development fees: impact fee nexus study.

This bill would require the State to create an impact fee nexus study template that may be used by local jurisdictions. The bill would require that the template include a method of calculating the feasibility of housing being built with a given fee level. Bill would require local governments to include additional information and new requirements into their impact fee studies and requires that an impact fee nexus study be adopted prior to the adoption of an associated development fee or exaction. *The IRC opines that impact fees should only be set and disbursed by the local jurisdiction that will be impacted by the development assessed the fee.*

Other State Legislation:

A) SUPPORT SB 612 (Portantino): Electrical corporations: allocation of legacy resources

Would require an electrical corporation, by July 1, 2022, and not less than once every 3 years thereafter, to offer an allocation of each product, as defined, arising from legacy resources, as defined, to its bundled customers and to other load-serving entities, defined to include electric service providers and community choice aggregators (CCA), serving departing load customers, as defined, who bear cost responsibility for those resources. The bill would authorize a load-serving entity within the service territory of the electrical corporation to elect to receive all or a portion of the vintaged proportional share of products allocated to its end-use customers and, if so, require it to pay to the electrical corporation the commission-established market price benchmark for the vintage proportional share of products received. *This bill will help ensure that the City's future CCA customers receive the same benefits as legacy customers who choose to remain with Southern California Edison.*

B) SUPPORT SB 555 (McGuire): Local agencies: transient occupancy taxes: short-term rental facilitator: collection.

Would authorize a local agency to enact an ordinance exclusively delegating its authority to collect any transient occupancy tax imposed by that local agency on short-term rentals to the California Department of Tax and Fee Administration and to enter into a contract with the department for purposes of registration, rate posting, collection, and transmission of revenues necessary to collect and administer any transient occupancy tax imposed on a short-term rental as specified in this bill. *This bill would standardize and streamline the payment and collection of taxes for all parties, including short-term rental owners and the City, respectively.*

C) OPPOSE SB 556 (Dodd): Street light poles, traffic signal poles: small wireless facilities attachments.

Would prohibit a local government or local publicly-owned electric utility from unreasonably denying the leasing or licensing of its street light poles or traffic signal poles to communications service providers for the purpose of placing small wireless facilities on those poles. The bill would require that street light poles and traffic signal poles be made available for the placement of small wireless facilities under fair, reasonable, and nondiscriminatory fees, subject to specified requirements, consistent with a specified decision of the Federal Communications Commission. *This bill would limit the City's control over its own infrastructure, as well as its ability to set the appropriate fees needed to recover costs associated with the placement of these wireless facilities.*

Federal Legislation:

1. WATCH HR 5845: Break Free from Plastic Pollution Act.

The bill makes certain producers of products (e.g., packaging, paper, single-use products, beverage containers, or food service products) fiscally responsible for collecting, managing, and recycling or composting the products after consumer use. In addition, the bill establishes (1) minimum percentages of products that must be reused, recycled, or composted; and (2) an increasing percentage of recycled content that must be contained in beverage containers. Beginning on January 1, 2022, the bill phases out a variety of single-use products, such as plastic utensils. The bill also sets forth provisions to encourage the reduction of single-use products, including by establishing programs to refund consumers for returning beverage containers and by establishing a tax on carryout bags. The bill

creates a temporary moratorium on new or expanded permits for facilities that manufacture plastics until regulations are updated to address pollution from the facilities. Finally, the bill establishes limitations on the export of plastic waste to other countries.

Environmental Status:

Not applicable .

Strategic Plan Goal:

Non Applicable - Administrative Item

Attachment(s):

1. Summary of Housing Bills
2. Oppose AB 115 (Bloom)
3. Oppose AB 1401 (Friedman), unless amended
4. Oppose SB 6 (Caballero)
5. Oppose SB 9 (Atkins)
6. Oppose SB 10 (Weiner)
7. Support SB 15 (Portantino)
8. Oppose SB 478 (Weiner)
9. Oppose AB 602 (Grayson)
10. Support SB 612 (Portantino)
11. Support SB 555 (McGuire)
12. Oppose SB 556 (Dodd)
13. Watch HR 5845 (Lowenthal)