



City of Huntington Beach

File #: 21-501

MEETING DATE: 7/6/2021

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 June 16, 2021, the Intergovernmental Relations Committee (IRC), comprised of Mayor Kim Carr and Mayor Pro Tem Barbara Delgleize (with Council Member Mike Posey absent) discussed 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 further consideration.

Financial Impact:

Not applicable.

Recommended Action:

Approve one or more City positions on the following State and Federal legislation:

- A) Support AB 571 (Mayes) - Impact Fees for Affordable Housing Units
- B) Oppose AB 215 (Chiu) - Relative Progress Determination for Housing Elements
- C) Support HR 2307 (Deutch) - Carbon Dividend Trust Fund

Alternative Action(s):

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

Analysis:

On June 16, 2021, the IRC recommended positions on the following State and Federal legislation, which are being presented to the City Council for consideration:

1. SUPPORT - AB 571 (Mayes) - Impact Fees for Affordable Housing

This bill prohibits a city or county from imposing affordable housing impact fees, including inclusionary zoning fees or in-lieu fees, on a housing development's affordable units. These types of fees may potentially affect the overall cost of a project, which may be passed along to the income restricted buyers or renters of these affordable housing units. *The City does not impose these types of impact fees on affordable housing and is supportive of legislation that supports this position.*

2. OPPOSE - AB 215 (Chiu) - Relative Progress Determination for Housing Elements

This bill, starting with the 6th housing element revision, would require the California Department of Housing and Community Development (HCD) to determine the relative progress toward meeting regional housing needs of each jurisdiction. The bill would require HCD to make this determination based on the information contained in the annual reports submitted by each jurisdiction. *The IRC opposes this bill, which imposes new state mandates on local jurisdictions that experience "low progress" on housing production. These jurisdictions would be forced to consult with HCD and potentially adopt certain housing policies, without first determining if they are effective.*

3. SUPPORT - HR 2307 (Deutch) - Energy Innovation and Carbon Dividend Act of 2021

This bill imposes a fee on the carbon content of fuels, including crude oil, natural gas, coal, or any other product derived from those fuels that will be used so as to emit greenhouse gases into the atmosphere. The fee is imposed on the producers or importers of the fuels and is equal to the greenhouse gas content of the fuel multiplied by the carbon fee rate. The rate begins at \$15 per metric ton of CO₂-e in 2021, increases by \$10 each year, and is subject to further adjustments based on the progress in meeting specified emissions reduction targets. The fees must be deposited into a Carbon Dividend Trust Fund and used for administrative expenses and dividend payments to U.S. citizens or lawful residents. The fees must be decommissioned when emissions levels and monthly dividend payments fall below specified levels. *The IRC supports this bill as it may help reduce the nation's carbon footprint and support the City's efforts towards green industries and environmental sustainability.*

Environmental Status:

Not applicable.

Strategic Plan Goal:

Non Applicable - Administrative Item

Attachment(s):

1. AB 571 (Mayes)
AB 215 (Chiu)
2. HR 2307 (Deutch)