



City of Culver City

Staff Report

File #: 22-18, Version: 1

Item #: A-2.

CC - (1) Consideration of a Support Position for SB 679 (Kamlager) - Los Angeles County: Affordable Housing; and (2) Direction to the City Manager as Deemed Appropriate.

Meeting Date: June 28, 2021

Contact Person/Dept: Shelly Wolfberg/City Manager's Office
Phone Number: (310) 253-6000

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No **Date:**

Public Notification: (E-Mail) Senator Kamlager's Office, Meetings and Agendas - City Council (06/23/2021)

Department Approval: John M. Nachbar, City Manager (06/23/2021)

RECOMMENDATION

Staff recommends the City Council (1) consider a support position for SB 679 - Los Angeles County: affordable housing; and (2) provide direction to the City Manager as deemed appropriate.

BACKGROUND

At the June 7, 2021 City Council Meeting, the City Council achieved consensus to agendaize a City Council item to consider supporting SB 679 (Attachment 1) to be brought back for approval at a future City Council meeting. This Staff Report was originally scheduled for consideration at the June 14, 2021 City Council Meeting however was not heard due to time constraints.

About SB 679

Existing law provides for the establishment of various special districts that may support and finance housing development, including affordable housing special beneficiary districts that are authorized to promote affordable housing development with certain property tax revenues that a city or county would otherwise be entitled to receive. This bill, the Los Angeles County Regional Housing Finance Act, would establish the Los Angeles County Affordable Housing Solutions Agency (LACAHS) and

would state that the agency's purpose is to increase affordable housing in Los Angeles County by providing for significantly enhanced funding and technical assistance at a regional level for renter protections, affordable housing preservation, and new affordable housing production, as specified. The bill would require a board composed of 19 voting members and one nonvoting member from Los Angeles County, as specified, to govern the agency.

Fiscal Comments

According to the Senate Appropriations Committee, there are estimated initial costs of over \$1 million annually, at a minimum, to provide staffing and resources to establish and support LACAHSAs, until it places a revenue generating proposal on the ballot that is passed by the voters and the agency becomes self-sufficient. These costs would increase as the agency hires more staff to support its functions. Since the bill does not specify a revenue source or mechanism for startup costs, staff assumes that any initial administrative costs would be borne by the State's General Fund. Staff notes that the LACAHSAs are modeled after Bay Area Housing Finance Authority (BAHFA), but the statute establishing BAHFA required the authority to be governed by the Metropolitan Transportation Commission (MTC) governing board and staffed by MTC's existing staff. This bill does not specify how LACAHSAs will be initially staffed.

Local costs to establish and administer the LACAHSAs could be subject to state-reimbursement from the State General Fund to the extent a successful claim is filed with the Commission on State Mandates.

As of April 19, 2021, several entities have taken support positions on SB 679, based on the bill's text dated April 5, 2021. There currently are no entities listed as opposing SB 679, and as of June 2, 2021, this bill is at the Assembly Desk.

DISCUSSION

The City Council is requested to consider whether it wants to support SB 679, as it is currently written. The City's Legislative and Policy Platform (LPP) does not provide clear direction to either support or oppose what is recommended in SB 679. However, among other positions in the LPP, the LPP supports efforts to (1) increase funding and programs to provide housing and supportive services to homeless individuals, (2) participate in the County of Los Angeles's effort to combat homelessness and further explore and collaborate with the County to identify and enhance support available for community members who are experiencing homelessness, and (3) provide federal and state funding and grants that support the creation of and maintenance of existing affordable housing within the City.

If the City Council takes a position on this bill, staff will transmit the position letter to the bill's author and appropriate committee members. Staff will monitor any future amendments to SB 679 to determine whether they are consistent with the City Council's direction to continue to submit position letters.

FISCAL ANALYSIS

Discussion and direction regarding this matter does not create a fiscal impact to the City.

ATTACHMENTS

1. 2021-06-28__ATT__ SB 679 (Kamlager)

MOTION

That the City Council:

1. Discuss and consider a support position for SB 679; and
2. Provide direction to the City Manager as deemed appropriate.