



HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT POLICY COMMITTEE HIGHLIGHTS

Thursday, January 26, 2023

ATTENDANCE: Dan Wright (Chair); Yvonne Martinez-Beltran (Vice Chair); Alexander Damon; Kristi Becker; Dennis Beckwith; LaTanya Bellow; Aaron Benjamin; Ken Berkman; Harry Black; Gary Boyer; Susan Candell; Leslie Castellano; Debbie Chamberlain; Monica Davis; Debra Dorst Porada; Marilyn Ezzy Ashcraft; PJ Gagajena; Marshall Goodman; Cecilia Hupp; Richard Hurt; Adria Jimenez; Tammy Kim; Yvonne Kimball; Dennis La; Kari Leon; Sergio Lopez; Stacey Mattina; Thaddeus McCormack; Jovita Mendoza; Lisa Motoyama; Vong Mouanoutoua; Mark Nagales; Jennifer Nakamura; Chris Nigg; Beth Painter; Alice Patino; Sandy Rains; Crystal Ruiz; Cindy Silva; Wes Speake; Fred Strong; Darren Suen; Greg Terry; Julie Testa; Maureen Toms; David Torres; Anthony Valdez; Anna Velazquez; David Wright; David White; Brad Wungluck

Cal Cities Partners: Zeke Jenkins

Staff: Jason Rhine, Assistant Legislative Director

I. **Welcome and Introductions**

President Ali Sajjad Taj, Council Member, Artesia, welcomed everyone to the first policy committee meeting of the year and thanked members for their service to all California cities. He explained that policy committees are vitally important and directly connected to Cal Cities' core mission of advocating for the common interests of cities.

President Taj then introduced Carolyn Coleman, Cal Cities Executive Director and CEO. Ms. Coleman welcomed committee members and thanked them for their service to their cities and Cal Cities. She explained that the policy committee process is central to Cal Cities advocacy, ensuring it is member driven and represents the interests of cities across California. Ms. Coleman thanked committee members again for serving on the committees and wished them a great meeting.

Chair Wright and Vice Chair Martinez-Beltran welcomed committee members and introduced themselves.

II. **Public Comment**

No public comment received.

III. **General Briefing**

In accordance with the customary practice of convening all policy committee members for a general briefing prior to the start of policy committee meetings, Cal Cities staff provided a General Briefing of all policy areas, which includes the latest on legislative and budgetary matters affecting cities, as detailed below. The

Advocacy team's complete analysis of the [Governor's proposed budget for 2023-24](#) and the [2023 Advocacy Priorities](#) are available on the Cal Cities' website.

- **Community Services:** The Governor's proposed 2023-24 budget maintains funding for homelessness and urges the Legislature to introduce new accountability measures for local governments, included in [AB 799](#) (Luz Rivas, 2023). In 2023, Cal Cities will focus on implementing the Community Assistance, Recovery and Empowerment (CARE) Act, modernizing the behavioral health system, addressing the substance use crisis, including fentanyl overdoses among young Californians, and securing ongoing funding for cities to address homelessness.
 - [Caroline Cirincione](#), *Legislative Affairs, Lobbyist*
- **Environmental Quality:** The Governor's proposed 2023-24 budget includes reductions in climate resiliency commitments, including programs for addressing extreme heat, community resilience, and coastal resilience. The \$180 million that Cal Cities secured in the 2022 Budget Act for the implementation of organic waste diversion (SB 1383, Lara, 2016), remains in the budget. Throughout 2023, Cal Cities will focus on implementing [SB 54](#), landmark single-use plastic legislation enacted in 2022.
 - [Nick Romo](#), *Legislative Affairs, Lobbyist*
- **Governance, Transparency, and Labor Relations:** Cal Cities is focused on modernizing the Brown Act and ensuring flexibility for local governments in hiring retired annuitants, while opposing legislation that could impact CalPERS returns, such as legislation to divestment from certain industries.
 - [Johnnie Ping](#), *Legislative Affairs, Lobbyist*
- **Housing, Community, and Economic Development:** The Governor's proposed 2023-24 budget reduces funding for housing programs, including the Dream For All Program, CalHome Program, and Accessory Dwelling Unit Program. Cal Cities will continue to monitor and advocate for sustainable funding for affordable housing, while also monitoring restrictions on local land use authority, changes to development fees, and potential changes to [SB 35](#) (Wiener, 2017), which requires local governments to streamline certain housing projects.
 - [Jason Rhine](#), *Assistant Director, Legislative Affairs*
- **Public Safety:** The Governor's proposed 2023-24 budget prioritizes addressing the substance use crisis with nearly \$100 million to respond to fentanyl use, while also planning to close several state prisons and related prison facilities. Cal Cities will continue to monitor issues such as initiatives to change Proposition 47, emergency medical services efficiencies, emergency preparedness/response, and behavioral health.
 - [Elisa Arcidiacono](#), *Legislative Affairs, Lobbyist*
- **Revenue and Taxation:** Cal Cities is committing to preserving existing local revenue streams and bolstering local fiscal sustainability. Cal Cities is strongly opposed to the [California Business Roundtable ballot measure](#) that would restrict new or increased taxes and jeopardize local fiscal sustainability and is actively monitoring introduced legislation that would create new tax exemption programs that would reduce local tax revenues.
 - [Jessica Sankus](#), *Senior Policy and Legislative Affairs Analyst*
- **Transportation, Communications, and Public Works:** Cal Cities is working with the California Air Resources Board to draft new language for its proposed Advanced

Clean Fleets regulations, local and state transportation funding, broadband expansion, and recycled water.

- o [Damon Conklin](#), *Legislative Affairs, Lobbyist*

IV. Existing Policy and Guiding Principles

Cal Cities staff provided an overview of the existing policy and guiding principles that pertain to HCED. Committee members were also directed on where to find this information on [Cal Cities website](#).

V. Cal Cities 2023 Advocacy Priorities

The [2023 Advocacy Priorities](#) were presented to the committee. The Cal Cities 2023 Advocacy Priorities are as follows:

1. Protect and expand investments to prevent and reduce homelessness.
2. Increase the supply and affordability of housing while retaining local decision-making.
3. Improve public safety in California communities.
4. Safeguard essential local revenues and support fiscal sustainability.

VI. Adoption of 2023 Work Program

Committee members had a lengthy discussion regarding what HCED should focus on in addition to the strategic goals. The committee voted unanimously to better understand and discuss the following issues:

- Economic development – tax increment financing; job creation; tying together housing production with transportation; water infrastructure; accessibility; and transit.
- Local control – better define.
- Protect existing affordable housing stock.
- Build more housing – missing middle; workforce housing; affordably priced housing; affordable by design; diversity of housing types.
- Regional housing needs allocation (RHNA) – reform the system; methodology; and regional sharing.

VII. Our Neighborhood Voices Draft Land Use Initiative

HCED discussed the ONV land use initiative at great length. Committee members had an opportunity to ask Cal Cities Special Counsel Betsy Strauss questions and provide feedback. The feedback is summarized as follows:

- Nearly all committee members that spoke support Cal Cities mission to enhance and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.
- Some committee members support the ONV land use initiative in the current draft form.
- Some committee members support the concept of providing cities more local control, but changes need to be made to the ONV land use initiative draft to better specify “covered state statutes.”
- Some committee members want Cal Cities to offer amendments to the draft ONV land use initiative to gain support or development of a new

constitutional amendment that Cal Cities can pursue. Committee members expressed an interest in forming a working group to assist with drafting.

- Committee members also expressed the desire to better define “local control.”

VIII. Legislative and Budget Update

Cal Cities staff provided a legislative and budget update. With regard to the budget, the Governor has proposed to cut \$350 million from the first-time homebuyers' program and the ADU loan program. No new money is allocated to existing affordable housing programs. Committee members also received an overview of the upcoming legislative deadlines and policy committee process.

IX. Adjourn