LEAGUE OF CALIFORNIA CITIES

# 2022 May Legislative Meeting Priority Highlights

1. **2022-23 State Budget Request:** Cal Cities is calling on lawmakers to draw on the state's estimated $68 billion surplus and allocate $1.6 billion for programs that achieve shared city and state goals, as well as reimburse cities for state unfunded mandates.

   - **$500 million for the creation of the Housing and Economic Development Program.**
     - What California needs now is a funding commitment to housing that matches the scale of this crisis. Cities urge the Governor and lawmakers to allocate $500 million to create a state-local partnership to help finance housing projects, incentivize development, and kick start real progress toward housing production goals.
     - This program would encourage partnerships between state and local agencies by providing matching funds to cities that adopt local tax increment financing tools to support affordable housing, upgrade essential infrastructure, and spur economic development.
     - Existing tax increment financing tools help stimulate housing production and address important infrastructure needs, however they lack sufficient financial capacity — due in part to the absence of state participation — and are underutilized.

   - **$933.5 million for unfunded state mandates.**
     - The state owes more than $933.5 million to cities, counties, and special districts for costs related to state mandates incurred after 2004. Of that amount, $466.6 million — not counting interest — is owed to cities.
     - The pandemic demonstrated the vital role that cities play in California's economy and the important services they provide to the public.
     - A strong city budget creates strong, resilient communities and this allocation would help ensure that cities can continue to meet shared local and state priorities.

   - **$180 million for organic waste recycling.**
     - As a key player in the state's ability to achieve its solid waste management and recycling roles, cities are urging the state include $180 million in the 2022-23 State Budget to help cities develop and implement SB 1383 (Lara, 2016) organic waste recycling programs.
     - This funding will help local governments implement collection, education, outreach, edible food recovery, procurement activities, and capacity planning, and minimize the financial burden the cost of implementing these regulations could have on taxpayers.

2. **Housing:** Cal Cities is calling on lawmakers to oppose SB 897 (Wieckowski), AB 2011 (Wicks), and AB 2097 (Friedman). These bills disregard local zoning and development standards, restrict local decision-making, and eliminate community input.

3. **Infrastructure:** Cal Cities is urging lawmakers to support AB 2120 (Ward), which would ensure 55% of the bridge funds headed to California through the federal infrastructure package are allocated to local projects through a needs-based allocation. This change would nearly double federal funding available to local bridges to an estimated $800 million annually.

4. **Homelessness:** Cal Cities is calling on lawmakers to support AB 2547 (Nazarian), SB 929 (Eggman), and SB 1154 (Eggman), which would increase data to improve access to behavioral health services — especially for unhoused residents — and provide housing subsidies for vulnerable populations who are either experiencing homelessness or at imminent risk of experiencing homelessness.

5. **Climate Resiliency:** Cal Cities is a proud co-sponsor of AB 1985 (R. Rivas), which would create an online database of organic waste products on the market so local governments can connect with local farmers and community members seeking their organic waste products and continue to explore needed changes to the procurement requirement in the SB 1383 (Lara, 2016) regulations.

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# Housing

**2022 Cal Cities Action Agenda priority**

Secure funding to increase the supply and affordability of housing and reform state housing laws to retain local authority.

Housing supply and affordability are two of the most critical issues facing Californians today. Cities are currently making significant investments to update housing plans to accommodate millions of new units of housing. By the end of 2022, hundreds of cities will have identified and planned for more than two million units of additional housing statewide. Those two million units are on top of the millions of homes that cities have already planned, zoned, and approved previously. Despite this progress, many of the proposed housing bills in recent years include policies that override constitutionally recognized local decision-making, disregard community input, and do little to spur much-needed housing construction.

## Priority housing bills

**$500 million State Budget request: Creation of the Housing and Economic Development Program. SUPPORT**

Cal Cities is calling on the Governor and lawmakers to allocate $500 million in the budget for a new Housing and Economic Development Program. This program would encourage partnerships between state and local agencies by providing matching funds to cities that adopt local tax increment financing tools to support affordable housing, upgrade essential infrastructure, and stimulate economic development.

**SB 897 (Wieckowski) Accessory Dwelling Units. OPPOSE**

This measure would significantly amend the statewide standards that apply to locally adopted ordinances concerning the construction of accessory dwelling units (ADUs), even though the law has been substantially amended nearly every year since 2016. SB 897 would require cities to allow ADUs to be constructed with a height of up 25 feet and permit constructed ADUs that are in violation of state building standards and in violation of local zoning requirements.

**AB 2011 (Wicks) Affordable Housing and High Road Jobs Act of 2022. OPPOSE**

This measure would require nearly all cities to ministerially approve, without condition or discretion, certain affordable and mixed-use housing developments in areas of a city where office, retail, or parking are principally allowed regardless of any inconsistency with a local government's general plan, specific plan, zoning ordinance, or regulation.

**AB 2097 (Friedman) Residential and Commercial Development. Parking Requirements. OPPOSE**

This measure would prohibit a local government from imposing or enforcing a minimum automobile parking requirement on residential, commercial, or other developments, without regard to the development size, if the development is located on a parcel within one-half mile of public transit.

## Why these bills matter to cities

- A major obstacle for cities to effectively plan and zone for more housing is the state's unrelenting push to legislate how we get that done, especially when much of recent legislation disregards local decision-making and community involvement. New, unproven, one-size-fits-all policies are not what is needed.

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# Housing

- What California needs now is a funding commitment to housing that matches the scale of this crisis. Cities urge the Governor and lawmakers to create a state-local partnership to help finance housing projects, incentivize development, and kick start real progress toward housing production goals.
- ADU standards have been substantially amended nearly every year since 2016, forcing city staff to expend limited resources to constantly update their locally adopted ordinances and with no demonstratable impact on increasing housing supply. SB 897 would once again amend the statewide standards, and cause disruption to already established communities.
- Cal Cities embraces mixed-use infill development as part of the solution to the housing crisis, however AB 2011 disregards local planning and zoning and fails to take into account the role local land use and zoning rules play in generating tax revenues, creating job centers, and providing local services.
- AB 2097 would give developers — who are unaccountable to local voters — the power to determine parking requirements for new buildings near public transit routes. This bill could in fact negatively impact the State's Density Bonus Law by no longer requiring developers to include affordable housing units in the project in exchange for a reduction in parking requirements. A one-size-fits-all approach to a one-size-fits-none issue will not work, as parking requirements are most successfully established at the local level based on community input and needs.

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# Infrastructure

**2022 Cal Cities Action Agenda priority**

Attain investments to strengthen and sustain critical infrastructure.

Construction, maintenance, and operation of the state's infrastructure network is a major economic driver that all Californians depend on. Whether traveling by foot, bicycle, bus, rail, truck, or family automobile, Californians need a reliable and well-maintained local streets, roads, and bridges system.

With insufficient funding streams, it has long been a challenge for cities to maintain California's vast network of streets, roads, and bridges with. The local transportation funds that cities receive through SB 1 (Beall, 2017) help address this issue, however significant funding gaps for local infrastructure projects remain.

The local bridge repair and replacement needs are acute in California. California has over 12,000 locally-owned bridges — more than 4,300 of which are in need of serious and costly repairs. Despite many of these bridges being designed with a life expectancy of 75 to 100 years, nearly one-fifth of local bridges in California are at least 80 years old.

The recently passed federal infrastructure package will provide much-needed funding for road and bridge repairs that are desperately needed in communities throughout the state. California cities are eager to put these investments to work so they can invest in maintaining their infrastructure to prevent further deterioration or streets, roads, and bridges that are in poor condition.

## Priority infrastructure bill

**AB 2120 (Ward) Federal funding for local bridges. SUPPORT**

This measure would ensure 55% of the bridge funds headed to California through the federal infrastructure package are allocated to local projects through a needs-based allocation. These changes would more than double federal funding available to local bridges annually to an estimated $800 million.

## Why this bill matters to cities

The federal infrastructure package provides transformative investments for critical road and bridge repair. AB 2120 would invest billions of dollars over the next few years in repairing and replacing local bridges in communities across the state to address critical safety issues and deferred maintenance.

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# Homelessness

**2022 Cal Cities Action Agenda priority**

Secure increased funding and resources to prevent homelessness and assist individuals experiencing homelessness.

California has experienced an alarming spike in homelessness over the past decade, with a significant increase in the number of unsheltered people in cities. Cities throughout the state are at the forefront of responding to this crisis, providing temporary and emergency housing and partnering with counties to help connect individuals with behavioral health services. However, additional funding is needed to provide navigation assistance, emergency shelters, permanent supportive housing, and services.

Cal Cities supports the efforts of the Legislature and Governor to provide additional resources to unhoused residents, and will continue to engage on legislation related to behavioral health services, conservatorship reform, and data collection to improve service outcomes.

## Priority homelessness bills

**AB 2547 (Nazarian) Housing Stabilization to Prevent and End Homelessness Among Older Adults and People with Disabilities Act. SUPPORT**

This measure would require the Department of Aging to create and administer a competitive grant program to provide housing subsidies to older adults and individuals with disabilities who are either experiencing homelessness or at imminent risk of experiencing homelessness.

**SB 929 (Eggman) Community mental health services: data collection. SUPPORT**

This measure would expand the type of data the State Department of Health Care Services would be required to collect and publish related to conservatorship in California.

**SB 1154 (Eggman) Facilities for mental health or substance use disorder crisis: database. SUPPORT**

This measure would establish a real-time bed registry to collect, aggregate, and display information to help providers quickly find treatment for clients, thereby reducing delays or extended stays in emergency rooms.

## Why these bills matter to cities

- Homelessness is a humanitarian crisis. Cities throughout the state have been focused on assisting those experiencing homeelssnes, however no single municipality has the resources to solve the crisis on its own.
- Increasing access to data illustrating effective behavioral health services is essential to understanding which local, regional, and state programs are creating real results and how state resources can be directed to those programs. That is why Cal Cities supports SB 929 (Eggman)and SB 1154 (Eggman), which would improve outcomes for these critical services.
- City officials are working hard to support California's unhoused population, particularly those within our aging community and those with disabilities. AB 2547 (Nazarian) is a step in the right direction, focusing on preventing homelessness for those at risk by keeping individuals in their homes.

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# Climate Resiliency

**2022 Cal Cities Action Agenda priority**

Strengthen disaster preparedness, resiliency, and recovery from climate change impacts through improved collaboration and resources.

The impacts of climate change on our state and in our communities are undeniable. In cities throughout California, local officials are responding to hotter summers, more devastating fire seasons, extreme drought, and rising sea levels that threaten coastal communities.

Climate change is causing varied and real impacts, and one of the contributing factors to the climate crisis is greenhouse gases, such as methane, that are released from landfilled food and yard waste. City leaders are developing innovative solutions to implement the state's new organic waste recycling and food recovery regulations (SB 1383, Lara, 2016). However, the significant cost to create, implement, and operate this new program is forcing some cities to divert existing resources from essential city services and is increasing the financial burden on taxpayers.

Cities greatly appreciate funding from the Legislature and Governor to help cities implement the organic waste diversion regulations in last year's budget. However, the funding provided is a drop in the bucket when compared to the magnitude of resources cities need to implement these regulations. As local jurisdictions ramp up their organic waste collection programs, many cities are also struggling to meet the organic waste procurement requirements, due to a limited amount of organic waste infrastructure throughout the state.

## Priority climate resiliency bills

**$180 million State Budget request: Local Assistance for Organic Waste Recycling Program Development and Implementation. SUPPORT**

Cal Cities is spearheading a coalition budget ask for $180 million to help cities and counties implement the state's organic waste diversion regulations. This funding will help cities implement an important greenhouse gas emission reduction law without a significant cost increase for taxpayers.

**AB 1985 (R. Rivas) Organic waste: list: available products. SUPPORT**

Cal Cities is a proud co-sponsor of AB 1985, which would create an online database of organic waste products on the market so local governments can connect with local farmers and community members seeking their organic waste products and continue to the conversation around needed tweaks to the procurement requirements in the SB 1383 regulations.

## Why these bills matter to cities

- Local governments are the backbone for achieving California's solid waste management and recycling goals. While we greatly appreciate the implementation funding for cities in previous budget cycles, cities need additional funding and resources to help implement this important greenhouse gas emission reduction program and keep solid waste and recycling rates from increasing for ratepayers.

- Organic waste infrastructure throughout the state is severely lacking, and many cities are struggling to procure their required organic waste products. With cities and counties required to procure large amounts of compost and mulch per year, AB 1985 will help send these products where they are needed, while also maximizing the benefits to local communities.