



Legislation Details (With Text)

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Title: CONSIDER A LETTER OF SUPPORT REGARDING THE CREATION OF THE SOUTH BAY REGIONAL HOUSING TRUST WITH THE STATED PURPOSE OF FUNDING HOUSING TO ASSIST THE HOMELESS POPULATION AND PERSONS AND FAMILIES OF EXTREMELY LOW, VERY LOW, AND LOW INCOME WITHIN THE SOUTH BAY (CITY COUNCIL)

Sponsors:

Indexes:

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Attachments: 1. BILL LANGUAGE_5.10.22 RN2213172 (South Bay Regional Housing Trust).pdf, 2. Draft Support Letter From Cities to COG re RHT.pdf

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, June 07, 2022

Consent

SUBJECT:

CONSIDER A LETTER OF SUPPORT REGARDING THE CREATION OF THE SOUTH BAY REGIONAL HOUSING TRUST WITH THE STATED PURPOSE OF FUNDING HOUSING TO ASSIST THE HOMELESS POPULATION AND PERSONS AND FAMILIES OF EXTREMELY LOW, VERY LOW, AND LOW INCOME WITHIN THE SOUTH BAY (CITY COUNCIL)

I. SUMMARY

The South Bay Cities Council of Governments ("SBCCOG") Board of Directors held a special meeting on April 11th to discuss the potential creation of a South Bay Regional Housing Trust which would provide loans to facilitate the construction of affordable housing in participating cities. The Board is asking each city in the South Bay to support proposed formation legislation in concept as well as to support a state budget request for seed funding. Further, the legislators would like an indication - without a commitment - of whether each city would be interested in being a charter member of the regional housing trust should it be created.

At the Special Meeting, the SBCCOG Board approved a motion to move forward in the

following ways:

- Support requesting legislation to form a South Bay Regional Housing Trust
- Support requesting seed funding from the state budget
- Direct Board Members to return to their respective city councils to find out if their city is interested in being a charter member of a regional housing trust should it be created
- Form a subcommittee of the Board to work on bylaws and Joint Powers Authority (JPA) documents

The SBCCOG Board requested cities will submit letters to the SBCCOG as soon as possible informing of their city's intention to participate. Following the Board's direction, the Board Chair and Hermosa Beach Council Member Armato, along with SBCCOG staff, met with staff from Senator Ben Allen's and Assembly Member Al Muratsuchi's offices to discuss housing trust formation legislation and a budget request. Both offices indicated their support for the concept; their intention to identify legislative avenues that could be pursued to create a South Bay Regional Housing Trust; and explore funding opportunities in the state budget.

Although legislation has not yet been introduced, the SBCCOG Board is asking each city to support the proposed legislation in concept, as well as support seed funding from the state budget. Attached is a draft of what the legislation might look like when introduced (Exhibit 1.) It was modeled after other housing trust formation bills which have previously been approved by the Legislature. When legislation has been introduced and has a bill number, they will ask the cities for formal support of the bill. At this time, the SBCCOG is not asking for a commitment to join a regional housing trust, but to know if the City thinks it will become a charter member of the trust if it is created.

Other subregions in Los Angeles County such as the San Gabriel Valley have already created or are in the process of creating regional housing trusts and received state earmarks. The Board feels that this is a good time for the South Bay to take advantage of the support in Sacramento to request funding specifically for cities in our subregion to begin addressing their affordable housing needs.

A draft Letter of Support is attached (Exhibit 2).

II. RECOMMENDATION

1. AUTHORIZE the Mayor to send a letter in favor of the creation of the South Bay Regional Housing Trust.

- 1.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

California has an affordable housing crisis, which is especially acute in the South Bay Cities region of the County of Los Angeles due to the high cost of housing in this area, even in formerly affordable communities. The establishment of the South Bay Regional Housing Trust to receive available public and private funds could help finance affordable housing projects for homeless and low-income populations.

The proposed bill that the SBCCOG has requested support for would add Section 6539.9 to the Government Code to permit the County of Los Angeles and any or all the cities within the jurisdiction of the SBCCOG to enter into a joint powers agreement to create and operate a joint powers agency to fund housing to assist the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, within the South Bay Cities region.

The joint powers agency created pursuant to this section would be known as the South Bay Regional Housing Trust and shall operate in accordance with this section. The South Bay Regional Housing Trust shall be governed by a board of directors consisting of an appropriate number of directors to be determined by the governing board of the SBCCOG and shall be appointed by the governing board of the SBCCOG and shall include mayors, council members, or County of Los Angeles Supervisors that represent either of the following:

- i. A city that is a party to the joint powers agreement.
- ii. A County of Los Angeles board of supervisor district that is located wholly or partially within the territory of the South Bay Cities Council of Governments, if the county is a party to the joint powers agreement.

Two members of the board of directors would be required to be experts in homeless or housing policy. The board of directors would elect a chairperson and a vice chairperson from among its members at the first meeting held in each calendar year. Members of the board of directors would serve without compensation but may be reimbursed for actual expenses subject to the approval of the governing board of the South Bay Regional Housing Trust. Actual expenses shall be approved before they are incurred. Qualified individuals shall be appointed to fill vacancies on the board of directors by the governing board of the SBCCOG within 60 days of the vacancy.

Notwithstanding any other law, the South Bay Regional Housing Trust may do any of the following:

- (1) Fund the planning and construction of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing.
- (2) Receive public and private financing and funds.
- (3) Authorize and issue bonds, certificates of participation, or any other debt instrument repayable from funds and financing received pursuant to paragraph (2) and pledged by

the South Bay Regional Housing Trust.

(d) The South Bay Regional Housing Trust shall incorporate into its joint powers agreement annual financial reporting and auditing requirements that shall maximize transparency and public information as to the receipt and use of funds by the agency. The annual financial report shall show how the funds have furthered the purposes of the South Bay Regional Housing Trust.

The South Bay Regional Housing Trust shall comply with the regulatory guidelines of each specific state funding source received.

As part of the bill, the Legislature must find and declare that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances (high housing cost) in the South Bay Cities region of the County of Los Angeles.

V. FISCAL IMPACT

No impact.

VI. EXHIBITS

1. Legislation Text (pgs. 5-8)
2. Draft Letter of Support (pg. 9)

Prepared by: John S. Raymond, Assistant City Manager