



MANAGEMENT SERVICES DEPARTMENT

MEMORANDUM

DATE: February 1, 2022

TO: The Honorable City Council

FROM: Bryan Cook, City Manager
By: Tinny Chan, Management Analyst

SUBJECT: LEGISLATIVE UPDATE

RECOMMENDATION:

The City Council is requested to:

1. Receive and file this report on newly enacted state laws that will impact city services and policies; and
2. Direct the City Manager to implement all required procedures and policies in alignment with new and applicable state laws.

BACKGROUND:

1. On or before September 10, 2021, the California State Legislature passed a number of regular bills that highlight the state's focus on relevant issues including: affordable housing, homelessness, public safety, and the environment.
2. On or before October 9, 2021, Governor Gavin Newsom signed the bills into law, making them effective January 1, 2022.

ANALYSIS:

The following provides summaries on pertinent bills that were signed into law and effective January 1, 2022, some of which were mentioned by the City Manager or City Attorney in updates to the City Council in late 2021.

BUDGET TRAILER BILLS WITH IMPACT TO CITIES

AB 140 | Housing

- Requires the Treasurer, in consultation with other specified state agencies, to develop a framework for the California Dream For All Program, the goals of which would include, but would not be limited to, making home ownership more affordable.
- Expands on the Homeless Housing, Assistance and Prevention (HHAP) Grant Program created through trailer bill AB 101 in fiscal year 2019-20. The bill specifically provides \$2 billion in funds available to cities, counties and continuums of care.
- Includes statutory changes to facilitate the additional round of Project Homekey funds included in the final 2021-22 Budget. Establishes a statutory exemption from the California Environmental Quality Act (CEQA) for activities funded by round two of Project Homekey.
- Creates the Encampment Resolution Funding Program, a competitive grant program for cities and counties. Priority will be given to encampments of over 50 individuals.
- Outlines the framework for the \$40 million in one-time funding for the Family Homeless Challenge Grants and Technical Assistance Program. The program is created to fund city, county and continuums of care efforts to accelerate, expand and develop solutions that target ending family homelessness.

What this means for Temple City: Details regarding specific allocations to Los Angeles County and the City of Temple City are still forthcoming.

AB 149 | Transportation

- Continues several types of temporary statutory relief for transit agencies impacted by the COVID-19 pandemic. The bill will also build on statutory relief provided in the 2020-21 Budget to provide additional flexibility to transit agencies as they recover from the COVID-19 pandemic.
- Authorizes the California Department of Transportation to offer a \$250 stipend to individuals, organizations, agencies, or businesses that complete a scheduled litter cleanup or abatement project as part of the Adopt a Highway program.
- Establishes the Clean California Program, which includes a local grant program to allocate grants (awards up to \$5 million) to local and public agencies, among other entities, to beautify and clean up local streets and roads, tribal lands, parks, pathways, transit centers, and other public spaces.
- Makes changes related to local streets and roads maintenance for cities and counties related annual minimum expenditure requirements.
- Establishes a pilot program to evaluate use of optional mobile or digital alternatives to drivers licenses and identification cards.

What this means for Temple City: The City can explore applying for the Clean California local grant program and make note of change in “maintenance of effort” requirements for road funding in the City’s favor, due to COVID-19.

ENVIRONMENTAL

AB 819 (Levine) | California Environmental Quality Act: notices and documents

- Would require certain posting, filing and notice requirements under the California Environmental Quality Act (CEQA) to be satisfied through electronic means to increase public access and involvement.

What this means for Temple City: Would require the City’s planning department to post CEQA notices and review documents to the City’s website. This may also affect public works projects.

AB 1124 (Friedman) | Solar Energy Systems

- This bill revises the definition of “solar energy system” to include all structural design features, whether mounted on the ground or on a roof.
- The bill would include any structural design feature by eliminating the provision that it be a feature of a building. The bill would specify certain structural design features to be included in the definition, including solar racking, solar mounting, and elevated solar support structures, as specified, regardless of whether the feature is on the ground or on a building.
- Existing law prescribes and limits permit fees that a city or county may charge for a residential and commercial solar energy system and establishes definitions for this purpose.

What this means for Temple City: This bill could have an impact on the way that the City can exert control over solar projects.

SB 619 (Laird) | Organic Waste

- Includes provisions to reduce penalties for cities taking an optional pathway to permanent compliance with organics recycling requirements.

What this means for Temple City: The City will likely not be impacted by this bill, but should be aware of it as organics recycling will be discussed regularly this year.

SB 273 (Hertzberg) | Water Quality

- Authorizes municipal wastewater treatment agencies to acquire, construct, and operate facilities to manage stormwater and dry weather runoff.

What this means for Temple City: No anticipated impacts to the City.

GENERAL MUNICIPAL GOVERNMENT

AB 319 (Valladares) | Political Reform Act of 1974: contributions

- Prohibits a foreign government from making a contribution or expenditure in connection with a ballot measure. The prohibition includes contributions and expenditures in connection with an election of a candidate to state or local office.

What this means for Temple City: No foreseeable impacts to Temple City.

SB 503 (Becker) | Voting: ballots and signature verification

- Adds additional parameters for county elections officials when comparing a voter's signature with the signature in the voter's registration record for signatures on the VBM identification envelope, signature verification statement, unsigned ballot statement, or provisional ballot envelope.
- Provides that, when comparing signatures, the signature is rejected only if two additional elections officials each find beyond a reasonable doubt that the signature differs in multiple, significant, and obvious respects from all signatures in the voter's registration record.

What this means for Temple City: May increase election official's duties related to vote-by-mail ballots. Temple City may claim reimbursement for additional costs associated to this bill.

LABOR AND EMPLOYMENT

SB 331 (Leyva) | Settlement and nondisparagement agreements

- Prohibits the use of non-disclosure agreements (NDAs) to settle employment and housing-related legal claims involving unlawful harassment, discrimination, or related retaliation of any kind, with limited exceptions when requested by the complainant.
- Prohibits the inclusion, in an employment severance agreement, of terms that prohibit the separated employee from discussing unlawful conduct at their former workplace, unless the separated employee agrees to those terms under specified conditions designed to safeguard the separated employee's rights.

What this means for Temple City: Nothing, though it may have unanticipated implications.

SB 278 (Leyva) | Public Employees' Retirement System: disallowed compensation

- Provides that, when a retiree's California Public Employees' Retirement System (CalPERS) pension is reduced post-retirement, due to the inclusion of compensation agreed to under a collective bargaining agreement that is later determined to be non-pensionable, the public employer must cover the difference between the pension as originally calculated and as reduced by CalPERS.

What this means for Temple City: The City should review all its collective bargaining agreements covering CalPERS' members and evaluate each item of compensation that is reported to CalPERS to ensure that the item is indeed reportable under applicable statutes, regulations, and administrative guidance. If not, the agency should act to correct the language or the practice that makes it non-reportable. This will not resolve existing liability for overpayments in case of a CalPERS' audit, but it may reduce the potential liability for future retirees. These changes would also be subject to meet and confer requirements.

LAND USE AND HOUSING

AB 491 (Ward) | Housing: affordable and market rate units.

- Requires that low-income occupants of a mixed income development have the same access to common entrances and to common areas and amenities as the occupants of market rate housing units.
- Prohibits a mixed-income multifamily structure from isolating the affordable housing units within that structure to a specific floor or an area on a specific floor.

What this means for Temple City: City staff will need to take note of this new measure when reviewing plans for mixed-income developments.

AB 571 (Mayes) | Planning and zoning: density bonuses: affordable housing

- Prohibits local governments from imposing affordable housing impact fees, including inclusionary zoning fees and in-lieu fees, on a housing development's affordable units in a density bonus project.

What this means for Temple City: The city does not presently have an inclusionary housing ordinance. However, it is an implementation measure of the draft Housing Element. If the City Council adopts such a fee, this will be included in the ordinance.

AB 215 (Chiu) | Planning and Zoning Law: housing element: violations

- Clarifies and revises existing law provisions requiring HCD to review each jurisdiction's draft housing element and any subsequent amendments. Specifically—
 - Requires HCD to report findings to a jurisdiction within 90 days of reviewing the first draft of a housing element (rather than 60 days), or within 60 days for each revision or subsequent draft amendment (rather than 90 days).
 - Requires the city or county to make the first draft revision of a housing element available for public comment for at least 30 days; if comments are received, the city or county must take at least 10 days beyond the 30-day comment period to consider and incorporate public comment.
 - Requires HCD, for any subsequent draft revision, to post the draft on its website and to email it to individuals upon request, as specified.

- Gives a 3-year statute of limitations for HCD to bring actions related to the housing element and compliance, and allows HCD to contract with private legal firms if the Attorney General's office declines to represent HCD in an enforcement action.

What this means for Temple City: The City will need to make note of first draft noticing requirements for future Housing Element updates.

AB 1174 (Grayson) | Planning and zoning: development application modifications

- Addresses a loophole in SB 35 (Weiner), which was passed in 2017 and allows for ministerial approval of housing developments that meet various state and local requirements, including a share of affordable housing.
- Amends the existing streamlined, ministerial approval process for housing development in jurisdictions that have not yet made enough progress towards their allocation of their regional housing needs

What this means for Temple City: City planners will need to examine this law carefully to ensure the City complies. City approvals for projects must remain valid for three years provided construction activity on the development has begun pursuant to obtaining a permit from the City.

AB 1304 (Santiago) | Affirmatively further fair housing: housing element: land inventory

- Strengthens and clarifies the manner in which local governments must affirmatively further fair housing in their housing elements.
- Requires a housing element's inventory of sites that are suitable for housing development to include an analysis of the relationship of the sites to the jurisdiction's AFFH duty, and whether the inventory affirmatively furthers fair housing.
- Specifies that a housing element must include a statement of the community's goals, quantified objectives, and policies relative to AFFH.
- Specifies that a housing element's program of action must identify sites as needed to meet the AFFH requirement.
- Specifies that a housing element's assessment of fair housing in the jurisdiction must include trends both within the jurisdiction and of the jurisdiction compared to the region. Specifies that the assessment of factors contributing to fair housing issues must include the local and regional historical origins as well as current policies and practices.

What this means for Temple City: The City will need to make note of these new requirements for future Housing Element updates.

SB 478 (Wiener) | Planning and Zoning Law: housing development projects

- Prohibits a local government from imposing certain floor area ratio (FAR) standards on housing projects of 3-10 units. Specifically, cities may not—

- For a housing development project consisting of three to seven units, impose a FAR standard that is less than 1.0.
- For a housing development project consisting of eight to 10 units, impose a FAR standard that is less than 1.25.
- Deny a housing development project located on an existing legal parcel solely on the basis that the lot area of the proposed lot does not meet the local agency's requirements for minimum lot size.

What this means for Temple City: The City does not have a FAR requirement for the R-3 zone. The City will need to amend the R-2 zone to note these revised FAR regulations.

AB 838 (Friedman) | State Housing Law: enforcement response to complaints

- Beginning in July 2022, requires local governments to respond to lead hazard and substandard building complaints from tenants and specified other parties by inspecting the building; and to provide free copies of inspection reports and citations to the requestor and others who may be impacted.
- Requires the city to advise the owner or operator of every action required to remedy the violation and to schedule a reinspection to verify correction of the violation.

What this means for Temple City: Expands duties of City staff as further building inspections will need to be conducted by the City.

AB 602 (Grayson) | Development fees: impact fee nexus study.

- Requires a city, county, or special district to conduct and adopt a nexus study prior to the adoption of an impact fee, and follow certain standards and practices

What this means for Temple City: City staff will need to take extra steps to adopt a nexus study prior to adopting an impact fee.

PUBLIC SAFETY AND CRIME

SB 311 (Leyva) | Compassionate Access to Medical Cannabis Act.

- Requires a health care facility to permit a terminally ill patient, defined as a prognosis of one year or less to live, to use medical cannabis within the health care facility.

What this means for Temple City: Important for the City to take note of as health facilities covered by this bill in Temple City's jurisdiction may not violate City's municipal codes.

AB 331 (Jones-Sawyer) | Organized theft.

- Reenacts provisions of law through 2025, that criminalizes organized retail theft and provisions of law that requires California Highway Patrol to convene a regional task force on property crimes.
- This is a reaction to the decrease in bail and the re-categorization of some thefts as misdemeanors, followed by the media coverage of the “smash-and-grab” rings. “Organized” theft rings are now subject to felony prosecution and cash bail, while individual thefts remain covered by regular theft laws.

What this means for Temple City: No impact.

AB 358 (Flora) | Electrified fences: permitted use.

- Authorizes property owners to install and operate electrified security fences on their property, whether combined with an alarm system or not, on property that is commercial, manufacturing, or industrial property, as well as property zoned under another designation, but legally authorized for commercial, manufacturing, or industrial use.
- Increases the permissible height of an electrified security fence from a maximum of ten feet to the greater of 10 feet or two feet higher than the accompanying perimeter fence. Lowers the permissible height of the perimeter fence accompanying an electrified security fence from a minimum of six feet to a minimum of five feet.

What this means for Temple City: The City will need to examine its codes to specify requirements for electrical fencing as currently, electrical fences are prohibited by City Ordinance 19-1036.

SB 60 (Glazer) | Residential short-term rental ordinances: health or safety infractions

- Raises the maximum fines for violation of an ordinance relating to a residential short-term rental, as defined, that is an infraction and poses a threat to health or safety, to \$1,500 for a first violation, \$3,000 for a 2nd violation of the same ordinance within one year, and \$5,000 for each additional violation of the same ordinance within one year of the first violation. The bill would make these violations subject to the process for granting a hardship waiver.

What this means for Temple City: The City will need to review its ordinances pertaining to short-term rentals and consider increasing fines.

PUBLIC WORKS

AB 537 (Quirk) | Communications: broadband facilities

- Updates existing law establishing a timeline and process through which wireless telecommunication siting facility permits will be deemed approved.

- Starts the time period for city review and approval of siting or collocation of wireless facilities when the applicant makes its first “required” submission or first “required” step in the city’s process.

What this means for Temple City: The City should review its processes.

SB 378 (Gonzalez) | Local government: broadband infrastructure

- Requires a local agency to allow, except as provided, microtrenching for the installation of underground fiber if the installation in the microtrench is limited to fiber. The bill would also require, to the extent necessary, a local agency with jurisdiction to approve excavations to adopt or amend existing policies, ordinances, codes, or construction rules to allow for microtrenching. Microtrenching is a process whereby specialized machinery cuts a narrow slice out of the roadway at a depth of approximately 1-2 feet. Conduit containing fiber optic cables is laid in the small trench created, and then material is backfilled over and the trench is sealed. Microtrenching requires significantly less excavation and can be performed more quickly than open trenching, saving costs for installers.
- Authorizes a local agency to impose a fee for its reasonable costs on an application for a permit to install fiber, as provided. By imposing new duties on local agencies with regard to the installation of fiber, the bill would impose a state-mandated local program.

What this means for Temple City: The City may need to adopt or amend policies, ordinances, codes, or construction rules to allow for microtrenching.

AB 773 (Nazarian) | Street closures ad designations

- Allow a local authority to implement a slow streets program by adopting an ordinance that provides for the closing of streets to vehicular traffic or limiting access and speed on a street using roadway design features, including, but not limited to, islands, curbs, or traffic barriers.

What this means for Temple City: The City can explore establishing a slow streets program to repurposes streets to provide safe recreational spaces where people can run, walk and bike safely.

CITY STRATEGIC GOALS:

Actions contained in this report align with the strategic goals of Economic Development, Sustainable Infrastructure and Good Governance.

FISCAL IMPACT:

There is no fiscal impact associated with the requested Council action.

ATTACHMENT:

None.