



CITY OF CUPERTINO

DRAFT MINUTES

LEGISLATIVE REVIEW COMMITTEE

10300 Torre Avenue, City Hall, Conference Room C

Tuesday, November 19, 2019

10:00 AM

SPECIAL MEETING

ROLL CALL

The meeting was called to order at 10:03 a.m.

Present: Mayor Scharf, Vice Mayor Liang Chao, Townsend Public Affairs (TPA), City Manager Deborah Feng, and Assistant to the City Manager Katy Nomura.

APPROVAL OF MINUTES

1. Subject: Minutes from October 29, 2019

Recommended Action: Approve minutes from October 29, 2019

The minutes were approved unanimously.

ORAL COMMUNICATIONS

Jennifer Griffin spoke about her concern about SB 50 coming back next year.

PUBLIC COMMENT (including comments on all agenda items)

AGENDA REVIEW

ACTION ITEMS

1. Subject: Discussion of possible City sponsored legislation regarding state housing law for 2020 to recommend to Council

Recommended Action: Discuss possible City sponsored legislation regarding state housing law for 2020 and consider recommending that City Council authorize the City Manager to work with the Legislature on the proposed legislation

TPA explains that the new legislative session begins on January 6th. The city needs to begin engaging potential authors and their staff before 2019 is over. Once the City has an idea and finds a supportive legislator, the language gets drafted by the Legislative Counsel (LC). The LC needs to receive all documents and drafts by January 24th in order for legislation to move forward. The bill introduction deadline is February 21st, which means that no new legislation can be introduced after that date. A spot bill can be introduced, which is a bill that still needs work, but it still needs to be introduced by February 21st.

If the City is a sponsor of legislation it is always expected that the City needs to drive and be the lead staff for the bill. A legislator would expect the City to provide background materials and research for this bill. In addition, the City should be available to help with amendments and should be present for committee hearings. TPA will support the City with this work but the City should be prepared to visit Sacramento at least once a month. City Councilmembers or staff would need to testify and be the lead witness at committee hearings.

The protocol for finding a supportive legislator, is to always ask the City's local legislators to give them the first right of refusal. The City should be aware that if they do not have the support of their local legislators and they then can communicate with legislators from other jurisdictions.

TPA presents two major proposals. The first proposal is the Junior Accessory Dwelling Unit (JADU) Equivalent for the Regional Housing Needs Allocation (RHNA) Credit and the second proposal is the Incentives to Initiate Construction, which are both outlined in detail in the Staff Report.

The first proposal aims to count bedrooms being rented out in a house as a RHNA if they are the functional equivalent to a JADU. JADU's are already counted toward the RHNA, but a "functional equivalent", such as a bedroom in a house with access to a bathroom, is currently not counted.

The second proposal aims to give a City the necessary tools that can serve as incentives for developers to begin construction on approved projects in a faster manner. This could include modifications to existing law that shorten the amount of time that a project has to begin construction. Or modifications to the law surrounding development agreements and the amount of time that they could allow for permits before the project can move forward. Additionally, this proposal could also consider making additional financial resources available to cities, not just Cupertino, that could then be used to expedite the speed of construction. Essentially, this bill creates incentives to initiate construction.

An alternative to sponsoring legislation is to propose something through the state budget. There is a good opportunity to secure an earmark in the budget. This earmark would be to secure direct funding through the state budget to address local priorities as it relates to housing.

The Mayor and Vice Mayor brainstorm additional bill ideas regarding Nexus Studies, Density Bonus Law, Below Market Rate (BMR) housing, construction timelines, Housing and Community Development (HCD) reporting requirements, and land acquisition.

Assistant to the City Manager, Katy Nomura, reminds the LRC that any proposed legislation would have to be approved by the full Council first.

TPA advises that the best way to move forward on any idea would be to make a budget proposal instead of sponsored legislation. TPA believes there is a strong desire from the state to encourage incentivized construction, especially if it is for affordable housing. This is why TPA believes that it could be viable to pursue a budget proposal from the state to provide seed funding for cities to acquire property for affordable housing.

TPA believes that other cities would be interested in the budget proposal to create a pilot program

from the state for cities for seed money to acquire property to build affordable housing. TPA also mentions that this budget proposal pilot program could be a precursor to sponsoring legislation in the future. The Mayor and Vice Mayor encourage the City Manager to pursue this budget proposal.

TPA explains that there must be a formal request for a budget proposal to be sponsored and then it goes through various subcommittee hearings. Cupertino could begin to publicize the budget proposal once the time is right, with the hopes of getting other cities on board.

Public Comment:

Jennifer Griffin is concerned about JADU's with no bathrooms and believes they shouldn't be counted as a housing unit. She is also concerned about the CASA compact bill.

2. Subject: Discussion of future meetings and agenda topics_
Recommended Action: Recommend future meetings and agenda topics

The next meeting will be on December 5th and the LRC will focus on the 2020 Legislative Platform.

ADJOURNMENT

The meeting was adjourned at 11:25 a.m.