



CITY OF MANHATTAN BEACH

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STAFF REPORT

Agenda Date: 5/3/2022

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Alexandria Latragna, Policy and Management Analyst

SUBJECT:

Consideration of a South Bay Regional Housing Trust in Coordination with the South Bay Cities Council of Governments (City Manager Moe).

(Estimated Time: 45 Min.)

DISCUSS AND PROVIDE DIRECTION

RECOMMENDATION:

Staff recommends that the City Council discuss and provide direction regarding the support for creation of a South Bay Regional Housing Trust (SBRHT) in coordination with the South Bay Cities Council of Governments (SBCCOG).

FISCAL IMPLICATIONS:

There are no fiscal implications associated with the recommended action.

BACKGROUND/DISCUSSION:

The SBCCOG is considering the creation of a regional housing trust (RHT), specific to South Bay cities, through a joint powers authority (JPA) to fund and finance the planning and construction of homeless housing, and extremely low, very low, and low-income housing projects. The SBRHT funding would make the construction of affordable housing more appealing to developers. A seven-member Board of Directors consisting of five SBCCOG board members and two local experts with experience in housing or homelessness would govern the SBRHT. The SBCCOG board would appoint members to the SBRHT board, and it would likely be staffed through a contract with the SBCCOG. Membership to the SBRHT through a JPA will be voluntary for cities within the SBCCOG.

The SBRHT would likely have dues paid by the member cities to cover the administrative operations of the trust, however, the exact structure and amount a city would pay would be

determined at a later date. There is a possibility to offset some administrative costs through state and federal earmarks and grants. The SBRHT would be otherwise funded through state and federal budget requests ("earmarks"), state and federal grants, and through private funding.

The trust would only consider a development that had city approval. The trust could also address the "sustainability" of the housing-encouraging opportunities to promote walking, cycling, and travel using zero-emission local use vehicles.

The SBCCOG has been studying this issue, evaluating various regional housing trust models, and determining if SBCCOG should consider moving forward with a subregional/multijurisdictional RHT. One such RHT model examined was that of the San Gabriel Valley Council of Governments (SGVCOG) which formed the San Gabriel Valley Housing Trust Fund (SGVHTF). The SGVHTF established two years ago through Senate Bill (SB) 751, allows San Gabriel Valley cities to band together to bring additional affordable housing resources to the San Gabriel Valley region. SGVHTF's funding comes from state and federal funds. They have received at least \$21,000,000 from the State and \$3,000,000 from the federal government for 2021, as well as some funding from Measure H and Regional Early Action Planning funds from Southern California Association of Governments. They have funded two projects with 71 units and are working on two more projects with 175 units. There are 14 other projects in their pipeline with about 800 additional units. All of the units that they have built thus far have been affordable housing.

At their special board meeting on April 11, the SBCCOG approved a motion to move forward in the following ways:

- Support requesting State legislation to form a South Bay Regional Housing Trust.
- Support requesting seed funding from the state budget.
- City Council representatives returning to their respective city councils to gauge interest in being charter members of a regional housing trust should it be formed.
- Support forming a subcommittee of the SBCCOG to work on regional housing trust bylaws and JPA documents.
- Send letters to the SBCCOG informing of their council's intention as soon as possible.
- Hermosa Beach Councilmember Stacey Armato has agreed to go to any and every city council meeting that requests to discuss this item with them.

As a delegate to the SBCCOG board of directors, and lead on this issue, Hermosa Beach City Councilmember Armato is scheduled to appear at the May 3 Manhattan Beach City Council meeting to present the concepts and answer questions.

The SBCCOG has begun working with Senator Allen and other South Bay legislators to introduce language, via a spot bill or through an amendment to another proposed regional housing trust bill, to form the SBRHT. At this time, SBCCOG legal counsel as well as their Legislative Committee have begun drafting the JPA documents, by-laws, and other administrative procedures needed to form the SBRHT. The proposed SBRHT JPA formation legislation has been provided as an attachment.

Staff recommends that the City Council discuss and provide direction regarding the support for creation of a SBRHT in coordination with the SBCCOG.

PUBLIC OUTREACH:

After analysis, staff determined that public outreach was not required for this issue.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS

1. Frequently Asked Questions - SBCCOG
2. Proposed South Bay Regional Housing Trust JPA Formation Legislation