



*Established in 1991, UCC serves as the representative voice for state legislative advocacy for high-population counties in California. Initially composed of seven counties, the association has grown to 14 today. Over 80 percent of the state's population reside in UCC counties. Consequently, urban counties carry out critical programs and services to the state's most vulnerable populations. For more information, including details on our Board of Directors, please visit [our website](#).*

## September 17, 2021

### **Voters Give a Hard Pass to the Newsom Recall**

At the start of the week, Governor Gavin Newsom's team was confident about its ability to beat back the effort to recall the Governor, but no one anticipated voters' abundant enthusiasm for keeping the Governor in office. Unofficial election results as of this writing put the final tally at 36.4% supporting the recall and 63.6% in opposition – with distinct geographic differences across the state.

The recall election may have worked to bolster the Governor's profile and certainly has caught national attention for its broader lessons about the politics of the pandemic. While those lessons may be less relevant in less blue states (recall that registered Democrats outweigh registered Republicans nearly 2 to 1 in California), they'll certainly be relevant in the upcoming regularly scheduled gubernatorial election starting in June 2022.

### **Governor Newsom Signs High-Profile Housing Legislation**

And just two days after resoundingly beating back the recall effort, Governor Newsom used his pen to sign high-profile housing legislation aimed at increasing overall housing development and the density of said development throughout the state. Perhaps the most prominent of the measures is **SB 9** by the Senate President pro Tempore Toni Atkins. Dubbed “the end of single-family zoning” by opponents, SB 9, starting January 1, 2022, will require ministerial approval of a housing development of no more than two units in a single-family zone (duplex), the subdivision of a parcel zoned for residential use into two parcels (lot split), or both. The Governor's action was much anticipated after the pro Tem's same bill died in the final hours of the 2020 legislative session due to interhouse disputes (**SB 1120**, 2020).

The Governor also signed **SB 8**, by Senator Nancy Skinner, which extends the sunset on the Housing Crisis Act by five years to January 1, 2030. Recall that Senator Skinner authored **SB 330** in 2019, a bill that (1) placed restrictions on certain types of development standards and (2) made changes to local approval processes and the Permit Streamlining Act. Finally, the Governor also signed into law **SB 10**, by Senator Scott Wiener. Effective January 1, 2022, SB 10 will authorize a city or county to pass an ordinance to zone any parcel for up to 10 units of residential density, at a height specified by the local government in the ordinance, if the parcel is in a transit-rich area or an urban infill site.

In the coming days and weeks (through the 30-day signing period, which ends October 10), we will be actively monitoring action on other significant housing bills, which include, but are not limited to: **AB 215** (Chiu) related to enforcement of state housing laws; **AB 602** (Grayson) related to development impact fees; **AB 838** (Friedman) related to enforcement of building code violations; and **SB 477** (Wiener) related to new requirements for county and city annual progress reports on housing element implementation. More to come on these measures as the Governor announces his decisions.

### **Signed! AB 361 Authorizes Remote Participation in Local Agency Meetings During an Emergency**

Much to the relief of local agency governing boards around the state, Governor Gavin Newsom signed into law **AB 361**, an urgency measure by Assembly Member Robert Rivas that authorizes local agency governing bodies to continue to meet remotely during a public health emergency. Local agencies may now begin preparing for the end of Executive Orders related to open meeting laws slated to expire on September 30.

AB 361 codifies portions of the Governor's Executive Orders from March 2020 relating to the Brown Act, which allowed local agencies to continue to meet and conduct the public's business, while maintaining public health and safety. Like those orders, AB 361 is operative under circumstances when it is unsafe for members of the governing body to meet in person and only when there is a declared state of emergency that threatens the safety of local agency elected officials, staff, or the public. Meetings must continue to be noticed, online and in the newspaper and/or radio or television station. The public is guaranteed the opportunity to observe meetings and provide public comment; meeting notices and agendas are required to explain how the public may observe the meeting and provide comment. Comments may be made via telephone or internet-based service.

AB 361 requires local agencies to adopt a resolution to meet remotely. The resolution is limited to a 30-day period and may be extended by majority vote. The resolution and any extending resolution are only valid in the event that the formally declared state of emergency lapses or is otherwise terminated.

Finally, AB 361 waives the obligation to post meeting notices and agendas where members are participating remotely and to allow the public access to those locations. The bill also allows governing body members to participate in a remote meeting from outside the agency's jurisdiction.

The provisions of AB 361 sunset as of January 1, 2024. If your local agency is interested in continuing remote participation in meetings beyond the September 30 rescission of the Governor's Executive Orders, we strongly encourage your counsel to review the provisions of AB 361 to begin the process.

### **Two Significant Departures of California Leaders Announced This Week**

This week, two high-profile announcements were made regarding the changing of the guard in leadership positions.

First, California Supreme Court Justice Mariano-Florentino Cuéllar has announced that he is stepping down from the court after six and a half years. Justice Cuéllar will next serve as **president** of the Carnegie Endowment for International Peace. Read more about Mr. Cuéllar's life story and path to the court in the *Los Angeles Times* [here](#).

Secondly, as **reported** in the *Sacramento Bee*, Peter V. Lee is stepping down as the executive director of Covered California after 10 years; he is the first to have served in that post following the establishment of California's health exchange. A national search for Mr. Lee's replacement is planned. He'll continue to serve until early 2022.

### **Housing Department Announces New Housing Accelerator Program**

The California Department of Housing and Community Development (HCD) announced a new program this week aimed at accelerating shovel-ready housing projects around the state. The \$1.75 billion plan is expected to create more than 7,000 new units of housing through 90 different projects. Of this amount, approximately 1,200 units will be targeted to individuals and families experiencing homelessness.

Specifically, the program will target those shovel-ready projects that have been awarded HCD funding but were unable to secure tax credits. California Housing Accelerator funding will be used to fill the permanent financing funding

gap left by the inability to obtain tax credits/bonds for projects with active HCD funding awards.

HCD has issued a project solicitation and guidelines [document](#) that will serve as the guiding document for the implementation of the California Housing Accelerator. To ensure effective implementation, the program will dedicate a team of staff for outreach and application reviews as well as a streamlined application and review timeframe to move from application to award within 60 days. Applications received will be evaluated for threshold criteria, such as ensuring projects proceed to construction within 180 days of awarded funds. For more information, visit the [California Housing Accelerator](#) website.

### **Third Round of Homeless Housing Assistance and Prevention Program Application Available**

Pursuant to this year's [AB 140](#), the Homeless Coordinating and Financing Council (HCFC) released the [Standard Agreement to Apply](#) for Round 3 of the Homeless Housing Assistance and Prevention Program (HHAP) on September 15. All counties, cities and Continuums of Care must complete and submit the Agreement no later than **5:00pm on October 15, 2021**.

The HCFC has also released a new [guidance document](#) "Putting the Funding Pieces Together: Guide to Strategic Uses of New and Recent State and Federal Funds to Prevent and End Homelessness." The document is intended to support the most effective uses of the various state and federal investments into programs that can prevent and end homelessness, including new and expanded state investments in: Homekey; the Project Roomkey and Rehousing Strategy; the Homeless Housing, Assistance, and Prevention Program; a new Affordable Housing Backlog Production program; and a range of other essential programs administered by HCD, the Department of Social Services, and others. Check it out.

### **State Auditor Warns Federal Rental Assistance Funds At Risk**

In a [report](#) out this week, the Bureau of State Audits suggests that the state may need to return a portion of the first round of federal Emergency Rental Assistance Program (ERAP) funds if it doesn't accelerate use of funds by the end of the month. Recall that California received a total of \$2.6 billion in Round 1 ERAP funds: \$1.5 billion to the State and \$1.1 billion directly to 49 cities and counties with a population of 200,000 or more. Under federal law, the U.S. Treasury must recapture unobligated funds for the ERAP program starting September 30, 2021. In addition, federal law provides that the state will only be eligible to receive another allocation of these recaptured funds from Treasury if it has obligated at least 65 percent of the \$1.8 billion total allocation for which it is responsible.

According to the report, through September 8, 2021, the state has increased its obligated amount to more than \$1.4 billion or 81 percent of its allocation, making the state eligible for reallocated funds after September 30. However, the State Auditor's review also suggests that – if the state does not obligate any funds beyond this 81 percent by September 30 – it may lose up to \$337 million of its remaining unobligated funds.

We note that HCD disagrees with the State Auditor's assessment and believes that it will not have to return any funds to Treasury, but will be eligible for reallocated funds, should they become available. Federal law provides another year for the state to expend reallocated funds.

### **BSCC Update: Two County Leaders Appointed to Board; Board Authorizes New Executive Steering Committee for Next Round of Prop 47 Grants**

The Board of State and Community Corrections (BSCC) **met** yesterday and, among other actions, provided **direction** to staff to establish an Executive Steering Committee (ESC) responsible for the RFP development process for the third round of Proposition 47 recidivism reduction grants. BSCC Board Member and former Yolo County Superior Court Judge Janet Gaard will chair the Prop 47 ESC; she was appointed to the BSCC by the Judicial Council in late spring.

Under the tentative Prop 47 grant activities timeline presented to the Board, solicitation of membership for the ESC will take place over the next six weeks; interested parties can read more on the associated time commitment, relevant conflict of interest laws, and other details **here**. Once established, the ESC will develop the RFP and present it to the Board for its approval in February 2022. Funding proposals are expected to be due in May 2022, and the ESC's funding recommendations would be presented to the Board at its July 2022 meeting.

In related news, Governor Newsom recently **appointed** two new county members to the BSCC: Santa Clara County Supervisor Cindy Chavez and Fresno County Probation Chief Kirk Haynes. We welcome both new members and look forward to their participation.