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Introduced by Senator Rubio

December 5, 2022

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An act to add Section 6539.1 to the Government Code, relating to joint powers.

LEGISLATIVE COUNSEL'S DIGEST

SB 20, as amended, Rubio. Joint powers agreements: regional housing trusts.

The Joint Exercise of Powers Act authorizes 2 or more public agencies, by agreement, to form a joint powers authority to exercise any power common to the contracting parties, as specified. Existing law authorizes the agreement to set forth the manner by which the joint powers authority will be governed. That act specifically authorizes the creation of the Orange County Housing Finance Trust and the San Gabriel Valley Regional Housing Trust, both joint powers authorities, for the ~~purposes~~ *purpose* of funding housing to assist the homeless population and persons and families of extremely low, very low, and low income within their respective regions, as specified.

This bill would authorize 2 or more ~~cities, by entering into a joint powers agreement pursuant to the Joint Exercise of Powers Act, local agencies, as defined,~~ to create a regional housing trust for the ~~purposes~~ *purpose* of funding housing to assist the homeless population and persons and families of extremely low, very low, and low income within their ~~jurisdictions.~~ *jurisdictions by entering into a joint powers agreement pursuant to the Joint Exercise of Powers Act.* The bill would require a regional housing trust created pursuant to these provisions to be governed by a board of directors consisting of a minimum of ~~9~~ 5

directors, as specified. The bill would authorize a regional housing trust to fund the planning and construction of housing, receive public and private financing and funds, and authorize and issue bonds, as specified. The bill would require the joint powers agreement establishing the regional housing trust to incorporate specified annual financial reporting and auditing requirements.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) California has an affordable housing crisis in communities  
4 and regions across the state due to the high cost of housing, even  
5 in formerly affordable communities.

6 (b) The establishment of a regional housing trust to receive  
7 available public and private funds is a proven solution to help  
8 finance affordable housing projects for homeless and low-income  
9 populations.

10 (c) For example, the San Gabriel Valley Regional Housing Trust  
11 was created by Senate Bill 751 (Chapter 670 of the Statutes of  
12 2019) and in just a few years, 22 cities have joined together to  
13 achieve meaningful progress in financing affordable housing  
14 projects. These successes include opening three tiny home bridge  
15 housing sites that provide over 100 beds to individuals and families  
16 experiencing homelessness in the San Gabriel Valley, and  
17 providing funding for 10 shovel-ready affordable housing projects  
18 that create over 550 affordable housing units in multiple cities.

19 (d) In recent years, many different communities around  
20 California have supported legislation to form their own regional  
21 housing trusts.

22 (e) The establishment of statewide standards for regional housing  
23 trusts can provide local communities with the clarity and guidance  
24 necessary to form their own regional housing trusts without further  
25 special legislation, allowing them to address any local affordable  
26 housing crisis as quickly as possible.

27 SEC. 2. Section 6539.1 is added to the Government Code, to  
28 read:

1 6539.1. (a) Notwithstanding any other law, two or more ~~cities~~  
2 *local agencies* may enter into a joint powers agreement pursuant  
3 to this chapter to create and operate a regional housing trust to  
4 fund housing to assist the homeless population and persons and  
5 families of extremely low, very low, and low income, as defined  
6 in Section 50093 of the Health and Safety Code, within their  
7 jurisdictions.

8 (b) (1) A regional housing trust created pursuant to this section  
9 shall be governed by a board of directors consisting of a minimum  
10 of ~~nine~~ *five* directors.

11 (2) ~~Seven~~ *At least three* members of the board of directors shall  
12 be elected ~~city council~~ members from a ~~city~~ *local agency* that is a  
13 party to the joint powers agreement. The ~~cities~~ *local agencies* that  
14 are party to the joint powers agreement shall determine how these  
15 ~~seven~~ members are selected.

16 (3) ~~The remaining two members of the board of directors shall~~  
17 ~~be experts in homeless or housing policy who are not local elected~~  
18 ~~officials. These two positions shall be selected by a majority vote~~  
19 ~~of the other seven members of the board of directors.~~

20 (3) *At least two additional board members shall be experts in*  
21 *homeless or housing policy that are not elected officials of a local*  
22 *agency. The board members appointed pursuant to this paragraph*  
23 *shall be selected by a majority vote of the other members of the*  
24 *board of directors.*

25 (4) *Any additional members of the board of directors shall meet*  
26 *the requirements of either paragraph (2) or (3), provided that at*  
27 *least a majority of the board of directors remains elected officials*  
28 *from the local agencies that are a party to the joint powers*  
29 *agreement.*

30 (4)

31 (5) The board of directors shall elect a chairperson and a vice  
32 chairperson from among its members at the first meeting held in  
33 each calendar year.

34 (5)

35 (6) Members of the board of directors shall serve without  
36 compensation. Members of the board of directors may be  
37 reimbursed for actual expenses that are approved before they are  
38 incurred.

39 (6)

1 (7) A member of the board of directors shall serve a term of  
2 two years. If a vacancy occurs on the board of directors, the  
3 remaining members of the board of directors shall make an  
4 appointment to fill that vacancy that shall be effective only for the  
5 remainder of the term of the office that became vacated.

6 (c) Notwithstanding any other law, a regional housing trust  
7 created pursuant to this section may do any of the following:

8 (1) Fund the planning, acquisition, and construction of housing  
9 of all types and tenures for the homeless population and persons  
10 and families of extremely low, very low, and low income, as  
11 defined in Section 50093 of the Health and Safety Code, including,  
12 but not limited to, permanent supportive housing.

13 (2) Receive public and private financing and funds.

14 (3) Authorize and issue bonds, certificates of participation, or  
15 any other debt instrument repayable from funds and financing  
16 received pursuant to paragraph (2) and pledged by the regional  
17 housing trust.

18 (d) A regional housing trust created pursuant to this section  
19 shall incorporate into its joint powers agreement annual financial  
20 reporting and auditing requirements that shall maximize  
21 transparency and public information as to the receipt and use of  
22 funds by the agency. The annual financial report shall show how  
23 the funds have furthered the purposes of the regional housing trust.

24 (e) A regional housing trust created pursuant to this section shall  
25 comply with the regulatory guidelines of each specific state funding  
26 source received.

27 (f) Nothing in this section shall prohibit a ~~city~~ *local agency* from  
28 requesting a special statute that provides exemptions from the  
29 requirements of this section if it believes that unique local  
30 circumstances exist.

31 (g) *For purposes of this section, "local agency" means a city,*  
32 *county, or council of governments.*