



Administrative Report

H.17., File # 24-0659

Meeting Date: 4/16/2024

To: MAYOR AND CITY COUNCIL

From: MICHAEL W. WEBB, CITY ATTORNEY
SMUDE, ASSISTANT TO THE CITY MANAGER

LUKE

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. 2404-028, A RESOLUTION OF THE CITY OF REDONDO BEACH, CALIFORNIA EXPRESSING THE CITY'S SUPPORT OF ASSEMBLY BILL (AB) 2230 (BENNETT) WHICH SEEKS TO APPLY RESIDENTIAL HOUSING TO CALIFORNIA'S PRINCIPAL ANTITRUST LAW AND CLARIFY THAT CITY ATTORNEYS MAY PROSECUTE ANTI-COMPETITIVE BEHAVIOR

APPROVE THE ATTACHED LETTER OF SUPPORT FOR SIGNATURE BY THE MAYOR AND CITY ATTORNEY

EXECUTIVE SUMMARY

On March 19, 2024, the City Council, by a 4-1 vote, directed the City Attorney to prepare a resolution and letter of support capturing the City's opposition to California Assembly Bill (AB) 2230 Bennett which seeks to apply residential housing to the Cartwright Act, California's principal antitrust law.

BACKGROUND

AB 2230 was introduced on February 8, 2024 by State Assembly member Steve Bennett and seeks to clarify that California's Antitrust laws can be applied to anti-competitive practices occurring in residential housing and would clarify that City Attorneys may prosecute anti-competitive behavior.

Enacted in 1907, California's Cartwright Act makes it illegal for two or more persons to restrain trade, fix prices or production, or reduce competition in an economic marketplace. AB 2230 seeks to limit the power of institutional investors to purchase a high percentage of the available housing, thereby hindering the ability of individuals and families to compete for the limited housing stock that is available.

The City Attorney has drafted a resolution and letter of support for AB 2230, which is being heard by the Assembly Judiciary Committee on Tuesday, April 23, 2024.

COORDINATION

This item was coordinated with the City Attorney's Office, which also prepared the Resolution and letter of support.

FISCAL IMPACT

There is no fiscal impact associated with this item.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No, CC-2404-028 Supporting California Assembly Bill 2230 Bennett (Blue Folder)
- Letter - Letter of Support for California Assembly Bill 2230 Bennett (Blue Folder)