



Administrative Report

H.9., File # 26-0983

Meeting Date: 8/18/2026

To: MAYOR AND CITY COUNCIL
From: JANE CHUNG, ASSISTANT TO THE CITY MANAGER

TITLE

AUTHORIZE THE MAYOR TO SIGN A LETTER OF SUPPORT FOR ASSEMBLY BILL 2296, WHICH IF APPROVED BY THE STATE, WOULD PROVIDE CITIES MORE TIME TO PROCESS THEIR HOUSING ELEMENTS

AUTHORIZE THE MAYOR TO SIGN LETTERS OF OPPOSITION TO ASSEMBLY BILL 1751, WHICH IF APPROVED BY THE STATE, WOULD REQUIRE LOCAL GOVERNMENTS TO MINISTERIALLY APPROVE TOWNHOMES THAT ARE LESS THAN THREE STORIES IN MULTIFAMILY ZONES AND VACANT SINGLE-FAMILY ZONES REGARDLESS OF COMPLIANCE WITH STATE CERTIFIED HOUSING ELEMENTS; AND SENATE BILL 1117, WHICH IF APPROVED BY THE STATE, WOULD LIMIT IMPACT FEES CITIES CAN COLLECT FOR ACCESSORY DWELLING UNITS LARGER THAN 750 SQUARE FEET

AUTHORIZE THE MAYOR TO SIGN A LETTER OF SUPPORT ENCOURAGING THE GOVERNOR TO SIGN SENATE BILL 922, WHICH IF APPROVED BY THE STATE, WOULD ALLOW CITIES TO RECOVER STREET MAINTENANCE AND REPAIR COSTS CAUSED BY HEAVY ESSENTIAL PUBLIC SERVICE VEHICLES

EXECUTIVE SUMMARY

Consistent with the City's Legislative Action Platform, draft position letters are to be presented to the City Council whenever practical. Therefore, staff is providing the draft position letters for Assembly Bill 2296, Assembly Bill 1751, and Senate Bill 1117 for the City Council's consideration. Staff is also providing a draft letter of support requesting the Governor's signature on Senate Bill 922.

BACKGROUND

Assembly Bill (AB) 2296 Papan

AB 2296 seeks to update the statewide process for determining and allocating regional housing needs by extending several key deadlines. Cities forming subregional groups would have 34 months before a housing element update rather than 28, and Council of Governments would have 31 months instead of 25 to finalize allocations. AB 2296 also requires the California Department of Housing and Community Development (HCD) to provide detailed written corrections, including recommended text, when a jurisdiction's draft housing element is found non-compliant. These changes would help to ease future housing element updates, reduce the risk of noncompliance, and protect the City's eligibility for state housing and infrastructure funding. Submitting a letter of support for AB 2296

would help ensure the City's interest are considered as the bill evolves and reaffirms the City's support for continued refinement and clarification of the State housing element review process.

Assembly Bill (AB) 1751 Quirk-Silva

AB 1751, also called the "Missing Middle Townhome Ownership Act," seeks to create a statewide ministerial approval process for qualifying townhome development, which is defined as townhomes up to three stories and attached or closely spaced. Cities would be required to approve townhome development applications and related subdivision maps based solely on objective zoning, subdivision, and design standards. AB 1751 would also prohibit local requirements that restrict achieving at least 75% of state minimum density standards or impose additional conditions tied to the streamlined process. For the City, AB 1751 could force approval of projects that exceed water, sewer, transportation, and emergency service assumptions analyzed in the City's state certified Housing Element, while also potentially reducing planned density on designated housing sites thereby triggering "no net loss" requirements. Submitting a letter of opposition for AB 1751 would help ensure the City's concerns about infrastructure capacity, planning, and long-term housing compliance are part of the legislative record as the bill advances.

Senate Bill (SB) 1117 Cervantes

SB 1117, also called the "Accessory Dwelling Units and Junior Accessory Dwelling Units" bill, seeks to clarify how local impact fees are applied to Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). Under current law, ADUs that are 750 square feet or smaller are exempt from most impact fees, while larger units are charged proportional fees. SB 1117 would further restrict how cities calculate impact fees for ADUs by requiring that fees for ADUs exceeding 750 square feet be applied only to the square footage above 750 square feet. This could reduce the City's ability to recover the full cost of providing essential infrastructure and public services needed to support additional ADU development and shift more of the long-term financial burden for infrastructure upgrades to the City's General Fund. Submitting a letter of opposition for SB 1117 would help ensure the City's concerns about infrastructure capacity and fiscal impact are part of the legislative record as the bill advances.

If the City Council approves the position letters for AB 2296, AB 1751, and SB 1117, staff will disseminate the letters to locally elected Legislators and upload them to the State's new electronic portal, which automatically distributes letters to offices of the appropriate elected officials and committee(s) of jurisdiction.

Senate Bill (SB) 922 Laird

SB 922 pertains to road impact fees and seeks to clarify that only weight-based charges are prohibited from collection while reaffirming that service-related fees may be used to address roadway impacts associated with essential public service operations. Local governments commonly recover street maintenance costs caused by heavy public service vehicles (i.e. trash trucks) through service fees or franchise agreements, ensuring these costs do not fall on the General Fund. The City receives about \$350,000 annually in vehicle road impact fees from its solid waste hauler, which supports the Citywide Slurry Seal Program and Residential Street Rehabilitation Program. Losing this revenue would hinder progress towards improving the City's Pavement Condition Index (PCI), which is already strained by rising construction costs.

The City Council approved letters of support for SB 922 on March 17, 2026 and June 9, 2026, to ensure the City's position was communicated as the bill progressed through the legislative process.

SB 922 is now on the Governor's desk for consideration, therefore, an updated letter of support requesting the Governor's signature is included for the City Council's consideration. If the City Council approves the updated letter, staff will submit it to the Governor's Office.

COORDINATION

The City Manager's prepared the draft position letters and this report.

FISCAL IMPACT

There is no fiscal impact associated with authorizing the Mayor to sign the position letters.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Letter of Support - AB 2296
- Letter of Opposition - AB 1751
- Letter of Opposition - SB 1117
- Letter of Support for Governor's Signature - SB 922