



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MAY 3, 2022**
FROM: PUBLIC WORKS DEPARTMENT **WARDS: ALL**
PUBLIC UTILITIES DEPARTMENT
**SUBJECT: RESOLUTION TO ESTABLISH A SERVICES PRIORITY POLICY FOR LOWER-
 INCOME DEVELOPMENTS IN ACCORDANCE WITH SENATE BILL 1087**

ISSUE:

Adoption of a resolution to establish a services priority policy for proposed lower-income developments in accordance with Senate Bill 1087.

RECOMMENDATION:

That the City Council adopt the proposed resolution for establishing a services priority policy for proposed lower-income developments in accordance with Senate Bill 1087.

BACKGROUND RECOMMENDATION:

On April 11, 2022, the Board of Public Utilities will receive this item. If the Board of Public Utilities recommends the City Council adopt the proposed SB 1087 resolution, it is respectfully requested that the City Council consider this item at the May 3, 2022 meeting.

BACKGROUND:

Senate Bill 1087 (SB 1087) took effect on January 1, 2006. The law requires water and sewer providers to reserve water and sewer capacity for lower-income housing. Adopting the proposed resolution will ensure the City of Riverside (City) complies with this law.

DISCUSSION:

Senate Bill 1087 requires water and sewer services providers to adopt a policy granting priority for the provision of these services to proposed developments that include housing units for lower-income households. Such developments are defined as those that include at least one dwelling unit to be sold or rented to lower-income households, at an affordable cost, or at an affordable rent (Health and Safety Code sections 50052.5, 50053, and 50079.5). Additionally, the California Department of Housing and Community Development requires cities' Housing Elements include

their adopted policy complying with SB 1087. Adopting the proposed resolution would also implement the City's 2025 General Housing Element Program HE-1-12-Affordable Housing Service Prioritization and Implementing Action HE-3.4, which requires the City adopt a policy prioritizing wastewater and water services for affordable housing in the event of service rationing (adopted October 5, 2021).

The adoption of the proposed resolution to implement SB 1087 would apply only to the provision of service to new low-income developments and would not impact any prioritization of water or sewer service in the event of an emergency. The proposed policies and procedures would only take effect if the City was forced to limit or ration water and sewer services for new developments because of limited resources or capacity.

Here, the City is a provider of both water and sewer services within the requirements of SB 1087 and is required to adopt such written policies and procedures. The law requires that such policies and procedures consider the following:

- Regulations and restrictions related to water shortage emergencies.
- The availability of water supplies as determined by the public agency or private entity pursuant to an urban water management plan.
- Plans, documents, and information relied upon by the public agency that provides sewer services enabling a reasonable basis for making service determinations.

The Public Works Director concurs with this report.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority No. 2 - Community Well-Being** and **Goal 2.1 - Facilitate the development of a quality and diverse housing supply that is available and affordable to a wide range of income levels.**

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The proposed resolution's intent is to serve the public interest in a transparent manner.
2. **Equity** – The intent of SB 1087 and proposed resolution conforming to the law is to grant priority for the provision of available and future resources or services to proposed housing developments that help meet regional housing needs for lower-income households.
3. **Fiscal Responsibility** – There is no direct fiscal impact associated with adopting the proposed resolution.
4. **Innovation** – Adopting the proposed resolution will help in meeting the community's changing needs as the City's population is projected to grow and housing prices are on the rise.
5. **Sustainability & Resiliency** – The proposed resolution supports the City's triple bottom line approach to community health, safety, and accessibility.

FISCAL IMPACT:

There is no fiscal impact as a result of this report.

Prepared by: Todd M. Corbin, Utilities General Manager
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Resolution
2. Senate Bill 1087 Text
3. Presentation