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*Rio Dell City Hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
cityofriodell.ca.gov*

September 17, 2024

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Authorize the Mayor to Sign a Letter to the Governor Requesting a Veto of SB 1037

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the Mayor to sign the attached letter.

BACKGROUND AND DISCUSSION

At the Request of the League of California Cities, it is recommended that the Council authorize the Mayor to sign the attached veto request for SB 1037.

**SB 1037 (Wiener) Planning and Zoning: Housing  
Element: Enforcement.**

This measure would fine jurisdictions up to \$50K a month for either not having a compliant housing element or for disregarding any state law regarding the ministerial approval process of an affordable housing project, even if the jurisdiction is acting in good faith. This measure would establish a \$50K per month fine after a court rules a city is out of compliance with housing element law and has not adopted a certified housing element after 120 days and continue until a housing element is certified by HCD.

Attachments:

Draft Letter  
CalCities Material

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September 17, 2024

The Honorable Gavin Newsom  
Governor, State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

**RE: SB 1037 (Wiener) Planning and zoning: housing element: enforcement**  
**Request for VETO**

Dear Governor Newsom,

The City of Rio Dell regrettably requests a **veto** on SB 1037 (Wiener), which would allow the Attorney General to take legal action against a city and seek fines up to \$50K a month for failure to adopt a compliant housing element or if the city does not follow state laws that require ministerial approval of certain housing projects.

Under existing law cities can be subject to significant fines and penalties for violating certain housing laws. However, before fines are imposed, a city has the ability to correct the action. Additionally, enhanced fines are not imposed unless the city fails to follow a court's order or acts in bad faith.

Unfortunately, as currently drafted, SB 1037 does not provide an opportunity for cities to correct an honest mistake or address a genuine difference in interpreting the law. Even those jurisdictions acting in good faith could be subject to significant fines and be required to pay the Attorney General for all costs investigating and prosecuting the action, including expert witness fees and attorney's fees.

The City of Rio Dell believes that instead of creating new fines and penalties, lawmakers and the Department of Housing and Community Development should provide cities with clear guidance and technical assistance to help them finalize their housing elements and put those plans to work so much-needed housing construction can occur.

For these reasons, the City of Rio Dell requests your **veto** on **SB 1037**.

Sincerely,

Debra Garnes  
Mayor  
City of Rio Dell

Cc: The Honorable Scott Wiener (Via  
email:  
[senator.wiener@senate.ca.gov](mailto:senator.wiener@senate.ca.gov))  
Sara Sanders, CalCities  
League of California Cities



# ACTION ALERT

## SB 1037 (Wiener) and AB 1886 (Alvarez)

Together, these measures would unfairly subject cities acting in good faith to fines up to \$50k per month for violating unspecified housing laws and encourage builder's remedy projects that do not adhere to local zoning standards.

## OPPOSE

### ACTION

Voice your **CITY'S OPPOSITION TODAY** by submitting a letter to [your Senator](#) on SB 1037 and submitting a letter to [your Assembly Member](#) on AB 1886.

A sample oppose letter for SB 1037 can be found [HERE](#) and a sample oppose letter for AB 1886 can be found [HERE](#).

Click [HERE](#) to find your Senator and Assembly Member.

### Background:

SB 1037 and AB 1886 are the newest addition to the state's annual barrage of overreaching housing bills that make it harder for cities to help achieve the state's housing goals.

Instead of pursuing legislation that seeks to punish local jurisdictions — even those working diligently to follow ever-changing housing laws — lawmakers should partner with local officials to provide clear guidance and technical assistance that helps them finalize their housing elements and put those plans to work so that much-needed housing construction can occur.

### What do SB 1037 and AB 1886 specifically do?

#### SB 1037 (Wiener)

- Allows the Attorney General to take legal action against a city and seek fines up to \$50K a month for violating unspecified state housing laws that require ministerial approval of certain housing projects or for failing to adopt a housing element that substantially complies with the law, even if the jurisdiction is acting in good faith.

#### AB 1886 (Alvarez)

- Subjects cities to builder's remedy projects unless the California



Department of Housing and Community Development or a court determines that the local agency's housing element substantially complies with the law. The builder's remedy allows a developer to construct a project that is inconsistent with both the city's general plan and zoning standards, except for sites that are identified for very low-, low-, or moderate-income housing.

- Eliminates local government's ability to "self-certify" their housing element.

**Talking points:**

**SB 1037 (Wiener)**

- Under SB 1037, Cities acting in good faith to certify their housing element could be subject to significant fines and be required to pay the Attorney General for all costs investigating and prosecuting the action, including expert witness fees and attorney's fees.
- SB 1037 does not provide an opportunity for cities to correct an honest mistake or address a genuine difference in interpretation of the law.
- New fines and penalties for cities will not build much-needed housing. Permanent, ongoing funding will. That is why **YOUR CITY NAME** is calling on the Governor and lawmakers to invest \$3 billion annually in the state budget to help cities prevent and reduce homelessness and spur housing development.

**AB 1886 (Alvarez)**

- Encouraging builder's remedy projects is counterproductive and could result in homes being built on sites never considered for residential uses.
- What cities really need is for HCD to provide clear guidance and technical assistance to help them finalize their housing elements and put those plans to work so that much-needed housing construction can occur.