REGIONAL HOUSING NEEDS ALLOCATION



TO: ABAG Regional Planning Committee DATE: August 13, 2020

FR: Deputy Executive Director, Policy

RE: <u>Update on California State Housing Legislation</u>

Summary

The 2020 legislative session was an unusual one in Sacramento, with the COVID-19 public health emergency spurring legislative leaders to narrow their focus. While housing and homelessness remained on their priority list, the compressed legislative calendar and budget constraints substantially reduced the total number of housing bills that were heard in committees and that will ultimately reach the Governor's desk. Below is an overview of the legislative landscape as it relates to housing production, protection and preservation (the so-called "3Ps"). A list and summary of the 3P bills that are still active as of the writing of this memo is included in **Attachment A**.

Housing Production Legislative Packages

On May 19, Senate President Pro Tempore Atkins announced a housing bill package intended to bolster production of mid-density and affordable housing by creating new affordable housing production incentives (SB 1085 - Skinner) and opening commercial corridors to residential development (SB 1385 - Caballero). The package additionally includes bills aimed at streamlining the development process, including through establishing new optional tools for local governments to expedite production (SB 902 - Wiener), expanding by-right housing approvals for small multifamily projects (SB 1120 - Atkins), and expanding the existing authorization for streamlined California Environmental Quality Act (CEQA) judicial review to include a new affordable housing category (SB 995 - Atkins).

The Assembly has similarly prioritized a handful of production-focused bills, which include proposals related to zoning for missing middle housing (AB 725 - Wicks and AB 3040 - Chiu); opening commercial corridors to residential development (AB 3107 - Bloom); and streamlining housing approvals (AB 1279 - Bloom).

Preservation, Protection and Homelessness Legislation

The paramount importance of the shelter-at-home order to the state's COVID-19 response has underscored the significance of access to housing to California's overall wellbeing. For California's 3.4 million low-income renters—many of whom are bearing the brunt of the pandemic's impacts—the COVID-19 public health crisis has also exacerbated housing instability. Tenant protections—including proposals for COVID-19 emergency-related eviction and foreclosure moratoriums and homelessness have continued to be legislative priorities this year, though state funding for such programs has been limited given a more constrained budget

environment. At the time this memo was finalized AB 1436 (Chiu)—which extends the prohibition on evictions—is slated for a hearing in the Senate Judiciary Committee.

Regional Housing Needs Allocation – Resiliency Considerations

Of particular relevance to ABAG, SB 182 (Jackson) remains active. The bill would add a sixth objective to the regional housing needs allocation (RHNA) methodology related to promoting resilient communities and would require that ABAG—starting with the *current* RHNA cycle—consider wildfire risk as a factor in developing the RHNA methodology. The bill would require that ABAG (and other councils of government) minimize potential development in "very high fire risk areas," including through taking into account the percentage of a jurisdiction's land considered suitable for development that is in a "very high fire risk" area. The bill would additionally expand local governments' fire hazard planning responsibilities and prohibit local governments from approving developments that aren't adequately protected from fire hazards.